

**ALASKA FOOD STAMP PROGRAM
STATE-CERTIFIED WAIVER
OF
PRWORA SECTION 824**

Rule Waived: Section 824 - Personal Responsibility and
Work Opportunity Reconciliation Act of 1996

State: State of Alaska, Department of Health and Social Services,
Division of Public Assistance

Region: Food and Nutrition Service, Western Regional

Requirement:

The State of Alaska, Department of Health and Social Services proposes renewal of a partial waiver of the work requirement set out in section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This section creates time-limited food stamp eligibility for able-bodied adults without children unless they work. It also provides that a state may ask the Secretary for a waiver to exempt individuals residing in certain areas from this work requirement if the unemployment rate is over 10 percent or there are insufficient jobs available.

To continue getting food stamps, able-bodied adults without dependents (ABAWDs) age 18 through 49, must comply with the Food Stamp Program work requirements. Unless otherwise exempt, these individuals must work at least 20 hours per week, averaged monthly, or participate in an approved work program to get food stamps. If the requirements are not met, they can get food stamps for only 3 months in 36 months. Additional months of eligibility can be regained under certain conditions.

Category Under Which The Waiver Is Being Submitted:

Self-Certification based on unemployment rate over 10 percent.

Duration Of The Waiver:

One Year. April 1, 1999 through March 31, 2000.

Proposed Alternative Procedures:

Based on high unemployment rates, Alaska proposes to waive the PRWORA Section 824 work requirements in certain Alaska census areas. The Alaska Department of Labor has provided Local Area Unemployment Statistics (LAUS) for calendar year 1998 which are used as the basis for this request. The waiver would exempt ABAWDs residing in specified census areas from the

requirement during certain months when unemployment is highest. The time periods for the exemption coincide with the Alaska's harsh winter months and seasonal employment trends.

Under the waiver, all ABAWDs in Alaska will be subject to the requirement at least part of the year. About 55 percent of ABAWDs live in areas which will be seasonally exempt. The remaining 45 percent will not be exempt from the rule. A majority of Alaska communities will have seasonal ABAWD work requirement exemptions under the plan.

The work requirement will not apply to the specified census areas during the months designated as exempt by this waiver. The work requirement will be in effect in any non-exempt month.

Any ABAWDs residing in a seasonally exempt area who exhaust their three-month food stamp eligibility could get food stamps during the exempt months, if otherwise eligible. At the end of the exempt period they would be considered ineligible for food stamps. The exempt months will count toward the 36-month period eligibility period.

Several census areas containing larger cities and robust local economies will be subject to the ABAWD work rule year-round.

Justification:

The state elects to waive the ABAWD requirements because of the hardship caused for low-income Alaskans by limiting food assistance in areas and periods of highest unemployment.

A seasonal waiver emphasizes the importance of work message, and provides food assistance during periods of highest need.

Many Alaska census areas have persistently or seasonally high unemployment rates. There are not always jobs available for everyone wanting to work.

All census areas proposed for state-certified waiver of the ABAWD work requirement have unemployment rate averages in excess of 10 percent during their specified exemption period. Each also has a current U.S. Department of Labor, Labor Surplus Area designation.

Alaska is a vast state with a small population. Local economies in many areas, particularly remote rural regions, cannot easily provide year-round paid employment for everyone wanting to work. This fact coupled with the severity and length of winter contributes to high seasonal unemployment in Alaska.

Areas Covered By The Request:

The following Alaska census areas are exempt by state-certified waiver: Denali; SE Fairbanks; Haines; Kenai; Ketchikan; Kodiak Island; Northwest Arctic; Prince of Wales; Skagway/Hoonah/Angoon; Valdez/Cordova; Wade Hampton; Wrangell/Petersburg; Yakutat; and Yukon/Koyukuk.

What Season?

For the following Alaska census areas we will separately request the Secretary's approval for a work requirement waiver based on current Labor Surplus Area designation: Bethel; Bristol Bay; Dillingham; Fairbanks North Star Borough; Lake and Peninsula; Matanuska/Susitna; and Nome.

The attached chart titled Work Requirements Waiver Summary displays which census areas are seasonally exempt from the ABAWD work requirement, and the length of the exemption period. It also provides area details including: average annual unemployment rates; the unemployment rate for the state-certified exempt period; population; average monthly food stamp household participation; and whether the area is designated as a U.S. DOL Labor Surplus Area. A census area map of Alaska is also provided for reference.

