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United States Department of Agriculture

Food and Nutrition Service

Northeast Region

Date: OCT 2 A 2001

Subject: New Hampshire ABAWD Waiver Request for Coos County

To: Art Foley, Director

Attached is a request from the State of New Hampshire to waive the regulations at 7 CFR 273.24. The State had been approved for a waiver in 1997 and it has since expired. Due to a recent closing of one of the areas largest employers, the area is once again without sufficient jobs.

Based upon the information provided by the State agency, we recommend approval of this waiver. The State agency is requesting the waiver to be approved retroactively to October 1, 2001 for a period of one year.

If you have any questions concerning this waiver, please contact Katie Blanchette at (617)565-6415.

Sincerely,


for Mary A. Ferris, Chief
State Program Improvement
Food Stamp Program
Northeast Region

Attachment



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF FAMILY SERVICES
FAMILY ASSISTANCE

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Donald L. Shumway
Commissioner

129 PLEASANT STREET, CONCORD, NH 03301
603-271-4300 FAX 603-271-4637 TDD Access: 1-800-735-2964

Mary Anne Broshek
Director

October 15, 2001

Robert L. Canavan, Director
Food Stamp Program
Northeast Region
USDA Food and Nutrition Service
10 Causeway Street
Boston, MA 02222

Dear Mr. Canavan:

We are requesting that the three-month time limit for Able Bodied Adults without Dependents who are not working or participating in a work program for at least 20 hours each week, be waived for Coos County.

Coos County is the area of New Hampshire that is most vulnerable to economic declines, and was in 1997 approved for a similar waiver. In this instance, we are requesting the waiver be approved based on its being an area without sufficient jobs, due to the recent closing of Paper and Pulp of America in Berlin, one of the areas largest employers.

We are asking for the waiver to be for one year from date of approval.

If you have any questions, please feel free to contact Terry Smith, Food Stamp Program Manager, at (603) 271-4256.

Sincerely,

Mary Anne Broshek
Director

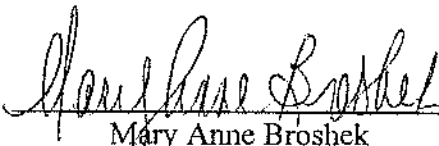
Enclosure

New Hampshire Waiver Request

1. **Waiver Serial Number:**
2. **Type of Request (initial or extension):** Initial
3. **Primary regulation citation:** 7 CFR 273.24
4. **Secondary regulation citation, if any:**
5. **State:** New Hampshire
6. **Region:** Northeast Region (NERO)
7. **Regulatory requirements:** Per 7 CFR 27.24, Able Bodied Adults without Dependents are not eligible to participate in the Food Stamp Program as a member of any household if the individual received food stamps for more than three countable months during any three-year period, with certain exceptions.
8. **Proposed alternative procedures:** It is requested that the three month restriction for able-bodied adults without dependents who are not working or participating in a work program for at least 20 hours each week or who are not enrolled in a workfare program, be waived for the Berlin Labor Market Area due to economic factors endemic to the entirety of the northern portion of New Hampshire that is Coos County. These economic factors are varied and fall generally under the USDA authorization criteria for *Areas without of Sufficient Jobs*.
9. **Justification for request:** Pulp and Paper of America, one of the largest employer in Coos County, has filed for bankruptcy in October, 2001. The immediate impact has been the lay off of 850 jobs in the paper industry, with anticipated direct and indirect job losses of 1,334 in all private industry employment in Coos County. As is frequently true in smaller, rural areas, the employment market in Coos County is dominated by a single industry, paper production, and the closing of Pulp and Paper of America has led to the presence of an unemployed workforce whose current job skills are no longer in demand. An excess supply of paper workers will suppress the wages of the remaining paper manufacturing jobs, while prevailing wage rates for other industries in Coos County are already lower than wage rates in the paper industry. Coos County real disposable income is expected to fall \$29.01 million for 2001, with a ten year decline to \$38.08 million by 2010. It is anticipated that the hardest hit portion of the labor force is the 25-49 year old segment, very close to the exact age range of ABAWDS.

Coos County has a history of being the area of New Hampshire most vulnerable to economic vicissitudes, and in fact was waived of ABAWD requirements in 1997 before the impact of the upturned economy of that period became felt. For a complete analysis of the impact of the closing of Pulp and Paper of America on the job market in Coos County, please refer to the attached study, *Impact of a Potential Coos County Paper Industry Contraction*, released in September, 2001, by our New Hampshire Employment Security's Economic and Labor Market Information Bureau.

10. **Anticipated impact on households and state agency operations:** New Hampshire already uses the 15% State discretionary exemption to relieve ABAWDS in Coos County of participation restrictions. There will be no new impact on state agency operations in Coos County. However, there will be opportunity to use the 15% State discretionary exemptions to relax restrictions on a new, as yet undefined category of ABAWDS within the State.
11. **Caseload information, including percent, characteristics, and quality control error rate for affected portion:** In October, 2001, 65 ABAWDS are participating in Food Stamps in Coos County. Since these individuals are already exempted due to the State's 15% discretionary exemption policy, administrative impact of this waiver is expected to be nil.
12. **Anticipated implementation date and time period for which waiver is needed:** New Hampshire is requesting this waiver effective October 1, 2001, for a period of one year.
13. **Proposed quality control review procedures:** No quality control review procedures are required.
14. **Signature and title of requesting official:**


Mary Anne Broshek
Director

15. **Date of request:** (Date Request is signed)

10/17/01