

APR 28 2000

970069

SUBJECT: FNS - Colorado Request to Waive Section 6(o) of the Food Stamp Act, as Amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

TO: Allan Nickels, Director
Food Stamp Program
Mountain Plains Region

This is in response to the Colorado State Agency's request for an extension of waiver #970069 which exempted individuals residing in several counties from the work requirement for able-bodied adults without dependents.

Our response is attached. If you have any questions, please contact Joseph M. Shea of my staff at 703-305-2513.

Arthur Foley

Arthur T. Foley
Director
Program Development Division

Attachment

cc: Maurice Tracy, Fran Heil, All Regions (except MPRO), Civil Rights

FINAL:FNS:FSP:PDD:JShea:cdh:04-26-00

FILE: ABAWDS

DIR: I:WAIVERS:970069 - Memo extension 2000

Symbol	Surname	Date	Symbol	Surname	Date
PDD 127	SA/EA	4-26-00			
PDD 110	W. Brith	4/26/00			
PDD 101	J. Shea	4/26/00			

OFFICIAL RECORD COPY

Waiver Response

1. **Waiver serial number:** 970069
2. **Type of request:** Extension
3. **Primary regulation citation:** Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, P. L. 104-193.
4. **Secondary regulation citation:**
5. **State:** Colorado
6. **Region:** MPRO
7. **Regulatory Requirements:** Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), P. L. 104-193, provides that no individual shall be eligible to participate in the Food Stamp Program as a member of any household if, during the preceding 36-month period, the individual received food stamp benefits for not less than 3-months (consecutive or otherwise), during which the individual did not work 20 hours or more per week, averaged monthly; did not participate in and comply with the requirements of a work program for 20 hours or more per week; or did not participate in and comply with requirements of a program under Section 20 or a comparable program established by the State.

Section 6(o) of the Food Stamp Act, as amended by Section 824 of the PRWORA, also provides that, upon the request of a State agency, the Secretary may waive the applicability of the above provision for any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside has an unemployment rate of over 10 percent, or does not have a sufficient number of jobs to provide employment for the individuals.

8. **Description of proposed alternative procedures:** The Colorado State Agency is requesting an extension and modification to its original waiver for food stamp recipients who reside in certain areas which do not have a sufficient number of jobs to provide employment for individuals subject to Section 824 of PRWORA.

This waiver would allow an exemption from this requirement for groups of individuals who reside in certain areas designated as Labor Surplus Areas (LSAs) by the Bureau of Labor Statistics (BLS) of the Department of Labor.

The Colorado State Agency requests that the counties of Conejos, Costilla, Rio Grande, Saguache, and San Juan be exempted from the provisions of Section 6(o) of the Food Stamp Act based on their designation by the Bureau of Labor Statistics of the Department of Labor as Labor Surplus Areas (LSAs) because it is not operating an Employment and Training Program in those counties. The State Agency does not want to include the previously exempted counties of Dolores and Jackson, which are designated as LSAs, nor other LSA designated counties because it is operating an Employment and Training Program in these counties.

9. **Action and reason for approval or denial:** We are approving this waiver extension for food stamp recipients who reside in the Counties of Conejos, Costilla, Rio Grande, Saguache, and San Juan, based on their designation as LSAs by the Department of Labor.
10. **Regulatory or legislative basis for action:** This waiver is approved pursuant to Section 6(o) of the Food Stamp Act, as amended by Section 824 of the PRWORA, which allows the Secretary to waive the applicability of the work requirement provision in Section 6(o) for any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside has an insufficient number of jobs to provide employment for the affected individuals.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** Please submit supporting unemployment data which relies on standard BLS data and/or methods.
13. **Expiration date:** This waiver is extended for a period of 1 year. The waiver expires on March 1, 2001. Although the State agency requested an indefinite approval, it remains our policy not to approve this type of waiver for an indefinite period of time. Since labor market conditions may change over time, and we expect that the duration of the waiver will have some relationship to the period of high unemployment on which the waiver is based, we are approving waivers of Section 824 for periods of no more than 1 year.
14. **Limitation on regional office approval of like requests:** This waiver is limited to the Colorado State Agency.
15. **Quality Control Procedures:** There are no special quality control procedures needed in conjunction with this waiver.
16. **Date of national office action:**

17. Date of State agency's request: March 29, 2000.
18. Date of regional office transmittal of response to State agency:



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Suite 903
Denver, CO 80204-3585

Reply to
Attn. of: MPFS-300:FS 10-1-1

MAR 29 2000

Subject: FSP - Request for Extension of Waiver No. 970069 - Colorado

To: Arthur T. Foley
Director
Program Development Division
Food Stamp Program
Food and Nutrition Service, USDA
Alexandria, Virginia 22302-1594

Attached is a letter dated March 9, 2000, from the Colorado State Agency, requesting an extension of Waiver No. 970069. The waiver allows the State to exempt individuals who reside in areas that have been designated as Labor Surplus Areas by the Bureau of Labor Statistics. The State Agency is requesting exemption for the following five counties: Conejos, Costilla, Rio Grande, Saguache, and San Juan.