Attachment

Work Requirement Waiver Summary

1998 Alaska Unemployment Chart

Map of Alaska Boroughs and Census Areas

ALASKA FOOD STAMP PROGRAM WAIVER REQUEST OF PRWORA SECTION 824

Rule Waived: Section 824 - Personal Responsibility and Work
Opportunity Reconciliation Act of 1996

State: State of Alaska, Department of Health and Social Services
Division of Public Assistance

Region: Food and Nutrition Service, Western Region

Requirement:

The State of Alaska requests a partial waiver of Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This section creates time-limited food stamp eligibility for able-bodied adults age 18 through 49 without children, unless they work.

To continue getting food stamps, able-bodied adults without dependents (ABAWDs) age 18 through 49, must comply with Food Stamp Program work requirements. Unless otherwise exempt, to get food stamps these individuals must work at least 20 hours per week, averaged monthly, or participate in an approved work program. Otherwise, they can get food stamps for only 3 months in 36 months.

The law allows states to request a waiver from the rule for individuals residing in areas that have an unemployment rate over 10 percent, or do not have a sufficient number of jobs.

Category Under Which the Waiver is Being Submitted:

The census areas do not have a sufficient number of jobs. USDA Secretary approval required.

Duration Of The Waiver:

One year: April 1, 1999 through March 31, 2000.

Proposed Alternative Procedures:

Six other census areas not self-certified for exemption by the state have persistent high unemployment rates, and have an insufficient number of jobs. Other circumstances help justify a seasonal waiver of the ABAWD work requirement in these regions. *Each of these census areas has a Labor Surplus Area designation from the U.S. Department of Labor.*

The ABAWD work requirement will not apply during the months of the seasonal exemption. The new work rule will be in effect during all non-exempt months. ABAWDs residing in these areas who exhaust their three month in 36 month food stamp eligibility could get food stamps during exempt months, if otherwise eligible. The exempt months will count toward the individual's 36-month food stamp eligibility calendar.

Justification:

BETHEL CENSUS AREA

The state proposes an October through June seasonal work requirement exemption period for this region. This aligns the exempt period with that of the adjacent Wade Hampton census area that is also served by our Bethel office. This remote Southwest Alaska region has many small villages. There are few available jobs and very high seasonal unemployment during the severe winter months. A 1990 census summary indicates that in the villages of this region 45 to 75 percent of persons over 16 were not employed.

More recent surveys support these findings and show that the official unemployment rate greatly understates village unemployment. Rural areas in Alaska have perpetually high unemployment. Because many rural residents are marginally attached to the labor force, they are not captured in the official unemployment rates. Hence, the Alaska Department of Labor states the official calculation undoubtedly understates rural unemployment rate. The 1998 unemployment rate for the proposed exemption period for the region is 8.1 percent.

There is a significant extenuating circumstance currently affecting the region. The fishing season was again very poor last year. Traditional subsistence needs for fish for food were also hard to fulfill. The many households that fish commercially in the area each summer made little or nothing for their effort if they fished at all. Fishing is a common work activity for many ABAWDs and other food stamp recipients. Many have incurred debt and ongoing financial hardship as a result.

Area Covered by this Request:

The Bethel Census area population is about 16,000. The number of households getting food stamps is 989. We estimate 125 households contain an individual subject to the ABAWD work requirement. The 35 surrounding villages in this large census area have an average population less than 300 persons. These communities which contain 82 percent of the food stamp recipients in the census area.

BRISTOL BAY CENSUS AREA

The state proposes a five-month, December through April, seasonal ABAWD work requirement waiver for this area. These rural areas in Alaska have perpetually high unemployment. Census data shows villages in the area have 35 to 55 percent unemployment of individuals 16 years and older. Because many of these residents are marginally attached to the labor force, they are not

captured in the official unemployment rates. Hence, the Alaska Department of Labor states the official rate undoubtedly understates unemployment in rural Alaska. The 1998 unemployment rate for the proposed exemption period is 9.3 percent. *The U.S. Department of Labor has designated this a Labor Surplus Area.*

Fishing, on which the area depends on almost entirely for economic stability was so poor again last year, it led to a state disaster declaration. The many households that fish commercially in the area each summer made little or nothing for their effort if they could afford to fish at all. Traditional subsistence needs for fish for food were also hard to fulfill. Fishing is a common work activity for many ABAWDs and other food stamp recipients. Many have incurred debt and greater financial hardship as a result of the poor fishing season.

