



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Suite 903
Denver, CO 80204-3585

SW CAB

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

JAN 24 2001

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 January 10, 2001, 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.

ALLAN C. NICKELS
Regional Director
Food Stamp Program

Attachment

STATE OF COLORADO

COLORADO DEPARTMENT OF HUMAN SERVICES

OFFICE OF SELF SUFFICIENCY PROGRAMS
Danelle Young, Manager

DIVISION OF FOOD ASSISTANCE
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Food Stamps Phone (303) 866-2536
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Bill Owens
Governor

Marva Livingston Hammons
Executive Director

January 10, 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 extend the waiver for counties in Colorado that are considered Labor Surplus areas (LSAs).

The Bureau of Labor Statistics (BLS) indicates that 8 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 three counties and the Pueblo City area do not wish to waive the ABAWD 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

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, Huerfano, 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 an 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 labor surplus areas was generated by the Department of Labor annual list of labor surplus areas.

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**

Colorado serves approximately 71,000 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.

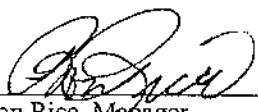
12. **Anticipated implementation date, and time period for which waiver is needed**

The State of Colorado has implemented this waiver and would request the renewal of the waiver to be approved.

13. **Proposed quality control review procedures**

This waiver will not affect quality control procedures.

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



Ron Rice, Manager
Food Stamp Programs Section

15. **Date of Request January 10, 2001**