



United States Department of Agriculture
Food and Nutrition Service

Southwest Region

NOV 3 1999

Reply to
Attn of: SWFS-309

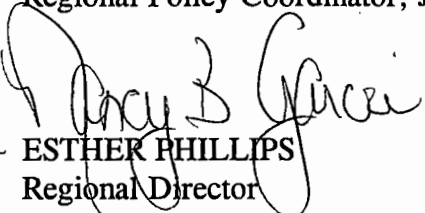
Subject: FSP - Arkansas Waiver Extension Request - 980013 - Section 6(o), Food Stamp Act of 1977

To: Arthur T. Foley, Director
Program Development Division

We are forwarding a request from the Arkansas Department of Human Services to extend its current waiver 980013. Arkansas requests this extension so that individuals in 40 counties and two cities would be exempt from the work requirements of Section 6(o) based on Labor Surplus Area designation by the Employment and Training Administration of the Department of Labor. The State also wishes to include Conway County in this extension since it was previously approved as a modification to the current waiver.

The current waiver extension will expire on December 31, 1999. We recommend approval of this waiver extension request to expire on December 31, 2000.

A copy of the Waiver Request Outline is attached. If you need any additional information, please contact our Arkansas State Manager, Alan Steinshnider at (214) 290-9906 or our Regional Policy Coordinator, Jeannette Morris, at (214) 9806.


for ESTHER PHILLIPS
Regional Director
Food Stamp Program

Attachment



Arkansas Department of Human Services

Division of County Operations

Donaghey Plaza South
P.O. Box 1437
Little Rock, Arkansas 72203-1437
TDD (501) 682-8275

October 22, 1999

Esther Phillips
Regional Director
Food Stamp Program
U.S. Department of Agriculture
Food and Nutrition Service
1100 Commerce Street, Room 5-C-30
Dallas, Texas 75242-1005

SUBJ: Food Stamp Program - Waiver Extension Request

Dear Ms. Phillips:

Attached is a request to extend waiver number 980013 which grants the State permission to waive the work requirement for able-bodied adults in areas classified by the Department of Labor as labor surplus areas. We are also requesting an extension of our work requirement waiver for Conway County.

If you have questions or need additional information about this waiver request, please contact Georgia Gilkey, Manager, Food Stamp Program.

Thank you.

Sincerely;

A handwritten signature in black ink, appearing to read "Ruth Whitney".

Ruth Whitney
Director

RW:RK:GG/bh

Attachment

cc: Roy D. Kindle, Jr., Assistant Director, OPPD
Georgia Gilkey, Manager, Food Stamp Program
File

WAIVER REQUEST

Date of Request: October 22, 1999

Type of Request: Extension

Waiver Number: 980013

State: Arkansas

Region: Southwest

Regulatory Citation: Section 6(o) of the Food Stamp Act as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) commonly known as PRWORA.

Regulatory Requirements: Under Section 824 of PRWORA, any able-bodied, non-exempt individual between the ages of 18 and 50 shall be ineligible to participate in the Food Stamp Program as a member of any household if, during a designated thirty-six month period, the individual received food stamp benefits for any three months during which he or she did not work for 20 hours or more per week or participate in and comply with a work program as defined under PRWORA. This is commonly known as the ABAWD requirement.

Proposed Alternative Procedures: Arkansas proposes to exempt from this requirement individuals who live in areas identified as labor surplus by the Assistant Secretary of Labor for the period October 1, 1999 through September 30, 2000, under P.L. 96-302.

To be classified as labor surplus, an area must have had an unemployment rate 20 percent above the national average for the previous two calendar years. In areas where unemployment has been high for at least two years, there is an oversupply of labor. Job holders are likely to hold onto their jobs, and job vacancies are likely to be less frequent. This shrinks the number of job openings and makes it harder for jobless individuals to secure positions.

In Arkansas, the labor surplus areas are:

1. Ashley County
2. Boone County *
3. Bradley County
4. Calhoun County
5. Chicot County
6. Clay County
7. Cleveland County *
8. Columbia County
9. Cross County *

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10. Dallas County
11. Desha County
12. Drew County
13. Greene County *
14. Hempstead County
15. Hot Spring County *
16. Hot Spring City in Garland County *
17. Izard County
18. Jackson County
19. Jacksonville City in Pulaski County *
20. Jefferson County **
21. Lafayette County
22. Lawrence County
23. Lee County
24. Lincoln County
25. Little River County
26. Mississippi County
27. Monroe County
28. Nevada County
29. Newton County
30. Ouachita County
31. Perry County
32. Phillips County
33. Poinsett County
34. Prairie County
35. Randolph County
36. Searcy County
37. Sevier County *
38. Sharp County
39. St. Francis County
40. Union County
41. Van Buren County
42. Woodruff County

* *Denotes first year to be classified as a labor surplus area.*

** *Last year only Pine Bluff City was classified as a labor surplus area. This year the entire county has been classified as a labor surplus area.*

Our source document is the Federal Register, Vol. 64, No. 199 published Friday, October 15, 1999. A copy is attached.

REQUEST TO EXTEND WAIVER 980013

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Conway County – In May 1999, we were given permission to waive the ABAWD requirement in Conway County, Arkansas, because two major employers in that county were closing their plants. Although Conway County has not yet been classified as a labor surplus area, we would like to request a waiver extension for Conway County as well.

In August 1999, the unemployment rate in Conway County was 8.5%. This is a significant increase from the 5.3% unemployment rate in Conway County in August 1998. About 650 Levi Strauss employees will be receive their last pay check this week. When these employees begin receiving unemployment benefits, another significant increase in the unemployment rate is anticipated.

While there will be a new plant that will employee about 350 people, there remains a significant number of unemployed individuals in this county.

Justification: This waiver is requested under Section 824(a) of P.L. 104-193, which gives the Secretary authority to grant a waiver of 7 U.S.C. 2015(o)(4).

Anticipated Impact On:

- A. Households:** Extension of this waiver will allow individuals living in economically deprived areas to continue participating in the Food Stamp Program. Food assistance is a basic human need that should not be reduced or terminated if certain household members, through no fault of their own, cannot locate gainful employment.
- B. State Agency Operations:** Extension of this waiver will provide for more efficient operation of the Food Stamp Program by allowing the State to use its 2000 allocation of ABAWD exemptions in the remainder of the State.

Caseload Information: As of September 30, 1999, our caseload was 99,167 cases with 249,511 people. We serve 128,651 people in the counties for which we are requesting a waiver of the ABAWD requirements. This is about 51.5% of the people we serve.

Anticipated Implementation Date: We would like to implement this extension on January 1, ~~1999~~ 2000.

Time Period for Which Waiver is Needed: We request that this waiver be approved indefinitely with the State submitting a current list of labor surplus counties before January 1 of each year.

Proposed Quality Control Review Procedures: No special QC procedures are indicated.