



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

April 15, 2002

Ms. 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 980013

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 without dependent children (ABAWDs) in areas classified by the Department of Labor as labor surplus areas. We are also asking to waive for certain other counties. We have provided documentation of the current situation in each county, other than labor surplus counties, where a waiver is requested.

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 cursive script that reads "Sandra Miller".

Sandra Miller
Assistant Director
Office of Program Planning and Development

SM:GG/bh

Attachment

cc: Georgia Gilkey, Manager, Food Stamp Program
file

WAIVER REQUEST**Date of Request:** April 15, 2002**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 those individuals who live in areas identified as labor surplus by the Assistant Secretary of Labor for the period October 1, 2000 through September 30, 2001, under P.L. 96-302.

In Arkansas, the labor surplus areas for the period October 1, 2001 through September 30, 2002 are:

Ashley
Bradley
Calhoun
Chicot
Clay
Conway
Cross
Dallas
Desha
Drew
Jackson
Lafayette
Lawrence
Lee
Mississippi
Monroe

Ouachita
Perry
Phillips
Randolph
St. Francis
Searcy
Woodruff

23 counties LJA

Waiver Extension Request 980013**Page 2**

Arkansas also proposes to exempt from this requirement certain other areas. In preparing this waiver request it was noted that virtually all the labor surplus counties were located in the eastern half of the state. It was also noted that the counties where the unemployment rates were increasing and where comparatively large layoffs had occurred were generally in the same areas of the State. A map was prepared to illustrate this phenomenon. It appears as Attachment 1.

An analysis was prepared of each county, other than the labor surplus counties, for which a waiver is being requested. A number of criteria were used to select these counties including: geographic location in a high poverty area, unemployment rates that are higher than State or national averages for an extended period, a large number of layoffs in the past year and high poverty rates in the county. The analysis of these counties appears in Attachment 2. Attachment 2 also provides the historic and current unemployment rates for each county in the state and a list of the labor surplus counties.

Attachment 3 is a copy of a news article from the *Arkansas Democrat Gazette* that describes the current economic situation in the State.

Justification: This waiver is requested under Section 824(a) of P.L. 104-193, which gives the Secretary the 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 2002 allocation of ABAWD exemptions in the remainder of the State.

Caseload Information: As of December 2001, our caseload was 111,438 cases. In December 2000, our caseload was 100,294. This is an 10% increase.

Anticipated Implementation Date: We would like to implement this waiver upon its approval.

Time Period for Which Waiver is Needed: We request that this waiver be approved indefinitely with the State submitting an annual list of counties for which a new waiver is being requested.

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

State of Arkansas

Food Stamp Program – Addendum to Waiver Extension Request 980013

Update: *May 23, 2002*

We have requested an extension of waiver number 980013 which grants the State permission to waive the work requirement for able-bodied adults without dependent children (ABAWDs) in areas classified by the Department of Labor as labor surplus areas. We are also asking to waive for certain other counties due to insufficient jobs during the period 2000-2001. We have provided documentation of the current situation in each county, other than labor surplus counties, where a waiver is requested.

We are asking to waive the ABAWD requirements in the following counties due to insufficient jobs (24 month average employment exceeds national average by 20%) during the period 2000-2001:

Arkansas
Baxter
Boone
Cleveland
Columbia
Crittenden
Fulton
Grant
Greene
Hot Spring
Independence
Izard
Jefferson
Lincoln
Newton
Poinsett
Sharp
Stone
Union
Van Buren

We are asking to waive the ABAWD requirements in the following counties due to insufficient jobs (most recent 3-month average exceeds 10%):

Polk

We are asking to waive the ABAWD requirement in POLK County because the average unemployment rate for the period January, February and March 2002 is 10.7%. (January - 11.3%, February - 10.9%, and March 10.0%).

The source of this information is <http://www.accessarkansas.org/esd/alfcountymtm.htm>. I am faxing a copy of the source document for information about layoffs and plant closings in Arkansas and a copy of an e-mail that explains why some of the information provided on the ESD web site for the monthly rates for 1999 through 2001 may vary slightly from the information provided with the waiver request.

Most of the unemployment figures were revised upward so if there is a problem with any county's figures, I will be glad to check them.

State of Arkansas

Food Stamp Program – Addendum to Waiver Extension Request 980013

We have requested an extension of waiver number 980013 which grants the State permission to waive the work requirement for able-bodied adults without dependent children (ABAWDs) in areas classified by the Department of Labor as labor surplus areas. We are also asking to waive for certain other counties due to insufficient jobs. We have provided documentation of the current situation in each county, other than labor surplus counties, where a waiver is requested.

