



United States Department of Agriculture
Food and Nutrition Service

Midwest Region

Reply to
attn of:

MWFS-100:FS 13-1-3 MN

Subject:

Minnesota's Request for Extension of ABAWD Waiver

To: Art Foley, Director
Program Development Division
Food Stamp Program

Attached is Minnesota's request for an extension of waiver #980014 of Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) which is now codified at 7 CFR 273.24. The waiver is due to expire on November 30, 2001. The attached request is for extending the waiver for individuals residing in the 15 counties currently approved plus an additional 10 counties for the upcoming year. The additional counties are: Beltrami, Chippewa, Cottonwood, Grant, Hubbard, Meeker, Norman, Pennington, Traverse, and Wadena. The list of Labor Surplus Areas (LSA) has not been made available to date, so the State has researched the unemployment data for their counties for the past two years and determined that 25 areas qualify for a waiver of the ABAWD requirements. All 25 counties have an unemployment rate of more than 20 percent above the national unemployment rate for the previous two years. The State is requesting the waiver for all 25 counties to be approved through November 30, 2002. If, when the LSA list becomes available, it indicates additional counties, the State may revise its request to include the additional counties. In addition, if your office uses data from a different period of time than the State used for exempting these counties, please let us know what months and what data source is used so the State can use the same data next year. This would result in a more complete and more efficient waiver request.

We recommend that this waiver be approved for the period requested since the counties appear to meet FNS exemption criteria. If you have any questions or require any further information regarding this waiver request, please feel free to contact me or have a member of your staff contact Tina Kopec at (312) 353-0578.

OLLICE C. HOLDEN
Regional Director
Food Stamp Program

Attachment



Minnesota Department of **Human Services**

November 5, 2001

Ollice C. Holden
Regional Director
Food Stamp Program
Food and Nutrition Service
U.S. Department of Agriculture
77 West Jackson Blvd., 20th Floor
Chicago, IL 60604-3511

Dear Mr. Holden:

This letter seeks an extension and modification of Minnesota's current waiver exempting individuals from 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.

In December of 2000, Minnesota received approval of waiver #980014 which exempts residents of the following 15 counties from able-bodied adults without dependents (ABAWD) provisions: Aitkin, Becker, Cass, Clearwater, Itasca, Kanabec, Kittson, Koochiching, Mahnommen, Marshall, Mille Lacs, Morrison, Pine, Red Lake, and Todd counties. Approval was based on designation of 10 counties by the Department of Labor as Labor Surplus Areas (LSAs), and five counties as having an unemployment rate at least 20 percent above the national unemployment rate for the previous two years. This waiver expires on November 30, 2001.

We seek a one-year extension of waiver #980014 so that it remains in effect for the period December 1, 2001, through November 30, 2002.

In addition, we seek to modify the counties covered by this waiver. The Minnesota Department of Economic Security has provided unemployment rate data which indicates that all of the 15 counties listed above that are currently covered by the waiver plus an 10 additional counties will all qualify for a waiver for 2002 on the basis of having an unemployment rate more than 20 percent above the national unemployment rate for the previous two years. The additional counties are: Beltrami, Chippewa, Cottonwood, Grant, Hubbard, Meeker, Norman, Pennington, Traverse, and Wadena.

Mr. Ollice C. Holden

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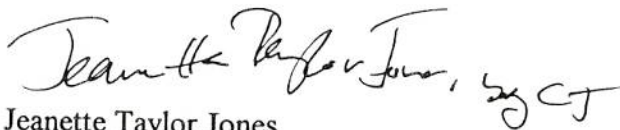
November 5, 2001

We do not yet have information from the U.S. Department of Labor regarding which counties in Minnesota will qualify for a waiver based on being designated a Labor Surplus Area. When that information is available, we may seek to modify our waiver request.

Upon approval of this request, the Minnesota Department of Human Services will notify Beltrami, Chippewa, Cottonwood, Grant, Hubbard, Meeker, Norman, Pennington, Traverse, and Wadena counties that they are now included in the ABAWD waiver and that, beginning December 1, 2001, the ABAWD time-limited eligibility provisions will no longer apply to participants residing in those counties.

If you have any questions about this request please contact Michael Sirovy at (612) 296-5482.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jeanette Taylor Jones", followed by a small monogram "JCT".

Jeanette Taylor Jones

Assistant Commissioner

Economic and Community Support Strategies

COUNTY WAIVER REQUEST - MINNESOTA

1. **Waiver Serial Number:** 980014
2. **Type of Waiver Request:** Extension and modification of current waiver
3. **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:** Minnesota
6. **Region:** MWRO
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 three 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; did not participate in and comply with requirements of a program under Section 20 or a comparable program established by the State; or received benefits because they were exempt from these requirements.

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 sufficient number of jobs to provide employment for the individuals.

8. **Summary of Waiver Request:** Minnesota requests a one-year extension of waiver # 980014 so that it is effective from December 1, 2001, through November 30, 2002. This waiver applies to 15 counties. We also request modification of the waiver to add 10 additional counties, so that the waiver will now apply to the following 25 counties: Aitkin; Becker, Beltrami, Cass, Chippewa, Clearwater; Cottonwood, Grant, Hubbard, Itasca; Kanabec; Kittson, Koochiching; Mahanomen; Marshall; Meeker, Mille Lacs; Morrison, Norman, Pennington, Pine; Red Lake, Todd, Traverse, and Wadena counties.

9. **Justification For Request:** Unemployment data has recently been received from the Minnesota Department of Economic Security for calendar years 1999 and 2000. This information reveals that all 25 of the counties listed above had unemployment rates more than 20 percent above the national unemployment rate for the past two years. (See the attached data sheet.)

