



United States
Department of
Agriculture

Food and
Nutrition
Service

Mountain
Plains
Region

1244 Speer Boulevard
Suite 903
Denver, CO 80204-3585

APR 13 2001

Reply to
Attn. of:

MPFS-300:FS 10-1-1

APR 10 2001

Subject:

FSP - Request to Extend and Modify Waiver Nos. 980061, 980062, and 990047 -
South Dakota

To:

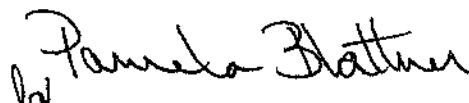
Arthur T. Foley
Director
Program Development Division
Food Stamp Program
Food and Nutrition Service, USDA
Alexandria, Virginia 22302-1594

Attached is a request from South Dakota to extend and modify the subject waivers. Under these waivers, individuals residing in certain areas of the State are exempt from the provisions of Section 6(o) of the Food Stamp Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA).

The waived counties include Buffalo, Charles Mix, Corson, Day, Dewey, Jackson, Marshall, Mellette, Moody, Roberts, Shannon, Todd, and Ziebach. Individuals who reside on reservation land in the following counties will also be exempt: Bennett, Hyde, Gregory, Lyman, and Tripp.

Based on the justification submitted with the request, we recommend approval. The State is requesting approval be effective April 1, 2001. It has also requested approval be granted for more than a 1-year period because the unemployment data remains very stable.

If there are any questions concerning this request, or if you need additional information, Kathie Herrman may be contacted at (303) 844-0347 or by e-mail at kathie.herrman@fns.usda.gov.


for ALLAN C. NICKELS
Regional Director
Food Stamp Program

Attachment



DEPARTMENT OF SOCIAL SERVICES

FOOD STAMPS

700 Governors Drive

Pierre, South Dakota 57501-2291

(605) 773-3493

FAX (605) 773-6834

March 29, 2001

Allan C. Nickels
Food and Consumer Services
Food Stamp Program
Regional Director
Mountain Plains Region
1244 Speer Boulevard
Suite 903
Denver, Colorado 80204-3585

Dear Mr. Nickels:

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 amends the Food Stamp Act to limit benefits to able-bodied, childless, unemployed adults. PRWORA added Section 6 (o) to the Food Stamp Act to implement the time limited provision. PRWORA also allowed waivers of the time limited provisions via Section 6 (o)(4) of the Act.

Attached please find South Dakota's waiver request to allow us to exempt able-bodied, childless adults from time limited benefits if the individual resides on reservation/tribal government counties.

Sorry about the delay.

Thank you.

Sincerely,

Judy Toelle,
Administrator

att.

WAIVER REQUEST

1. **Waiver serial number:** 980061, 980062, & 990047
2. **Type of request:** Extension and Modification
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, if any:**
5. **State:** South Dakota
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) of 1996, 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. **Proposed alternative procedures:** We are requesting a waiver of Section 6(o) for all individuals residing on or adjacent to South Dakota's reservation or tribal government land.

Waived Counties Request: Buffalo, Charles Mix, Corson, Day, Dewey, Jackson, Marshall, Mellette, Moody, Roberts, Shannon, Todd, and Ziebach.

Waived individuals who reside on reservation land in the following Counties: Bennett, Hyde, Gregory, Lyman, and Tripp.

9. **Justification for request:**

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) allows States to waive specific areas with unemployment rates above 10 percent or areas that do not have a sufficient number of jobs to provide employment for individuals. The law provided FNS 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 and adjacent areas are the most economically depressed areas in South Dakota. Some reservation counties are among the poorest in the nation. They are unique from other South Dakota areas because of the scarcity of transportation, jobs, and economic opportunities.

As recommended by the USDA, the following data and calculations were used to determine areas with an unemployment rate (UER) above 10 percent or areas with insufficient jobs:

LABOR SURPLUS AREAS (LSAs) 980062

According to the *Area Trends in Employment and Unemployment* publication released by the US Department of Labor, the following counties in South Dakota have been identified as Labor Surplus Areas for FY2001: **Buffalo, Corson, Day, Dewey, Mellette, Shannon, Todd, and Ziebach.**

See Attachment A

AREAS WITH UNEMPLOYMENT RATES ABOVE 10 PERCENT (not seasonally adjusted) 980061

According to year 2000 labor force statistics extracted from the Bureau of Labor Statistics (DOL) website, the following South Dakota Counties have been identified as having a 12 month average unemployment rate above 10 percent:

- ❖ **Dewey**
- ❖ **Ziebach**

The following counties have been identified as having a 3-month average unemployment rate for a three month time period during calendar year 2000:

