

DEPARTMENT OF LABOR

Employment and Training
AdministrationJob Training Partnership Act and Work
Opportunity Tax Credit; Lower Living
Standard Income Level

AGENCY: Employment and Training
Administration, Labor.

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

SUMMARY: The Job Training Partnership
Act (JTPA) provides that the term
"economically disadvantaged" may be
defined as 70 percent of the "lower
living standard income level" (LLSIL).
To provide the most accurate data
possible, the Department of Labor is
issuing revised figures for the LLSIL.
The Internal Revenue Code also
provides that the term "economically
disadvantaged" may be defined as 70
percent of the LLSIL for purposes of the
Work Opportunity Tax Credit (WOTC).
EFFECTIVE DATE: This notice is effective
on May 6, 1998.

ADDRESSES: Send written comments to:
Mr. Ron Putz, Office of Employment
and Training Programs, Employment
and Training Administration,
Department of Labor, Room N-4463,
200 Constitution Avenue NW.,
Washington, DC 20210.

FOR FURTHER INFORMATION CONTACT: Mr.
Ron Putz, Telephone: 202-219-5229
(this is not a toll free number).

SUPPLEMENTARY INFORMATION: It is a
purpose of the Job Training Partnership
Act (JTPA) "to establish programs to
prepare youth and adults facing serious
barriers to employment for participation
in the labor force by providing job
training and other services that will
result in increased employment and
earnings, increased educational and
occupational skills, and decreased
welfare dependency, thereby improving
the quality of the work force and
enhancing the productivity and
competitiveness of the Nation," JTPA
Section 2 and 20 CFR 626.1. JTPA
Section 4(8) defines, for the purposes of
JTPA eligibility, the term "economically
disadvantaged" in part by reference to
the "lower living standard income
level" (LLSIL).

The LLSIL figures published in this
notice shall be used to determine
whether an individual is economically
disadvantaged for applicable JTPA
purposes. JTPA Section 4(16) defines
the LLSIL as follows: The term "lower
living standard income level" means
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.
Internal Revenue Code (I.R.C.) Section
51 established the Work Opportunity
Tax Credit (WOTC) for a portion of the
wages paid by employers from
"targeted" groups. The LLSIL figures
published in this notice shall be used to
determine whether an individual is a
member of one of the targeted groups for
applicable WOTC purposes.

The most recent lower living family
budget was issued by the Secretary in
the fall of 1981. Using those data, the
1981 LLSIL was determined for
programs under the now-repealed
Comprehensive Employment and
Training Act, and for the WOTC. 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 for training and
employment program operators. BLS
terminated the four-person family
budget series in 1982, after publication
of the Fall 1981 estimates.

Under JTPA, the Employment and
Training Administration (ETA)
published the 1997 updates to the LLSIL
in the **Federal Register** of April 25,
1997, 62 FR 20205. ETA has again
updated the LLSIL to reflect cost of
living increases for 1997 by applying the
percentage change in the December
1997 Consumer Price Index for All
Urban Consumers (CPI-U), compared
with the December 1996 CPI-U, to each
of the April 25, 1997, LLSIL figures.
Those updated figures for a family of
four are listed in Table 1 below by
region for both metropolitan and
nonmetropolitan areas. Since eligibility
is determined by family income at 70
percent of the LLSIL, pursuant to
Section 4(8) of JTPA, 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	New York
Maine	Pennsylvania
Massachusetts	Rhode Island
New Hampshire	Vermont
New Jersey	Virgin Islands

Midwest

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

South

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

West

Arizona	New Mexico
California	Oregon
Colorado	Utah
Idaho	Washington
Montana	Wyoming
Nevada	

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

For Alaska, Hawaii, and Guam, the
1998 figures were updated by creating a
"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 nonmetropolitan change.

Data on 25 selected Metropolitan
Statistical Areas (MSAs) are also
available. These are based on monthly,
bimonthly or semiannual CPI-U
changes for a 12-month period ending in
December 1997. The updated LLSIL
figures for these MSAs, and 70 percent
of the LLSIL, rounded to the next
highest ten, are set forth in Table 3
below.

Table 4 below is a listing of each of
the various figures at 70 percent of the
updated 1998 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.

Section 4(8) of JTPA defines
"economically disadvantaged" as,
among other things, an individual
whose family income was not in excess
of the higher of the poverty level or 70
percent of the LLSIL. The Department of
Health and Human Services published
the annual update of the poverty-level
guidelines at 63 FR 9235 (February 24,
1998).

Use of These Data

Based on these data, Governors
should provide the appropriate figures
to service delivery areas (SDAs), State
Employment Security Agencies, and

employers in their States to use in determining eligibility for JTPA and WOTC. The Governor should designate the appropriate LLSILs for use within the State from Tables 1 through 3. Table 4 may be used with any of the levels designated.

Information 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 figures: metropolitan, nonmetropolitan, for portions of the State in the New York City MSA, and for those in the Philadelphia MSA. If an SDA includes areas that would be

covered by more than one figure, the Governor may determine which is to be used. Pursuant to the JTPA regulations at 20 CFR 627.200, guidelines, interpretations, and definitions adopted by the Governor shall be accepted by the Secretary to the extent that they are consistent with the JTPA and the JTPA regulations.

Disclaimer on Statistical Uses

It should be noted that the publication of these figures is only for the purpose of determining eligibility for applicable JTPA and WOTC programs. 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 eligibility determination purposes under the JTPA and WOTC programs.

Signed at Washington, DC, this 27th day of April, 1998.

Charles Atkinson,

Deputy Administrator, Office of Job Training Programs.