10. **Anticipated Impact On Households and State Agency Operations:** No change is anticipated in any of the 15 counties currently covered by the waiver since persons living in those areas will continue to be exempt. Persons living in the following 10 counties will be newly exempt from ABAWD provisions beginning December 1, 2001: Becker; Chippewa; Cottonwood; Grant; Hubbard; Meeker; Norman; Pennington; Traverse; and Wadena counties.

11. **Caseload Information, Including Percent, Characteristics, and Quality Control (QC) Error Rate For Affected Portion:** As of January, 2001, there were approximately 950 Food Stamp participants who were exempt from ABAWD provisions due to living in a waived area. This includes participants living in either counties or reservations covered by waivers. ABAWDs are adults between the ages of 18 and 50 who are not disabled, do not have dependent children, and are not exempt under one of the federal exemptions.

We do not anticipate any changes in the error rate due to this waiver. Minnesota implemented the ABAWD provisions effective December 1, 1996. In the four federal fiscal years (FFY) since the ABAWD provisions were implemented, there have been only four QC errors related to the ABAWD provisions. Two of the errors occurred in FFY 1998, one error occurred in FFY 2000, and there has been one error so far in FFY 2001. The percentage by year of total food stamp dollars paid in error due to the ABAWD provisions is as follows: FFY 1997 - 0%; FFY 1998 - .12%; FFY 1999 - 0%; FFY 2000 - .08%; and, with 10 months of data for FFY 2001 - .05%. However, none of the errors occurred on cases covered by Minnesota's ABAWD waiver. Therefore, the fact that we are increasing the number of counties covered by the waiver should have no negative impact on payment accuracy.

12. **Anticipated Implementation Date And Time Period For Which Waiver Is Needed:** This waiver is requested for the 12-month period of December 1, 2001, through November 30, 2002.

13. **Quality Control Review Procedures:** Quality Control (QC) verifies the county agency either (1) correctly categorized a Food Stamp recipient as an ABAWD, or (2) correctly exempted a recipient from the ABAWD provisions. See the attached page from Minnesota's QC Review Guide. Persons living in areas covered by a waiver (in Minnesota that would be either counties or reservations) would fall into the second category. Counties and reservations covered by ABAWD waivers are listed in CM 0011.24.

14. **Signature And Title Of Requesting Official:**

Jeanette Taylor Jones
Assistant Commissioner
Economic And Community Support Strategies

15. **Date Of Request:**

November 5, 2001
Date

**Federal Fiscal Year 2002
Minnesota ABAWD Exemption Counties**

County	Annual Ave. 1999 U Rate	Annual Ave. 2000 U Rate	Two-Year Average	Threshold*
AITKIN COUNTY	7.4	8.1	7.75	4.92
BECKER COUNTY	5.5	6.4	5.95	
BELTRAMI COUNTY	5.1	5.7	5.4	
CASS COUNTY	5.9	6.5	6.2	
CHIPPEWA COUNTY	5.0	6.5	5.75	
CLEARWATER COUNTY	11.1	11.9	11.5	
COTTONWOOD COUNTY	4.5	5.8	5.15	
GRANT COUNTY	5.4	6.7	6.05	
HUBBARD COUNTY	4.9	5.9	5.4	
ITASCA COUNTY	7.2	7.4	7.3	
KANABEC COUNTY	6.6	6.9	6.75	
KITSON COUNTY	6.3	7.8	7.05	
KOOCHICHING COUNTY	6.8	6.6	6.7	
MAHNOMEN COUNTY	7.5	8.3	7.9	
MARSHALL COUNTY	9.9	11.3	10.6	
MEEKER COUNTY	5.2	6.4	5.8	
MILLE LACS COUNTY	6.1	6.3	6.2	
MORRISON COUNTY	6.0	6.5	6.25	
NORMAN COUNTY	5.2	5.9	5.555	
PENNINGTON COUNTY	5.8	6.9	6.35	
PINE COUNTY	6.2	7.2	6.7	
RED LAKE COUNTY	9.4	11.7	10.55	
TODD COUNTY	5.2	5.7	5.45	
TRAVERSE COUNTY	5.7	5.9	5.8	
WADENA COUNTY	5.4	5.6	5.5	

U.S. RATE	
1999	2000
4.2	4
$4.1 \times 1.2 = 4.92 *$	

serbes/countyAA_1.xls

REVIEW GUIDE FOR ELEMENT: 161 Time Limited Participation

FNS-310: 850.7

Food Stamps	QC verifies the agency either: 1) correctly categorized a recipient as an ABAWD, or 2) the agency correctly exempted a recipient from the ABAWD provisions. If a recipient is an ABAWD, QC verifies the recipient did not exceed three months of participation during a 36 month period without first participating in a work program activity other than FSET or working 80 hours or more during a calendar month. CM8.06.18, 11.24
Uncle Harry	Same as Food Stamps.
MFIP Food Portion	QC verifies the agency either: 1) correctly determined the recipient had participated less than the 60 month TANF time limit, or 2) granted the correct exemption from the TANF time limit provisions. If a recipient is subject to a time limit, QC verifies the recipient did not exceed the limit. Minnesota's time limited participation is 60 months and began on 7-01-97. Ongoing MFIP participants will begin to exhaust their 60 month time limit on 7-1-02. If someone moved to Minnesota from another state, check the TEMP manual to determine if they have time remaining. CM11.30, TEMP 15.03
Cash	Same as Food Portion.