



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

1789 W. Jefferson - P.O. Box 6123 - Phoenix, AZ 85005

Janet Napolitano
Governor

MAY 05 2003

William Bell
Acting Director

Dennis Stewart, Regional Director
Food Stamp Program
Western Region
550 Kearny Street
San Francisco, CA 94108

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Dear Mr. Stewart:

The State of Arizona seeks extensions to the current food stamp waivers which exempt certain individuals from provisions established by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The Act limits the participation period for certain able-bodied adults without dependents (ABAWDs), and authorizes the U.S. Department of Agriculture to grant States waivers for ABAWDS who reside in areas that have a high unemployment rate or which have been designated Labor Surplus Areas (LSAs) by the Department of Labor (DOL).

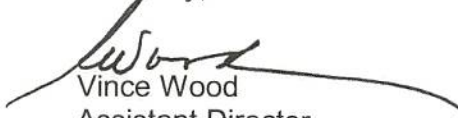
An extension of waiver #970148 is requested. The DOL classifies the following Arizona counties as LSA eligible for fiscal year (FY) 2003: Apache, Coconino (less the city of Flagstaff), Graham, Greenlee, La Paz, Navajo, Santa Cruz, and Yuma. Additionally, based on its unemployment rate for FY 2000 and 2001, Gila County is also considered an eligible LSA county. The counties included in Arizona's FY 2003 LSA waiver remain unchanged from FY 2002.

An extension of waiver #970149 is also requested. This extension request pertains to Arizona's Indian Reservations and is based on unemployment levels greater than 10%, as determined by the Special Unemployment Report for Arizona Native American Reservations. Arizona's Indian Reservations with an unemployment level greater than 10% (not located within a labor surplus county) include: Camp Verde: unemployment at 12.0%, Ft. Mohave: unemployment at 12.3%, Gila River: unemployment at 26.4%; Hualapai: unemployment at 29.0%; Kaibab: unemployment at 19.2%; Papago and San Xavier portions of the Tohono O' Odham Nation: unemployment at 19.8% and 14.5% respectively; Pascua Yaqui: unemployment at 30.9%; Salt River: unemployment at 13.4%; San Carlos: unemployment at 26.8%, and Yavapai: unemployment at 11.1%.

Arizona requests that these waiver extensions from the ABAWD work requirement provisions be approved based on the attached FY 2003 labor surplus area designations provided in Federal Register, Volume 68, Number 23, dated February 4, 2003, and the January - December 2002 Special Unemployment Report for Native American Reservations.

Your prompt attention to this request is greatly appreciated. If you have questions or require additional information, please contact Linda Schroeder, Policy Support Team Manager, at (602) 542-5364.

Sincerely,


Vince Wood
Assistant Director
Division of Benefits & Medical Disability

Enclosures

Waiver Request

1. **Waiver serial number:**

970148

2. **Type of request:**

Modification and extension

3. **Primary regulation citation:**

Section 6 of the Food Stamp Act 1977 (7 U.S.C. 2015); HR 3734 "The Personal Responsibility and Reconciliation Act of 1996", Section 824, Work Requirement.

4. **Secondary regulation citation:**

Not applicable

5. **State:**

Arizona

6. **Region:**

Western Region

7. **Regulatory requirements:**

Work Requirement: - 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 during which the individual did not (A) work 20 hours or more per week, averaged monthly; (B) participate in and comply with the requirements of a work program for 20 hours or more per week. Exception to the work requirements are that the individual is (A) under 18 or over 50 years of age; (B) medically certified as physically or mentally unfit for employment; (C) a parent or other member of a household with the responsibility for a dependent child; (D) otherwise exempt under subsection (d)(2), Section 6 of the Food Stamp Act; or (E) a pregnant woman.

8. **Proposed alternative procedures:**

The State of Arizona, Department of Economic Security requests a modification and extension of waiver # 970148 to exclude from the Work Requirements, individuals residing in the annual listing of Arizona labor surplus areas for FY 2003, as listed on Federal Register, Volume 68, Number 23, dated February 4, 2003..

Justification for request::

The extension will continue to ensure equitable distribution of food stamp benefits in areas suffering from a high incidence of unemployment.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 mandates that all individuals shall be ineligible to participate in the food stamp program as a member of any household if, during the preceding 36 month period, they received food stamp benefits for three months or more during which the individuals did not work a minimum of 80 hours per month or 20 hours weekly (average monthly).

For fiscal year (FY) 2003 the Department of Labor (DOL), identifies the following Arizona Counties as labor surplus areas: Apache, Coconino (less Flagstaff), Graham, Greenlee, La Paz, Navajo, Santa Cruz, and Yuma. Additionally, Gila County is identified as eligible based on its unemployment rates for FY 2000 and FY 2001. The Federal Register dated February 4, 2003 and the Center On Budget and Policy Priority's list of areas in Arizona eligible for 2003 waivers are attached.

Approval of this waiver extension request will allow Arizona to exclude from the ABAWD work requirements, individuals residing in areas of high unemployment which meet the labor surplus area criteria.

9. **Anticipated impact on households and State agency operations:**

- A. Client Benefits: Will not penalize individuals living in labor surplus areas who lack the same opportunity to find employment as others.
- B. Worker Benefits Monitoring and tracking of work compliance in labor surplus areas will not be required.

10. **Caseload information, including percent, characteristics, and quality control error rate for affected portion:**

All individuals residing in Apache, Coconino (less Flagstaff), Gila, Graham, Greenlee, La Paz, Navajo, Santa Cruz, and Yuma counties will be exempt.

11. **Anticipated implementation date and time period for which waiver is needed:**

The waiver extension is requested for a period of one year upon approval from FNS. The proposed extension date is effective May 1, 2003.

12. **State agency submitting waiver request:**

Arizona Department of Economic Security, Family Assistance Administration

Contact Person: Vince Wood, Assistant Director
Arizona Department of Economic Security
Division of Benefits & Medical Eligibility
1789 West Jefferson
Phoenix, Arizona 85007
(602) 542-3596

13. **Signature and title of requesting official:**


Signature


Title

14. **Date of State agency request:**