BILLING CODE 4510-30-P

Appendix

Table 1 -- Lower Living Standard Income Level By Region¹

Region	1998 Adjusted LLSIL	70 percent LLSIL
Northeast		
Metro.....	28,210	19,750
Non-Metro.....	27,900	19,530
Midwest		
Metro.....	26,160	18,310
Non-Metro.....	24,820	17,370
South		
Metro.....	24,790	17,350
Non-Metro.....	23,520	16,470
West		
Metro.....	27,740	19,420
Non-Metro.....	27,460	19,230

¹ For ease of calculation, these figures have been rounded to the next highest ten dollars.

Table 2 -- Lower Living Standard Income Level -- Alaska, Hawaii and Guam¹

Region	1998 Adjusted LLSIL	70 percent LLSIL
Alaska:		
Metro.....	35,430	24,800
Non-Metro.....	34,480	24,140
Hawaii-Guam:		
Metro.....	37,470	26,230
Non-Metro.....	36,810	25,770

¹ Rounded to the next highest ten dollars.

Table 3 -- Lower Living Standard Income Level -- 25 MSAs¹

Region MSA	1998 Adjusted LLSIL	70 percent LLSIL
Anchorage, AK.....	35,430	24,800
Atlanta, GA.....	24,870	17,410
Baltimore, MD.....	25,890	18,130
Boston--Lawrence--Salem, MA/NH.....	29,730	20,810
Buffalo--Niagara Falls, NY.....	25,730	18,010
Chicago--Gary--Lake County, IL/IN/WI.....	27,440	19,210
Cincinnati--Hamilton, OH/KY/IN.....	26,090	18,270
Cleveland--Akron--Lorain, OH.....	27,070	18,950
Dallas--Ft Worth, TX.....	23,570	16,500
Denver--Boulder, CO.....	27,190	19,040
Detroit--Ann Arbor, MI.....	25,240	17,670
Honolulu, HI.....	37,470	26,230
Houston--Galveston--Brazoria, TX.....	23,110	16,180
Kansas City, MO/KS.....	25,520	17,870
Los Angeles--Anaheim-- Riverside, CA.....	28,200	19,740
Milwaukee, WI.....	26,350	18,450
Minneapolis--St Paul, MN/WI.....	25,550	17,890
New York--Northern N.J.-- Long Island, NY/NJ/CT.....	29,460	20,620
Philadelphia--Wilmington-- Trenton, PA/NJ/DE/MD.....	27,540	19,280
Pittsburgh--Beaver Valley, PA.....	26,390	18,470
St Louis--East St Louis, MO/IL.....	25,270	17,690
San Diego, CA.....	28,520	19,960
San Francisco--Oakland-- San Jose, CA.....	28,800	20,160
Seattle--Tacoma, WA.....	30,120	21,080
Washington, DC/MD/VA.....	29,810	20,870

¹ Rounded to the next highest ten dollars.

Table 4--SEVENTY PERCENT OF UPDATED 1998 LLSIL, BY FAMILY SIZE¹

Family of One	Two	Three	Four	Five	Six
(5,830)	(9,550)	(13,110)	(16,180)	(19,100)	22,330
(5,930)	(9,720)	(13,350)	16,470	19,440	22,730
(5,940)	(9,740)	(13,370)	16,500	19,470	22,770
(6,250)	(10,240)	14,060	17,350	20,780	23,950
(6,260)	(10,250)	14,070	17,370	20,500	23,980
(6,270)	(10,280)	14,110	17,410	20,550	24,030
(6,370)	(10,430)	14,320	17,670	20,860	24,390
(6,370)	(10,440)	14,330	17,690	20,880	24,420
(6,440)	(10,550)	14,480	17,870	21,090	24,670
(6,440)	(10,560)	14,500	17,890	21,110	24,690
(6,490)	(10,630)	14,590	18,010	21,260	24,860
(6,530)	(10,700)	14,690	18,130	21,400	25,020
(6,580)	(10,780)	14,800	18,270	21,560	25,220
(6,600)	(10,810)	14,840	18,310	21,610	25,270
(6,650)	10,890	14,950	18,450	21,780	25,470
(6,650)	10,900	14,970	18,470	21,800	25,490
(6,830)	11,190	15,350	18,950	22,370	26,160
(6,860)	11,240	15,430	19,040	22,470	26,280
(6,920)	11,340	15,560	19,210	22,670	26,510
(6,930)	11,350	15,580	19,230	22,700	26,540
(6,950)	11,380	15,620	19,280	22,750	26,610
(7,000)	11,460	15,730	19,420	22,920	26,800
(7,040)	11,530	15,820	19,530	23,050	26,960
(7,110)	11,650	15,990	19,740	23,300	27,250
(7,110)	11,660	16,000	19,750	23,310	27,260
(7,190)	11,780	16,170	19,960	23,560	27,550
(7,260)	11,900	16,330	20,160	23,790	27,830
(7,430)	12,170	16,710	20,620	24,340	28,460
(7,500)	12,280	16,860	20,810	24,560	28,720
(7,520)	12,320	16,910	20,870	24,630	28,810
(7,590)	12,440	17,080	21,080	24,880	29,090
8,690	14,250	19,560	24,140	28,490	33,320
8,930	14,640	20,090	24,800	29,270	34,230
9,280	15,210	20,880	25,770	30,410	35,570
9,450	15,480	21,250	26,230	30,960	36,200

1 Figures provided in Tables 1–3 of this notice are for a family of four persons. To use Table 4, the appropriate figure should be found in the Family of Four column. Then one may read across the row for family sizes other than four in the appropriate column.