This request allows Bristol Bay to have a work requirement exemption, and better aligns our policy with the neighboring Dillingham and Lake and Peninsula census areas, which are served by the same state office. This waiver helps assure uniform policy and helps avoid inequitable treatment of ABAWDs in nearby communities.

Area Covered by this Request:

The Bristol Bay census area population is about 1,300, living in three small communities. There are currently 19 households participating in the Food Stamp Program in this area.

DILLINGHAM CENSUS AREA

The state proposes a five-month, December through April, seasonal ABAWD work requirement waiver for this area. These rural areas in Alaska have perpetually high unemployment. Census data shows many villages have 40 to 75 percent unemployment of individuals 16 years and older. Because many of these residents are marginally attached to the labor force, they are not captured in the official unemployment rates. Hence, the Alaska Department of Labor states the official calculation undoubtedly understates the rate of unemployment rural Alaska. The 1998 unemployment rate for the proposed exemption period is 6.4 percent. *The U.S. Department of Labor has designated this a Labor Surplus Area.*

Fishing, on which the area depends on almost entirely for economic stability was so poor again last year, it led to a state disaster declaration. The many households that fish commercially in the area each summer made little or nothing for their effort if they could afford to fish at all. Traditional subsistence needs for fish for food were also hard to fulfill. Fishing is a common work activity for many ABAWDs and other food stamp recipients. Many have incurred debt and greater financial hardship as a result of the poor fishing season.

This request allows Dillingham to have an exemption and better aligns our policy with the neighboring Bristol Bay area, which is served by the same state office. This waiver helps assure uniform policy and helps avoid inequitable treatment of ABAWDs in nearby communities.

Area Covered by this Request:

The Dillingham census area population is about 4,700. There are now 278 households participating in the Food Stamp Program. Fifty percent of the census area residents live in Dillingham city. The 10 surrounding villages have an average population of 220. These 10 villages contain 80 percent of the food stamp participants in the area.

FAIRBANKS CENSUS AREA

Alaska proposes a three-month, January through March, exemption from the food stamp work requirement for the Fairbanks North Star Borough census area.

Several factors support this work requirement waiver request. This area does have high seasonal unemployment rates. The unemployment rate for the Fairbanks Borough for the January through March 1998 base period was 7.3 percent. *The Borough has been designated a Labor Surplus Area by the U.S. Department of Labor.*

Like most of Alaska, Fairbanks has definite seasonal employment trends. In this community winter temperatures often drop to -40, with less than four daylight hours. Many job markets such as construction work or tourism, shut down during the long winter. January through March is the most difficult time to find work in this area.

Area Covered by this Request:

The population of this census area is around 84,000 persons. More than half the area population lives in the immediate vicinity of Fairbanks. The rest live in smaller communities outside the city. The Food Stamp Program caseload in the area is now 1,487 cases. About 175 households are subject to the ABAWD work requirement in this area.

LAKE AND PENINSULA CENSUS AREA

The state proposes a four-month, January through April, seasonal ABAWD work requirement waiver for this area. These rural areas in Alaska have perpetually high unemployment. Census data shows villages in the area have 35 to 75 percent unemployment of individuals 16 years and older. Because many of these residents are marginally attached to the labor force, they are not captured in the official unemployment rates. Hence, the Alaska Department of Labor states the official rate undoubtedly understates unemployment in rural Alaska. The 1998 unemployment rate for the proposed exemption period is 9.5 percent. *The U.S. Department of Labor has designated this a Labor Surplus Area.*

Fishing, on which the area depends on almost entirely for economic stability was so poor again last year, it led to a state disaster declaration. The many households that fish commercially in the area each summer made little or nothing for their effort if they could afford to fish at all. Traditional subsistence needs for fish for food were also hard to fulfill. Fishing is a common

work activity for many ABAWDs and other food stamp recipients. Many have incurred debt and greater financial hardship as a result of the poor fishing season.

