

TO: Workforce Investment Board

Date: May 24, 2001

For Action
 For Information
 Meeting Notes

FROM: Planning and Policy Development Committee

SUBJECT: Self Sufficiency

PROPOSED MOTION: That the Board (1) establish the Self Sufficiency Wage for Adults at \$9.40 per hour, (2) establish the Self Sufficiency Wage for Dislocated Workers at 85% of the individual's dislocation (layoff) wage but in no event less than the Adult Self Sufficiency Wage and (3) direct that Self Sufficiency Wage(s) shall be reassessed at least once per year.

DISCUSSION: WIA (at Section 134(d)(3)(A)(ii)) and the regulations (at 20 CFR § 663.220) stipulate that, in order to receive Intensive or Training Services, employed Adults and Dislocated Workers must have received at least one core service and be determined by a One-Stop operator to be in need of intensive services to obtain or retain employment that leads to self-sufficiency. The regulations (at 20 CFR § 663.230) state that Local Boards must set the criteria for determining whether employment leads to self-sufficiency.

The Planning and Policy Development Committee considered a number of alternative methods and criteria in formulating this recommendation. The Adult wage recommendation is based on the 25th percentile of national usual weekly earnings for adults employed full time and having a high school diploma or less. That figure was adjusted for the difference between national and local cost of living and for anticipated wage inflation. The wage recommendation (85%) for Dislocated Workers is set at the performance target established by the State for the Merced Local Workforce Investment Area.