We are asking to waive the ABAWD requirements in the following counties due to insufficient jobs:

Arkansas
Baxter
Boone
Cleveland
Columbia
Crittenden
Fulton
Grant
Greene
Hot Spring
Independence
Izard
Jefferson
Newton
Poinsett
Polk
Sharp
Stone
Union
Van Buren

SUMMARY OF WAIVER CONTENTS
Prepared for FNS National Office

County Name	Poverty Rate	Average Unemployment For 2001	Reason for Requesting Waiver: High Unemployment Rates and Related Factors
Arkansas	18.9%	4.9%	This county which is located in a high poverty area, lost 230 jobs during 2001. (By February 2002, the unemployment rate had increased to 8.6%.)
Baxter	14.6%	5.7%	In 2001, the unemployment rate increased significantly from 3.9% to 5.7% due to plant closings and other layoffs.
Boone	16.6%	6.0%	This county has historically had an unemployment rate higher than the state or national average.
Cleveland	16.8%	6.4%	This county is located in an economically depressed region. The rural setting and sparse population make finding a job difficult.
Columbia	21.9%	5.3%	The county has a history of high unemployment, the poverty rate is in excess of 20% , and the county is located in an economically depressed area.
Crittenden	24.9%	5.9%	This county is located in an economically depressed region, the poverty rate is 24.9%, and the unemployment rate has increased from 4.6% to 5.9%.
Fulton	25.2%	5.5%	The county is located in an economically depressed region, the poverty rate is 25.2% and in 2001 the unemployment rate increased from 3.8% to 5.5% reaching a high of 9.5% in December 2001.
Grant	11.5%	6.1%	During 2001 there were 208 layoffs due to plant closings in this small rural county. As a result, the unemployment rate increased from 4.6% to 6.1% in 2001.
Greene	14.9%	7.8%	During 2001 there were 712 layoffs due to plant closings and reductions in force. As a result, the unemployment rate increased from 5.0% to 7.8% in 2001. (In February 2001, the unemployment rate was 10.1%.)
Hot Spring	16.9%	6.0%	During 2001 a major employer shut down idling 105 workers. As a result, the unemployment rate increased from 4.8% to 6.0%.

County Name	Poverty Rate	Average Unemployment For 2001	Reason for Requesting Waiver: High Unemployment Rates and Related Factors
Sharp	21.2%	6.8%	The county is located in a remote, economically depressed area, 21.2% of all residents live below the poverty guidelines, and the unemployment rate increased from 5.8% to 6.8% in 2001. In July 2001, the unemployment rate was 9.7%
Stone	23.2%	4.9%	This county is mountainous, sparsely populated, and largely rural with little industry. The poverty rate is 23.2%. In 2001, the unemployment rate increased from 3.7% to 4.9%. In January 2001, the unemployment rate was 7.2%.
Union	18.7%	5.4%	This county is located in an economically depressed area. There is a history of high unemployment rates. <i>(In February 2002, the State implemented a voluntary E&T Program to serve ABAWDS living in Union County.)</i>
Van Buren	20.1%	6.9%	This county is located in an economically depressed area, 20.1% of all residents live in poverty and the unemployment rate increased from 5.8% to 6.9% in 2001. In January 2001, the unemployment rate was 9.7% and in February 2001, the unemployment rate was 10.0%.

County Name	Poverty Rate	Average Unemployment For 2001	Reason for Requesting Waiver: High Unemployment Rates and Related Factors
Independence	16.7%	6.1%	During 2001 the unemployment rate increased from 5.4% to 6.1%. (In July 2001 following layoffs by a major employer, the unemployment rate was 11.4%.)
Izard	22.4%	6.6%	During 2001 the unemployment rate, which has always been historically high, increased from 4.8% to 6.6%. In July 2001, the unemployment rate was 8.5%.
Jefferson	24.9%	8.2%	The county is located in an economically depressed area, 24.9% of all residents live below the poverty guidelines, and the unemployment rate increased from 7.1% to 8.2% in 2001. In January 2001, the unemployment rate was 9.8%.
Newton	25.2%	6.7%	The county is located in a remote, economically depressed area, 25.2% of all residents live below the poverty guidelines, and the unemployment rate increased from 5.2% to 6.7% in 2001. In January 2001, the unemployment rate was 10.1%
Poinsett	22.6%	9.5%	This county is located in a remote, economically depressed area, 22.6% of all residents live below the poverty guidelines, and the unemployment rate increased from 5.7% to 9.5% in 2001. In July 2001, the unemployment rate was 11.3%, in August 2001, the unemployment rate was 12.6%, in September 2001 the unemployment rate was 10.9%, and in December 2001, the unemployment rate was 11%.
Polk	21.1%	4.4%	In 2001, the town's major employer closed its plant in Polk county idling 500 workers in a county where 21.1% of all residents were already living in poverty. While the average unemployment in 2001 was 4.4%, by February 2001 the unemployment rate had already climbed to 10.2%.