This request allows the Lake and Peninsula census area to have a work requirement exemption, and better aligns our policy with the neighboring Dillingham and Bristol Bay census areas, which are served by the same state office. This waiver helps assure more uniform policy and helps avoid inequitable treatment of ABAWDs in nearby communities.

Area Covered by this Request:

The Lake and Peninsula census area population is about 1,850, living in 17 small communities with 35 to 180 inhabitants. There are now 97 households in this area participating in the Food Stamp Program.

MATANUSKA-SUSITNA CENSUS AREA

The state proposes a four-month, January through April, seasonal ABAWD work requirement waiver for this area. The Matanuska valley area has high seasonal unemployment during the winter months. The 1998 unemployment rate for the proposed exemption period is 9.0 percent. *The U.S. Department of Labor has designated this a Labor Surplus Area.*

This census area is large and about half the residents live outside of the established communities. The local job market is seasonal, declining sharply during the winter months. Though the area is spread along the road system, there is not a public transportation system. This limits work opportunities for persons without reliable transportation.

Area Covered by this Request:

The Matanuska-Susitna census area contains about a dozen small communities. The population of the area is about 54,500. There is 1,550 households participating in the Food Stamp Program in this area. There is an estimated 100 households containing an ABAWD.

Attachments

Work Requirement Waiver Summary (Lists Alaska census areas and seasonal ABAWD waiver periods. USDA waiver approval census areas denoted by **)

1998 Alaska Unemployment Chart (Monthly unemployment rates by census area)

Labor Surplus Area Designation for FFY 98

Alaska Boroughs and Census Areas (Map and community detail for Bethel, Bristol Bay, Dillingham, Fairbanks North Star Borough, Lake and Peninsula Borough, and Matanuska-Susitna Borough).

FOOD STAMP PROGRAM
ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWD)
WORK REQUIREMENT WAIVER SUMMARY

CENSUS AREA	POPULATION	AVERAGE MONTH FS CASES	WORK REQUIREMENT EXEMPT PERIOD	UNEMPLOY. RATE DURING EXEMPT PERIOD	LABOR SURPLUS AREA?	1998 UNEMPLOYMENT RATE
Aleutian East	2,177	48	None		NO	3.1%
Aleutian West	5,389	36	None		NO	5.4%
Anchorage	258,782	4,738	None		NO	4.3%
Bethel**	15,997	989	Oct-June	8.1%	YES	8.1%
Bristol Bay**	1,297	19	Oct-April	9.3%	YES	7.0%
Denali*	1,864	30	Oct-April	11.1%	YES	7.9%
Dillingham**	4,708	278	Dec-April	6.4%	NO	6.9%
Fairbanks NSB**	83,928	1,487	Jan-March	7.3%	YES	5.8%
SE Fairbanks*	6,402	185	Oct-May	11.5%	YES	9.8%
Haines*	2,476	57	Nov-April	13.5%	YES	10.2%
Juneau	30,236	574	None		NO	5.4%
Kenai*	48,815	1,198	Oct-April	12.0%	YES	10.3%
Ketchikan*	14,231	484	Jan-March	10.4%	YES	7.2%
Kodiak Island*	13,848	254	Nov-Jan	10.7%	YES	7.1%
Lake Peninsula**	1,852	97	Jan-April	9.5%	YES	7.7%
Matanuska/ Susitna**	54,526	1,550	Jan-April	9.0%	YES	7.2%
Nome**	9,402	463	Oct-June	9.3%	YES	9.4%
North Slope	7,403	48	None		NO	5.4%
NW Arctic*	6,844	272	Oct-June	11.4%	YES	11.4%
Prince of Wales*	6,884	233	Dec-June	14.5%	YES	12.0%
Sitka	8,779	180	None		YES	5.3%
Skagway/*						
Hoonah/Angoon	3,664	66	Jan-April	12.2%	YES	7.6%
Valdez/Cordova*	10,365	189	Oct-April	10.4%	YES	8.5%
Wade Hampton*	7,063	603	Oct-June	13.8%	YES	13.9%
Wrangell/ Petersburg*	7,138	154	Dec-April	12.9%	YES	8.9%
Yakutat*	810	12	Dec-May	15.0%	YES	12.4%
Yukon/Koyukuk*	6,453	347	Oct-June	13.9%	YES	13.1%
STATE TOTAL	621,333	14,591				6.00%
* State-certified waiver areas ** Request for USDA LSA area waiver						