

5400POL Income Eligibility and Verification

Effective Date: March 2021

Last Modified: July 2021

Verifying income is a core requirement in Workforce Innovation and Opportunity Act (WIOA) Title I Adult and Youth participation. Local Workforce Development Councils have the authority to develop additional criteria, policies, and procedures to assist staff determine family size and what may be included or excluded as income for the purpose of determining WIOA Title I Youth and Adult Program eligibility (*WorkSource System Policy 1019, Rev9, Section 3.d*). This policy outlines low-income requirements, defines family size, defines dependent and low-income, and details includable and excludable income.

- 1. Determining family size and family income is used to define an individual's low-income status under the WIOA Section 3(36) definition.** DOL has provided the following guidance for use in determining low-income status:
 - a. Unemployment Insurance, child support payments, and old-age survivors' insurance are includable income for adults and dislocated workers (*TEGL 19-16*).
 - b. Military pay or allowances paid while on active duty or paid by the Department of Veterans Affairs (VA) for vocational rehabilitation, disability payments, or related VA-funded programs are not includable income (*TEGL 19-16; 20 CFR 683.230*).
 - c. Unemployment insurance and child support payments are includable income for youth (*TEGL 21-16*).

- 2. Determining family size:**
 - a. WIOA defines family as two or more individuals related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:
 - i. A married couple and dependent children;
 - ii. A parent or legal guardian and dependent children; or
 - iii. A married couple (Washington's Marriage Equality Act (*RCW 26.6046*) expands the definition of a "married couple" beyond that of a male and female couple).
 - b. If a family of a disabled individual does not meet the income eligibility criteria, the disabled individual may be considered a low-income individual if their own income meets the income criteria of WIOA section 3(36) (*20 CFR 681.280*). The disabled individual would be considered a family of one and only the individual's income would be considered when determining low income.

- 3. Defining Dependent:**
 - a. The state has identified three circumstances where youth must be considered dependents of parents or legal guardians for the purpose of determining family size for program eligibility:
 - i. Youth not yet 18 years old: who are not emancipated nor runaway youth, living "at home" with their parents or legal guardians, including individuals in the temporary care of another individual or household (but not claimed as a dependent by that household).
 - ii. Youth ages 18-19 who are full-time students in a secondary school or equivalent and are living "at home" with their parents or legal guardians.
 - iii. Youth ages 18-24 who are not full-time students and are living "at home" with their parents or legal guardians and who are primarily supported by their parents.

- b. Youth who do not fit the above, are 18 years or older who reside with someone other than the parents or guardians (whether or not related by blood) and are not supported by parents or guardians shall be considered a family of one.
- i. Youth must provide a statement from the individual with whom he/she is residing documenting the support being provided (e.g., room and board); and
 - ii. Provide documentation of any income the youth has earned in the last six months.
 - iii. The income of the individual with whom the youth is residing is not included in determining the youth's income eligibility.
 - iv. Income earned within the last six months by the youth (multiplied by 2 to obtain the annualized income) must not exceed the OMB Poverty Income level guidelines for a family of one for 12 months.

4. Includable and excludable income to determine an individual low-income

a. Family Income Shall Include:

- Wages and salaries before any deductions;
- Net receipts from nonfarm self-employment (receipts from an individual's unincorporated business, professional enterprise, or partnership after deductions for business expenses);
- Net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses);
- Regular payments from railroad retirement benefits, strike benefits from union funds, workers' compensation, and training stipends;
- Alimony;
- Military: Pension payments such as those received by military retirees and pension benefits.
- State and federal unemployment compensation;
- Pensions, whether private or government employee (including military retirement pay);
- Regular insurance or annuity payments;
- College or university grants, fellowships, and assistantships (other than needs-based scholarships);
- Wages earned by WIOA participants while in WIOA programs (except OJT participants);
- Dividends and interest, net rental income, net royalties, and/or periodic receipts from estates or trusts;
- Net gambling or lottery winnings; and
- Regular payments from Social Security Disability Insurance (SSDI)
- Child support payments
- Regular payments from social security (i.e., old-age survivors' insurance);

b. Family Income Shall Exclude:

