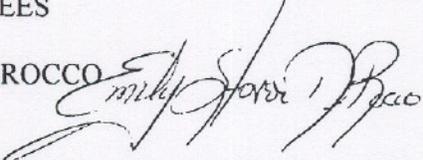


EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION
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ADVISORY : TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 13-04
TO : ALL SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM GRANTEES
FROM : EMILY STOVER DeROCCO 
Assistant Secretary
SUBJECT: Revised Income Definitions and Income Inclusions and Exclusions for Determining Senior Community Service Employment Program (SCSEP) Eligibility

1. **Purpose.** To delineate the policy changes in the SCSEP income guidelines.
2. **References.** 2000 Amendments to the Older Americans Act (OAA), P.L. 106-501; 20 CFR Part 641, U.S. Census Bureau's Current Population Survey (CPS).
3. **Background.** The Department of Labor (the Department) reserved § 641.507 of the SCSEP Proposed Rule, relating to the types of income that are included and excluded for participant eligibility determinations, in the SCSEP Proposed Rule. The Department did not receive any comments proposing the use of established criteria for income eligibility. Absent comment from the public on this issue, the Department decided to use the CPS as the standard for determining income eligibility for the SCSEP as indicated in § 641.507 of the Preamble to the SCSEP Final Rule. Older Worker (OW) Bulletin 95-5, which had governed income eligibility determinations, listed the inclusions and exclusions for determining an applicant's income without reference to any established standard. As referenced in OW Bulletin 04-02, the Federal Poverty Income Guidelines issued by the Department of Health and Human Services provide the basis for determining the levels of low income that establish eligibility for the SCSEP. The previous OW Bulletin 04-05 provided administrative guidance on the new CPS-based income eligibility determination procedures.

A number of grantee concerns related to the impact of the new guidelines on the recruitment of eligible participants has surfaced. The Department has attended several meetings with the grantees to discuss and attempt to resolve the issues that have been identified. Further, both national and state grantees have requested additional clarification about the application of the guidelines.

4. **Revised Policies.** The Department has agreed to three key policy changes:

- The definition of family now conforms to the WIA definition of family (Attachment II) unless the applicant is claimed as a dependent on the Federal income tax return of another family member. In the latter case, the CPS definition of family will apply.
- For applicants 65 years of age or older, only Social Security income minus Medicare deductions will be included for income eligibility determination.
- The look-back period for income eligibility determination will now be the six month period prior to application, annualized.

5. **Clarification of Procedures.**

Program Eligibility. Eligibility is limited to low-income persons who are 55 years or older and **unemployed** at the time of application as provided at section 502(a)(1) of the 2000 Amendments.

Includable Income. With certain exceptions, which will be delineated herein, the CPS official definition of "Income" will govern the determination of SCSEP applicant eligibility. The CPS income sources that apply are as follows:

- Earnings
- Unemployment compensation
- Social Security, including Social Security Disability Insurance
- Veterans' payments
- Survivor benefits
- Pension or retirement income
- Interest
- Dividends
- Rents, royalties, and estates and trusts
- Educational assistance
- Alimony
- Financial assistance from outside of the household
- Other incomes

As noted above, the Department has decided to exclude, for purposes of eligibility determination, certain income sources that the CPS official definition of "Income" includes. We based this decision in recognition of the fact that certain of these income sources rise out of some state of dependency or to encourage individuals drawing benefits to return to work. These income sources are:

- Supplementary Security Income
- Public assistance including income from other employment and training programs

- Supplementary Security Income
- Public assistance including income from other employment and training programs
- Disability benefits, except SSDI
- All forms of child support
- Workers' compensation
- The first \$2,000 of certain per capita fund distributions that are made to Indians pursuant to the Indian Claims Act, P.L. 93-134 and P.L. 97-458.
- Any other income exception required by applicable Federal law.

The Department will also exclude, for purposes of SCSEP applicant eligibility, the same income sources that the CPS does not count in its official definition of income:

- Capital gains people received (or losses they incur) from the sale of property, including stocks, bonds, a house, or a car (unless the person engaged in the business of selling such property, in which case the CPS counts the net proceeds as income from self-employment).
- Withdrawals of bank deposits
- Money borrowed
- Tax refunds
- Gifts
- Lump-sum inheritances, insurance payments, gambling and lottery earnings

CPS Definitions and Explanations for all of the above-cited income inclusions and exclusions are detailed in Attachment I.

6. **Action Required:** SCSEP grantees must advise all staff that make income eligibility determinations about these policy changes and clarifications. SCSEP grantees must also identify the new strategies they will utilize to recruit applicants who can meet the new income eligibility determination criteria.
7. **Effective Date.** Immediately
8. **Rescission.** Older Worker Bulletin 95-5 and original Older Worker Bulletin 04-05
9. **Inquiries.** Questions should be directed to your Federal Project Officer.
10. **Attachments.**

Attachment I, CPS Income Definitions and Explanations
 Attachment II, Procedures for Computing Annual Family Income to Determine
 Income Eligibility for SCSEP