Based on the information submitted by the State Agency, we are recommending approval. If there are any questions, Donna deThouars may be contacted at (303) 844-0347.

for Pamela Blatten
ALLAN C. NICKELS
Regional Director
Food Stamp Program

Attachment

STATE OF COLORADO

COLORADO DEPARTMENT OF HUMAN SERVICES

OFFICE OF SELF SUFFICIENCY PROGRAMS Food Assistance Programs

1575 Sherman Street
Denver, Colorado 80203-1714
Food Stamps Phone (303) 866-2536
Food Distribution Phone (303) 866-5106
TDD (303) 866-5087
FAX (303) 866-5098
www.state.co.us



Bill Owens
Governor

Marva Livingston Hammons
Executive Director

March 9, 2000

Allan C. Nickels, Regional Director
FNS, Food Stamp Program
U.S.D.A. Food and Nutrition Service
Mountain Plains Region
1244 Speer Blvd., Suite 903
Denver, CO 80204

Labor Surplus Areas Waiver 970069

Dear Mr. Nickels:

Attached is the waiver request to reinstate the waiver for counties in Colorado that are considered Labor Surplus areas (LSAs).

The Bureau of Labor Statistics (BLS) indicates that 10 counties and one metropolitan area would qualify as LSAs. The state is only requesting a waiver for five counties that qualify as LSAs. The other two counties and the Grand Junction area do not wish to waive these provisions.

If you have any questions regarding this request, please contact Ron Rice of my staff at 866-2538.

Sincerely,

C. Mark Tandberg,
Acting Deputy Director
Offices of Self Sufficiency

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WAIVER REQUEST

1. **Waiver serial number** 970069

2. **Type of request** Extension

3. **Primary regulation 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

4. **Secondary regulation citation** NA

5. **State** Colorado

6. **Region** Mountain Plains

7. **Regulatory requirements**

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, provides that no individual between the ages of 18 and 49 shall be eligible to participate in the Food Stamp Program as a member of any household if, during the preceding 36-month period, the individual received food stamp benefits for not less than three months (consecutive or otherwise), during which the individual did not work 20 hours or more a week, averaged monthly; did not participate in and comply with the requirements of a work program for 20 or more hours a week; did not participate in and comply with requirements of a program under Section 20 or a comparable program established by the state; unless the individual received benefits because he/she was exempt from these requirements.

Section 6(o) of the Food Stamp Act, as amended by Section 824 of PRWORA also provides that, upon the request of a state agency, the Secretary may waive the applicability of the above provision for any group of individuals in the state if the Secretary determines that the area in which the individuals reside has an unemployment rate of over 10%, or does not have a sufficient number of jobs to provide employment for the individuals.

8. **Proposed alternative procedures**

Colorado Department of Human Services proposes to exempt from this requirement individuals who reside in areas that have been designated as Labor Surplus Areas (LSAs) by the Bureau of Labor Statistics (BLS).

BLS indicates that the following counties qualify as eligible LSAs. The Counties of Alamosa, Conejos, Costilla, Dolores, Jackson, Las Animas, Montezuma, Montrose, Mineral, Rio Grande, Saguache, and San Juan could be waived from the provisions of 6(o) of the Food Stamp Act.

BLS indicates that the Pueblo City in Pueblo County would also qualify as LSA. The State of Colorado does not wish to request a waiver for this area.

Colorado is operating an Employment and Training Program in all of these counties except for Conejos, Costilla, Rio Grande, Saguache, and San Juan. The five counties listed are the only counties that Colorado wishes to waive from the ABAWD requirements.

9. **Justification**

The information provided regarding the unemployment rate was generated by the Colorado Department of Labor which is, according to BLS, a cooperating state agency and uses BLS data and methods

Approval of this waiver 970069 for individuals who reside in areas designated by BLS as LSAs would allow the affected individuals the opportunity to participate in the Food Stamp Program without being required to meet unrealistic program work requirements. It would also ease the burden for individuals trying to comply with work requirements that are unreasonable given the local economic environment. Finally, the waiver would provide for more efficient operation of the Food Stamp Program by allowing the state agency to focus its efforts and resources in regard to work requirements on those households most likely to benefit.

10. **Anticipated impact on households and state agency operation**

The impact on the households would be additional food stamp benefits to households that reside in areas where the work requirements 6(o) could not be met. The availability of work in these areas is very seasonal or temporary, which offers no secure opportunity to meet these work requirements.

The small numbers of individuals who would be assisted by the Employment First Program and the cost involved in establishing the program in these areas has been a determining factor in requesting the waiver.

The Balanced Budget Act of 1997 allows the state to exempt 15% of the individuals identified in Section 6(o) of the Food Stamp Act. The State of Colorado feels that these exemptions should be reserved for other categories in other high-risk areas and should not be utilized for these counties.

11. **Caseload information**

Caseload information includes percent, characteristics and quality control error rate for affected portions of Colorado. Colorado serves approximately 74,000 Food Stamp Program cases. The cases in these counties make up less than 5% of the total caseload. The percent of individuals who could be affected without this waiver is .1%. The error rate would not be affected by this small number of individuals.

12. **Anticipated implementation date, and time period for which waiver is needed**

The State of Colorado would like to implement this waiver immediately and would request the waiver to be approved indefinitely with the condition that if any change occurs to the listing as LSAs, a new waiver must be requested immediately.

13. **Proposed quality control review procedures**

This waiver will not affect quality control procedures.

14. **Signature and Title of Requesting Official**


C. Mark Tandberg, Director
Food Assistance Programs Division

15. **Date of Request March 13, 2000**