- Public Assistance cash payments (including Temporary Assistance to Needy Families (TANF), Supplemental Security Income (SSI) from SSA, Refugee Case Assistance, and General Assistance (GA))
- Needs-based scholarship assistance, and financial assistance under Title IV of the Higher Education Act (i.e., Pell Grants Federal Supplemental Educational Opportunity Grants and Federal Work Study, (Stafford and Perkins loans like any other kind of loan are debt and not income);
- Foster case child payments

- Non-cash benefits such as employer-paid fringe benefits, food or housing received in lieu of wages, Medicare, Medicaid, Food Stamps, school meals, fuel or other housing assistance;
- Tax refunds, gifts, loans, lump-sum inheritances, onetime insurance payments, or compensations for injury;
- Capital gains;
- Assets drawn down as withdrawals from a bank, sale of property, a house or a car;
- Income earned while a veteran was on active military duty and certain other veterans' benefits, i.e., compensation for service-connected disability, family compensation for service-connected death, vocational rehabilitation, and education assistance;
- Tribal Government Payments (i.e., Capita Payments, Lease Payments)
- U.S. Housing and Urban Development (HUD) rental assistance subsidies;
- Stipends received in the following programs: VISTA, Peace Corps, Foster Grandparent Program, Youthworks/AmeriCorps Programs, and Retired Senior Volunteer Program; and

5. Exemption of Military Service-Related Income

- a. Any amounts received as military pay or allowances by any person who served on active duty, and certain other specified benefits must be disregarded for the veteran and for other individuals for whom those amounts would normally be applied in making an eligibility determination (see *20 CFR 683.230 and 38 USC Part 4213*).
- b. A veteran must meet each program's eligibility criteria to receive services under the respective employment and training program.
- c. For income-based eligibility determinations, amounts paid while on active duty or paid by the Department of Veterans Affairs (VA) for vocational rehabilitation, disability payments, or related VA-funded programs are not considered as income.
- d. This means many separate service members may qualify for the WIOA adult program because it provides for low-income individuals and military earnings are not to be considered income for this purpose. Title 38 of the USC 4213 also exempts from inclusion in "low income" calculations any financial benefits received by a covered person.
- e. Benefits received under chapter 106 of Title 10 USC Education assistance for members of the selected reserve.
- f. Certain other types of military-related income are not exempt. Specifically, pension payments authorized by Title 10 USC such as those received by military retirees whether or not their retirement was based on disability, are not exempt and are to be included in 'low income' calculations. Also, not exempt are pension benefits paid under Chapter 15 of Title 38 USC.

References

Administrative Provisions Under Title I of the Workforce Innovation and Opportunity Act, Code of Federal Regulations Title 20, Chapter V, [20 CFR Part §683](#)

Do veterans receive priority of service under the WIOA, Code of Federal Regulations Title 20, Chapter V, [20 CFR §680.650](#)
Eligibility Policy and Handbook, [WorkSource System Policy 1019 \(Rev9\)](#)

Eligibility requirements for veterans under Federal Employment, Title 38 Part III, Chapter 42, [38 CFR §4213](#)

Guidance on Services, Implementation of WIOA Final Rules, Training and Employment Guidance Letter, [TEGL 19-16](#)

HHS Poverty Guidelines Annual Update, Federal Register, [87 FR 3315](#)

Lower Living Standard Income Level by Family Size, [WorkSource Information Notice 0056 \(Rev10\)](#)

McKinney-Vento Homeless Assistance Act, [USC NCHE Title IX, Part A](#)

OWDC 5100POL Program Eligibility, 110POL Adult Eligibility, 5130POL Youth Eligibility, 5410ATT Lower Living Standard Income Level (LLSIL)

Pension for Non-Service-Connected Disability or Death or Service, Veteran's Benefits, Title 38, Chapter 15, [Title 38 USC](#)
Veterans Benefits, Compilation of the Social Security Laws, [Title 38 USC §101](#)
Washington's Marriage Equality Act, State Registered Domestic Partnerships, [RCW 26.6046](#)
WIOA 2023 Lower Living Standard Income Level ([LLSIL](#))
Youth Formula Program Guidance, Training and Employment Guidance Letter, [TEGL 21-16, Change1](#)