



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Suite 903
Denver, CO 80204-3585

main *CPB*

Reply to
Attn. of:

MPFS-300:FS 10-1-1

3/5

FEB 5 2001

Subject:

FSP - Request for Extension of Waiver No. 970147 - 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 from Colorado, requesting an extension of Waiver No. 970147. This waiver allows an exemption for individuals living on the Ute Mountain and Southern Ute reservations in Colorado based on the fact that these areas have an unemployment rate over 10 percent.

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

Donna deThouars

for

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
1575 Sherman Street
Denver, Colorado 80203-1714
Food Stamps Phone (303) 866-2536
Food Distribution Phone (303) 866-5106
TDD (303) 866-5087
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Bill Owens
Governor

Marva Livingston Hammons
Executive Director

January 17, 2001

Mr. Allan C. Nickels
Regional Director
Food Stamp Program
USDA, FCS, MPRO
1244 Speer Blvd.
Denver, CO 80204-3581

Dear Mr. Nickels:

Colorado wishes to request an extension of Waiver No 970147. This waiver allows the State to exempt individuals living on Indian Reservations in Colorado from the ABAWD provisions. The waiver covers the Ute Mountain Reservation and the portion of the Southern Ute Indian Reservation that reside in Montezuma County.

The basis for the waiver is the fact that Montezuma County is designated by the U.S. Department of Labor as a labor surplus area due to unemployment rates for years 1998 and 1999.

The state is requesting an indefinite period for extension of this waiver. The waiver would be rescinded when the Department of Labor's figures indicate that this area no longer qualifies as a labor surplus area.

Sincerely,

Ron Rice, Manager
Food Stamp Program Section
Office of Self-Sufficiency

WAIVER REQUEST

1. **Waiver Serial Number** 970147
2. **Type of Request** Extension
3. **Primary Regulation Citation** Section 6 (o) of the Food Stamp Act
4. **Secondary Regulation Citation** NA
5. **State** Colorado
6. **Region** Mountain Plains
7. **Regulatory Requirements**

Food stamp benefits are limited to three months in a 36-month period for able-bodied adults without dependents (ABAWDS) who are not working, participating in a work program for at least 20 hours a week, in workfare, or otherwise exempt.

8. **Proposed Alternative Procedures**

The State of Colorado requests a waiver of Section 6 (o) for all individuals residing on the Colorado Indian reservations tribal government land. This would involve the Southern Ute residing in Montezuma County and Ute Mountain reservations.

9. **Justification**

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) allows states to waive specific areas with unemployment rates above 10% or areas that do not have a sufficient number of jobs to provide employment for individuals. The law provided FCS authority to waive ABAWD provisions to recognize the challenges that individuals may face in finding and keeping permanent employment. USDA specifically identified rural areas and Indian reservations as areas that should be waived. (12-3-96, Guidance Letter.)

Reservation/tribal government areas are the most economically depressed areas in Colorado. Some reservation counties are among the poorest in the nation. The counties are unique from other areas because of the scarcity of transportation, jobs and economic opportunities.

Unemployment rates vary but are traditionally higher than non-reservation/tribal government land rates. Historically, the unemployment rate has been used to measure the economic well-being of the nation, the state and substate areas. However, it does not always reflect joblessness for all areas. The usefulness of the unemployment rate in reflecting joblessness is directly related to the actual or perceived availability of employment for job seekers in the areas. These rates do not include the discouraged worker who has dropped out of the labor force because there are no jobs.

As stated above, the unemployment rate does not provide an accurate measure of the lack of sufficient jobs for those wanting to work. This is especially true on reservations. The unemployment rate measures the number of residents who are available and looking for work. In many reservations areas the residents do not look for work because not many jobs are available.

Colorado believes credence should be given to the use of BIA statistics. The use of BIA statistics was not acceptable until the FCS office received additional Bureau of Labor Statistics (BLS) data which supported the fact that unemployed rate was over 10% on certain reservations.

The U.S. Department of Labor is reflecting that Montezuma County had an average unemployment rate for calendar years 1998 and 1999 of 5.9%. The average unemployment rate for fiscal year 1999 – 2000 reflects an unemployment rate of 5.1%. Both of these periods indicate an unemployment rate of more than 20 percent above the national average.

10. Anticipated Impact on Households and State Agency Operation

Approval will have a positive impact on individuals residing on reservations/tribal government land. Waiver approval will also simplify state agency administration.

11. Caseload Information Including Percent, Characteristics, and Quality Control Error Rate for Affected Portion

Colorado currently has 71,000 households receiving food stamp benefits statewide. Individuals from reservations who would be considered a nonexempt ABAWD, equates to less than .1% of the total caseload.

12. Anticipated implementation Date and Time Period for which Waiver is needed.

Colorado is requesting an indefinite approval of this WAIVER. This would allow an update to the waiver if the situation should change.

13. Proposed Quality Control Review Procedures

The waiver does not affect quality control review procedures.

14. Signature and Title of Requesting Official



Ron Rice, Manager
Food Stamp Program Section
Office of Self-Sufficiency

15. Date of Request