

DEPARTMENT OF LABOR

Employment and Training Administration

Workforce Investment Act; Lower Living Standard Income Level

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice of determination of lower living standard income level.

SUMMARY: Under Title I of the Workforce Investment Act (WIA) of 1998 (Pub. L. 105-220), the Secretary of Labor annually determines the Lower Living Standard Income Level (LLSIL) for uses described in the Law. WIA defines the term "Low Income Individual" as one who qualifies under various criteria, including an individual who received income for a six-month period that does not exceed the higher of the poverty line or 70 percent of the LLSIL. This issuance provides the Secretary's annual LLSIL for 2003 and references the current 2003 Health and Human Services (HHS) "Poverty Guidelines."

EFFECTIVE DATE: This notice is effective on May 30, 2003.

ADDRESSES: Send written comments to: Mr. Haskel Lowery, Employment and Training Administration, Department of Labor, Room N-4464, 200 Constitution Avenue, NW., Washington, DC 20210.

FOR FURTHER INFORMATION CONTACT: Mr. Haskel Lowery, Telephone 202-693-3608; Fax 202-693-3532 (these are not toll-free numbers).

SUPPLEMENTARY INFORMATION: It is the purpose of the Workforce Investment Act of 1998 "to provide workforce investment activities, through statewide and local workforce investment systems, that increase the employment, retention, and earnings of participants, and increase occupational skill attainment by participants, and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the Nation."

The LLSIL is used for several purposes under WIA: Specifically, WIA Section 101(25) defines the term "low income individual" for eligibility purposes; and sections 127(b)(2)(C) and 132(b)(1)(IV) define the terms "disadvantaged adult" and "disadvantaged youth" in terms of the poverty line or LLSIL for purpose of State formula allotments. The Governor and state/local Workforce Investment Boards use the LLSIL for determining eligibility for youth, eligibility for employed adult workers for certain services, and for the Work Opportunity Tax Credit (WOTC), reauthorized until 2004. We encourage the Governors and state/local Workforce Investment Boards to consult WIA and its Regulations and Preamble at 20 CFR parts 652, 660-671 (published at 65 FR 49294 (Aug. 11, 2000)) et al., for more specific guidance

in applying the LLSIL to program requirements. The HHS published the annual 2003 update of the poverty-level guidelines in the Federal Register at 68 FR 6456 (Feb. 7, 2003). The HHS 2003 Poverty guidelines may also be found on the Internet at: <http://frwebgate.access.gpo.gov/cgi-bin/leaving.cgi?from=leavingFR.html&log=linklog&to=http://www.aoa.gov/network/2003/2003povguidetable.html>.

The Employment and Training Administration (ETA) plans to have the 2003 LLSIL available on its Web site at: <http://frwebgate.access.gpo.gov/cgi-bin/leaving.cgi?from=leavingFR.html&log=linklog&to=http://wdsc.doleta.gov/llsil/llsil2003.asp>.

WIA Section 101(24) defines the LLSIL as "that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary [of Labor] based on the most recent lower living family budget issued by the Secretary." The most recent lower living family budget was issued by the Secretary of Labor in the Fall of 1981.

The four-person urban family budget estimates, previously published by the Bureau of Labor Statistics (BLS), provided the basis for the Secretary to determine the LLSIL. BLS terminated the four-person family budget series in 1982, after publication of the fall 1981 estimates. Currently BLS provides data to ETA, from which it develops the LLSIL tables.

The ETA published the 2002 updates to the LLSIL in the Federal Register of April 8, 2002, at 67 FR 16961. This notice again updates the LLSIL to reflect cost of living increases for 2002, by applying the percentage change in the December 2002 Consumer Price Index for All Urban Consumers (CPI-U), compared with the December 2001, CPI-U, to each of the April 8, 2002 LLSIL figures. Those updated figures for a family-of-four are listed in Table 1 below by region for both metropolitan and nonmetropolitan areas.