- ❖ **Buffalo**
- ❖ **Shannon**

See Attachment B

COUNTIES WITH A CURRENT UER THAT IS AT LEAST 120 PERCENT OF THE NATIONAL UER (4.94%) 980062

According to the 1999-2000 labor force statistics extracted from the Bureau of Labor Statistics (DOL) website, the following counties qualify under this criteria: **Buffalo, Corson, Day, Dewey, Jackson, Marshall, Mellette, Moody, Shannon, Todd, and Ziebach.**

See Attachment C

CURRENT UER ABOVE 10 PERCENT FOR A TIME PERIOD OF 12 MONTHS 980062

This was calculated by using sanctioned census share ratios. According to year 2000 labor force statistics extracted from the Bureau of Labor Statistics (DOL) website, the following Indian Reservations qualify under this criteria:

- ❖ **Crow Creek Indian Reservation (Buffalo, Hyde) – 10.3%**
- ❖ **Flandreau Santee Sioux Tribe Indian Reservation (Moody) – 14.4%**
- ❖ **Lower Brule Indian Reservation (Lyman) – 11.8%**

Therefore, the counties and portions of counties that fall within or overlap these reservations qualify under this criterion. Some counties that overlap onto the reservation were used in these calculations but we are not requesting that they be added to the waiver. Those counties used in the statistics but not included in the waiver are: Hughes, Stanley, Codington, and Grant.

See Attachment D

Supporting Documentation:

See Attachment E – Labor force statistics used in census share calculations

See Attachment F – Census share ratios

CALCULATED UER THAT IS AT LEAST 120 PERCENT OF THE NATIONAL UER

980062

Using the calculated UER based on census share ratios, the following Indian Reservations were found to be at least 120 percent of the national unemployment rate (4.94%) for two consecutive years (BLS data 1999-2000):

- ❖ Crow Creek Indian Reservation (**Buffalo, Hyde**) – 12%
- ❖ Flandreau Santee Sioux Tribe Indian Reservation (**Moody**) – 15.4%
- ❖ Lower Brule Indian Reservation (**Lyman**) – 12.9%
- ❖ Pine Ridge Indian Reservation (**Bennett, Jackson, Shannon**) – 8.8%
- ❖ Rosebud Indian Reservation (**Gregory, Mellette, Tripp, Todd**) – 9.1%
- ❖ Lake Traverse (Sisseton) Indian Reservation (**Day, Marshall, Roberts**) – 5.9%

See Attachment D

Supporting Documentation:

See Attachment E – Labor force statistics used in census share calculations

See Attachment F – Census share ratios

Therefore, the counties and portions of counties that fall within or overlap these reservations qualify under this criterion.

COUNTIES WITH AN EMPLOYMENT-TO-POPULATION RATIO CALCULATION THAT IS LOWER THAN THE NATIONAL AVERAGE OF 48 PERCENT

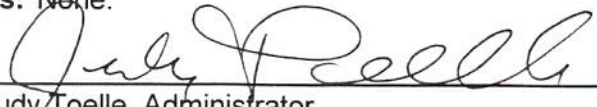
990047

Calculated by dividing the 2000 Census population counts for an area by the 2000 annual average employed statistic (BLS) for that area. This is an employment-to-total population ratio. The following counties qualify under this criteria:

- | | | |
|------------------|-----------------|--------------------|
| ❖ Bennett | Buffalo | Charles Mix |
| ❖ Corson | Day | Dewey |
| ❖ Jackson | Marshall | Mellette |
| ❖ Roberts | Shannon | Todd |
| ❖ Ziebach | | |

See Attachment G

10. **Anticipated impact on households and State agency operations:** Approval will have a positive impact on individuals residing on reservation/tribal government land. Waiver approval will also simplify state agency administration.

11. **Caseload information, including percent, characteristics, and quality control rate for affected portion:** We currently have 17,114 households consisting of 44,245 individuals receiving food stamp benefits in South Dakota. [39% of these individuals reside on reservation/tribal government or adjacent land.] For Federal Fiscal Year 2000, we have identified an average of 1165 individuals who were non-exempt able-bodied adults without dependents (ABAWD) receiving Food Stamp benefits in South Dakota. 963 of this population (83%) resided on waived reservation/tribal government land and are currently excluded from the time limits based on the past waiver approval.
12. **Anticipated implementation date and time period for which waiver is needed:** We are requesting approval April 1, 2001 and forward. We also believe approval should be granted for more than one year. The unemployment numbers submitted with each waiver request have remained very stable. We believe the stability of the statistics supports a longer time approval time frame.
13. **Proposed quality control review procedures:** None.
14. **Signature and title of requesting official:** 
Judy Toelle, Administrator
15. **Date of request:** 03-29-01

