



United States Department of Agriculture
Food and Consumer Service

Western Region

OCT 23 2001

Reply to
Attn of:

FS 10-6-NV/Waivers

Subject:

FSP - Nevada Request for a Temporary Waiver to Exempt All ABAWDs in Clark and Nye Counties

To:

Art Foley, Director
Program Development Division
Food Stamp Program

Attached is a request from the Nevada Department of Human Resources for a temporary waiver of Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Act of 1996. These legislative amendments are now incorporated under part 7 CFR 273.24. The State requests a 12 month exemption for Nye and Clark counties from the requirement that would prohibit participation in the Food Stamp Program if, during the preceding 36 month period, an Able Bodied Adult Without Dependents (ABAWD) had already received three months of Food Stamp benefits, does not meet specific work requirements and is not exempt from these requirements.

This waiver is requested as a result of the terrorist activities of September 11, and the impact on tourism and the State economy. There are large numbers of unemployed, particularly in the Southern portion of the State. However, no statistics exist to justify the determination of labor surplus areas, or that unemployment exceeds 10%. The State estimates there are 2800 ABAWDs in the affected portion of the state.

We recommend approval of the State's request. If you have questions please contact Jim Larkin at (415) 705-1361 Extension 315.

for Michael L. Denton
DENNIS STEWART

Regional Director
Western Region
Food Stamp Program

cc: RD, FM, WRO
J. Larkin, WRO



KENNY C. GUINN
Governor

STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES
WELFARE DIVISION
2527 North Carson Street
Carson City, Nevada 89706-0113
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RECEIVED
FNS. WRO
01 OCT 15 PM 12:35
MICHAEL J. WILLDEN
Director
NANCY KATHRYN FORD
Administrator

October 10, 2001

Dennis Stewart, Regional Director
Food Stamp Program/Western Region
550 E. Kearny St., Room 400
San Francisco, CA 94108

Dear Mr. Stewart:

Enclosed is Nevada's request for a temporary waiver of 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. This section identifies able-bodied adults without dependents (ABAWDs) provisions which prohibit participation in the Food Stamp Program for certain individuals if, during the preceding thirty-six months, the individual already received three months of food stamp benefits and does not meet specific work requirements or is exempt from these requirements.

The waiver request is the result of the tragic events of September 11, 2001 which has caused an economic downturn. Governor Guinn has declared an economic crisis in the State of Nevada. Hundreds of families and individuals have become unemployed and more job losses are expected. The labor market is inundated with people looking for work. For example, one corporation alone has reduced its Nevada work force by 4,700. Approval of this request will allow impacted individuals to maintain nutritional stability.

Your attention to this request is appreciated. If you have any question, please contact Lynette Grundy, Chief, Eligibility and Payments, at (775) 687-4386, or Shirley Allison, Food Stamp Program Specialist, at (775) 687-4705.

Sincerely,

Nancy K. Ford
Administrator

cc: Jeanette Hills, Deputy Administrator, Program and Field Operations
Rota Rosaschi, Chief, Employment and Support Services
Lynette Grundy, Chief, Eligibility and Payments
Shirley Allison, Food Stamp Program Specialist
Shannon Foster, Food Stamp Program E&T Specialist
Jim Larkin, State Program Officer, FNS/WRO

WAIVER REQUEST FROM ABLE-BODIED WORK REQUIREMENT

1. WAIVER SERIAL NUMBER:

2. TYPE OF REQUEST: Initial

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: N/A

5. STATE: Nevada

6. REGION: Western

7. REGULATORY REQUIREMENTS:

Section 6(o) of the Food Stamp Act, as amended by Section 824 of the PRWORA, 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-months, 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, average 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 (UER) of over 10 percent, *or does not* have a sufficient number of jobs to provide employment for the individuals.

8. PROPOSED ALTERNATIVE PROCEDURES:

Nevada is seeking a temporary waiver to exempt all food stamp applicants/recipients from ABAWD work requirement provisions who are able-bodied adults without dependents who are not otherwise exempt through existing waivers, federal/state exemptions and reside in Clark County and Nye County.

The alternative procedure is based on an economic crisis in the service and tourism industry which has created a labor surplus brought on by the tragic events of September 11, 2001. The waiver would remain in effect for one year from October 1, 2001 through September 30, 2002. If Nevada's economy and labor market does not return to normal, a waiver extension will be requested.

9. **JUSTIFICATION FOR REQUEST**

Nevada is currently undergoing a critical downturn in the tourism industry economy. Governor Guinn has declared an economic crisis in the State of Nevada as a result of the large volume of layoffs due to a severe reduction in tourism after the tragic events of September 11, 2001. Hotel and casinos have laid off thousands of employees and drastically reduced the number of hours employees can work. Many have been placed in an "on-call" status with very little work being offered. This unexpected labor surplus caused by the economic crisis drastically reduces the availability of jobs in the southern part of the state.

Approval of this waiver would allow individuals and families impacted by this economical downturn through loss of employment and the financial means to meet normal living expenses to access food stamp benefits until the state's economy and tourism stabilizes and returns to normal.

10. **ANTICIPATED IMPACT ON HOUSEHOLDS AND STATE AGENCY OPERATIONS**

Individuals applying for or receiving benefits through the Belrose, Owens, Charleston, Cannon Center-Desert Inn, Mash, Cambridge, Henderson and Pahrump agency offices which are located in Clark, and Nye counties would be impacted by this waiver. It is anticipated this change will make it easier for households without dependent children to access food for a longer period of time and allow adequate time for households to acquire new or rehire employment once the labor market stabilizes in Nevada. Nevada's average monthly ABAWD population has been well under 4,000 during the past 12 months. The September 2001 ABAWD population is 4,196 with seventy-five percent of the ABAWDS located in Clark and Nye Counties. The caseload impact is expected to be manageable.

11. **CASELOAD INFORMATION, INCLUDING PERCENT, CHARACTERISTICS AND QUALITY CONTROL ERROR RATE FOR AFFECTED PORTION**

Because this is an emergency waiver request, there are no statistics to determine the impact on the caseload. There are currently 4,000 ABAWDS in Nevada with 2,800 identified in the southern offices.

ABAWD figures may double because the tourism industry employs many single and married persons who do not have dependent children.

12. **ANTICIPATED IMPLEMENTATION DATE AND TIME AND TIME PERIOD
FOR WHICH WAIVER IS NEEDED**

If approved, Nevada would implement the waiver retroactively to October 1, 2001 through September 30, 2001.

13. **PROPOSED QUALITY CONTROL REVIEW PROCEDURES:**

Quality Control would review according to the directives to place these individuals in an exempt deferred work requirement status and monitor negative case actions to insure individuals are not denied or terminated incorrectly.

14. **SIGNATURE AND TITLE OF REQUESTING OFFICIAL:**

A handwritten signature in blue ink, appearing to read 'Nancy K. Ford', is written over the printed name and title.

NANCY K. FORD
ADMINISTRATOR

15. **DATE OF REQUEST:**

October 1, 2001