Figures in all of the accompanying tables are rounded up to the nearest ten. Since "low income individual," "disadvantaged adult," and "disadvantaged youth" may be determined by family income at 70 percent of the LLSIL, pursuant to WIA Sections 101(25) (B), 127(b)(2)(C) and 132(b)(1)(B)(v)(IV), respectively, those figures are listed below as well.

Jurisdictions included in the various regions, based generally on Census Divisions of the U.S. Department of Commerce, are as follows:

Northeast

- Connecticut
- Maine
- Massachusetts
- New Hampshire
- New Jersey
- New York
- Pennsylvania

Rhode Island
Vermont
Virgin Islands

Midwest

Illinois
Indiana
Iowa
Kansas
Michigan
Minnesota
Missouri
Nebraska
North Dakota
Ohio
South Dakota
Wisconsin

South

Alabama
American Samoa
Arkansas
Delaware
District of Columbia
Florida
Georgia
Northern Marianas
Oklahoma
Palau
Puerto Rico
South Carolina
Kentucky
Louisiana
Marshall Islands
Maryland
Micronesia
Mississippi
North Carolina
Tennessee
Texas
Virginia
West Virginia

West

Arizona
California
Colorado
Idaho
Montana
Nevada
New Mexico
Oregon
Utah

Washington
Wyoming

Additionally, separate figures have been provided for Alaska, Hawaii, and Guam as indicated in Table 2 below.

For Alaska, Hawaii, and Guam, the year 2003 figures were updated from the April 8, 2002, "State Index" based on the ratio of the urban change in the State (using Anchorage for Alaska and Honolulu for Hawaii and Guam) compared to the West regional metropolitan change, and then applying that index to the West regional metropolitan change.

Data on 23 selected Metropolitan Statistical Areas (MSAs) are also available. These are based on semiannual CPI-U changes for a 12-month period ending in December 2002. The updated LLSIL figures for these MSAs and 70 percent of the LLSIL are reported in Table 3 below.

Table 4 below lists each of the various figures at 70 percent of the updated 2003 LLSIL for family sizes of one to six persons. For families larger than six persons, an amount equal to the difference between the six-person and the five-person family income levels should be added to the six-person family income level for each additional person in the family. Where the poverty level for a particular family size is greater than the corresponding LLSIL figure, the figure is indicated in parentheses. Table 5, 100 percent of LLSIL, is used to determine self-sufficiency under WIA Section 134d(3)(A)(ii), as noted at 20 CFR 663.230.

Use of These Data

Governors should designate the appropriate LLSILs for use within the State from Tables 1 through 3. Tables 4 and 5 may be used with any of the levels designated. The Governor's designation may be provided by disseminating information on MSAs and metropolitan and nonmetropolitan areas within the State, or it may involve further calculations. For example, the State of New Jersey may have four or more LLSIL figures: for Northeast metropolitan, for Northeast nonmetropolitan, for portions of the State in the New York City MSA, and for those in the Philadelphia MSA. If a workforce investment area includes areas that would be covered by more than one figure, the Governor may determine which is to be used.

Under 20 CFR 661.110 and 661.120, a State's policies and measures for the workforce investment system will be accepted by DOL to the extent that they are consistent with the WIA and the WIA regulations and DOL guidance.

Disclaimer on Statistical Uses

It should be noted that the publication of these figures is only for the purpose of meeting the requirements specified by WIA as defined in the law and regulations. BLS has not revised the lower living family budget since 1981, and has no plans to do so. The four-person urban

family budget estimates series has been terminated. The CPI-U adjustments used to update the LLSIL for this publication are not precisely comparable, most notably because certain tax items were included in the 1981 LLSIL, but are not in the CPI-U. Thus, these figures should not be used for any statistical purposes, and are valid only for those purposes under the WIA as defined in the law and regulations.

Signed at Washington, DC, this 22nd day of May 2003.

Lorenzo D. Harrison,
Administrator, Office of Youth Services

Attachments