

United States Department of Agriculture
Food and Nutrition Service

Western Region

Don Maggi ~~EPB~~
PW
2/7/03

Reply to
Attn of:

FS 10-6-OR Waiver #2000039

JAN 31 2003

Subject:

FSP - Oregon - ABAWD Waiver Extension Request - Labor Surplus Areas and
High Unemployment

To:

Art Foley, Director
Program Development Division
Food Stamp Program

Attached is Oregon's request to extend waiver 2000039. This waiver exempts the State's Labor Surplus Areas from the provisions of Section 6(o)(2) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. There are 19 whole counties, three partial counties and one city in Oregon currently designated Labor Surplus Areas.

In addition to the Labor Surplus Areas, this waiver exempts the remaining unwaived areas of the State as areas of high unemployment. During each of the past 24 months (December 2000 - November 2002) Oregon's monthly unemployment rate has been greater than the national average. Further comparison of these figures to national figures shows that Oregon's average unemployment rate during this time period was at least 20% above the national average.

The State is requesting an extension of this waiver for a one year period, through April 30, 2004. We recommend approval of the extension.

If you have any questions, please contact Donna Clifton at (415) 705-1320 extension 308.

for Michael L. Denton
DENNIS STEWART
Regional Director
Food Stamp Program
Western Region

Attachment

cc: State Program Officer

WAIVER REQUEST FOR ABAWDs

Labor Surplus Waiver

Waiver serial number: 2000039

Type of request: Renewal

Primary regulation citation: Section 6(o) of the Food Stamp Act of 1977 and 7 CFR 273.24

Secondary regulation citation, if any: None

State: Oregon

Region: Western

Regulatory requirements: Section 6(o) of the Food Stamp Act of 1977, provides that no individual, who is able bodied without a dependent (ABAWD), 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 3-months (consecutive or otherwise)....

The Food Stamp Act of 1977, Section 6(o)(4) allows the State the opportunity to request a waiver when it is determined that the area in which the individual resides has an unemployment rate of more than 10 percent; or there are not sufficient jobs to provide employment for the individuals. Regulations are codified in 7CFR 273.24(f).

Proposed alternative procedures: Oregon is proposing to extend the waiver initially granted on April 21, 2000 for one more year using Department of Labor statistics and State unemployment rate information. This waiver extension will allow the State to exempt ABAWDs from the three-month time limit due to the labor

insufficiency. These individuals will continue to be subject to Employment and Training requirements. However, they will no longer be required to work 20 hours a week or participate in workfare to remain eligible for food stamp benefits beyond three months.

This waiver renewal is based on labor insufficiency. The unemployment rate for the State of Oregon is more than 20% higher than the national average. Therefore, Oregon is asking that this waiver include the entire state.

Justification for request:

Using the criteria set forth in 7 CFR 273.24, Oregon has identified that the entire state is experiencing an unemployment rate that is more than 20% higher than the national average.

Per the regulations in 7 CFR 273.24(f)(2)(ii), Oregon is meeting the requirements for this claim of high unemployment rate using Department of Labor data for the state. The data shows that over a 24-month period the average unemployment rate is more than 20 percent above the national average for the same 24-month period. We are using the 24-month period of December 2000 through November 2002.

The 24-month average of the national unemployment rate for December 2000 through November 2002 was 5.2 percent. Twenty percent above 5.2 is 1.04. Using these figures, Oregon must have an unemployment rate greater than 6.24 percent to support continuing to waive the entire state. Using Department of Labor data, the average unemployment rate for Oregon during the same time period is 6.75 percent. In conclusion, the unemployment rate for the State of Oregon averaged more than 20% higher than the national average for the period December 2000 through November 2002.

Anticipated impact on households and State agency operations:

ABAWDs residing in Oregon will be required to comply with the requirements to register for work, accept a job if offered, and participate in the food stamp employment and training program. They will continue to be offered the work components offered to all mandatory employment and training clients in Oregon. However, the ABAWDs residing in Oregon will not be subject to the three-month time limit.

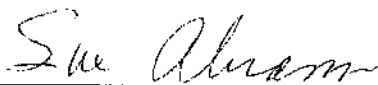
Anticipated implementation date and time period for which waiver is needed:

Oregon requests an extension of this waiver to the entire state for the period May 1, 2003 through April 30, 2004.

Proposed quality control review procedures:

There are no special quality control procedures needed in conjunction with this waiver request.

Signature and title of requesting official:



Sue Abrams, Administrator
Office of Prevention and Transitional Benefits
Children, Adults and Families
Department of Human Services

Date of Request:

BLS and Oregon State Employment data is attached.

Waiver 2000039
FY 2003 request

OREGON	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	TOTAL
2000/2001	4.7	4.9	5.2	5.4	5.8	6	6.1	6.4	6.7	6.9	7.2	7.7	73
2001/2002	7.8	8.1	8.1	7.9	7.5	7.2	7.2	7.3	7	6.8	7	7.1	89
											24-month total		6.75