



United States Department of Agriculture
Food and Nutrition Service
Southwest Region

*Harriet - CPE
original of
request
previously
received via e-mail
on 6/22/04*

JUN 15 2004

Reply to
Attn of: SWFS-300

Subject: Texas Able-Bodied Adults Without Dependents (ABAWD) Waiver Number 970057

To: Art Foley, Director
Program Accountability Division

Attached for your consideration is a request from Texas to extend Waiver 970057. Texas is requesting approval by July 15, 2004 so that they can make the necessary programming changes for this waiver.

We appreciate your assistance in this matter. If any questions arise, please contact Anne Snell at (214) 290-9900.

JUDY K. BARRON
Regional Director
Food Stamp Program

Attachment

TEXAS HEALTH AND HUMAN SERVICES COMMISSION

June 8, 2004

ALBERT HAWKINS
EXECUTIVE COMMISSIONER

Mr. William Ludwig
Regional Administrator
United States Department of Agriculture
Food and Nutrition Service, Southwest Region
1100 Commerce Street, Room 522
Dallas, Texas 75242

Re: Food Stamp Program – Request for Extension of Waiver (#970057)

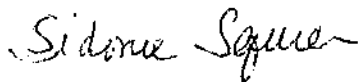
Dear Mr. Ludwig:

The Texas Department of Human Services requests an extension of the existing waiver of section 6(o) of the Food Stamp Act as amended by section 824 of the Personal Responsibility and Work Opportunity Act (PRWORA) of 1996 (P.L. 104-193), for the following 17 Texas counties: Cameron, Cochran, Dimmit, Hidalgo, Jasper, Liberty, Matagorda, Maverick, Newton, Orange, Presidio, Reeves, Sabine, Somervell, Starr, Willacy, and Zavala.

The current waiver will expire September 30, 2004. These 17 counties qualify as high unemployment areas under criteria specified in 7 CFR 273.24(f)(i), which allows the Secretary to approve state requests for exemption from work requirements for individuals residing in areas with unemployment rates exceeding 10 percent. We request that this extension be for a one-year period beginning October 1, 2004 so as to coincide with the federal fiscal year.

Attached are documents from the U.S. Department of Labor, Bureau of Labor Statistics website at <http://www.bls.gov/lau/home.htm#data> outlining the most recent data used to determine the applicable county unemployment rate. It is our understanding that FNS will consider this waiver using the employment data from this time period and source. The method used is in compliance with the United States Department of Agriculture memo FSP-SO-2004-14 dated May 7, 2004. Details are contained in the attached standard-format waiver request. In order to complete computer programming for these changes we need your response by July 15, 2004.

Sincerely,



Sidonie Squier
Associate Commissioner
Office of Family Services

SS:jm

Attachments

WAIVER REQUEST

1. **Waiver serial number (if request is extension):** 970057
2. **Type of request :** Extension
3. **Primary regulation citation:** 7 CFR 273.24(f)
4. **Secondary regulation citation:** N/A
5. **State:** Texas
6. **Region:** SWRO
7. **Regulation Requirements:** 7 CFR 273.24 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 3 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; or did not participate in and comply with the requirements of a program under section 20 or a comparable program established by the State.

It also provides that, upon 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 a sufficient number of jobs to provide employment for the individuals.

8. **Proposed alternative procedures:** Texas proposes to exempt from this requirement individuals who reside in counties that have an unemployment rate in excess of 10 percent. Historical unemployment figures were obtained from the U.S. Department of Labor Bureau of Labor Statistics web-site at <http://www.bls.gov/lau/home.htm#data> (Attachment A) indicate that the 17 counties listed on Attachment A had unemployment rates exceeding 10 percent for the 2003 calendar year. Each year the State plans to revise the list of waiver counties with an annual effective date of October 1. Approval to request a waiver for additional counties may be requested by the State if circumstances warrant during the year.
9. **Justification for request:** This waiver is requested under 7 CFR 273.24(f). Approval of this waiver would allow individuals who reside in areas where unemployment rates are over 10 percent the opportunity to participate in the food stamp program without being required to meet unrealistic program work requirements.

10. **Anticipated impact on households and State agency operations:** Approval of this waiver would mitigate the adverse effects experienced by households in economically depressed areas by allowing them to continue receiving basic nutritional sustenance through the Food Stamp Program. In such areas, these households would otherwise be faced with losing such basic support due to circumstances beyond their control since complying with work requirements in such local economic environments may not be a reasonable expectation.
11. **Caseload information, including percent, characteristics, and quality control error rate for affected portion:** In December 2003, a total of 2,234,908 individuals (852,905 households) received Food Stamps statewide. The 3,660 Food Stamp recipients in the seventeen counties who would be exempted by this waiver comprise about 0.16 percent of the State's total recipients. The 3,178 households that would be exempted comprise 0.37 percent of the State's Food Stamp households. (The statistics in this section include estimates for TIERS Food Stamps individuals and households.) Attachment B provides caseload data on the affected population for these counties.

There are no applicable quality control error rates to report for this waiver request.

12. **Anticipated implementation date and time period for which waiver is needed:**
The waiver is requested for a one-year period commencing October 1, 2004.
13. **Proposed quality control review procedures:** No special procedures will be necessitated by this waiver.
14. **Signature and title of requesting official:**



Sidonie Squier
Associate Commissioner
Office of Family Services

15. **Date of request:** June 7, 2004

JUL 02 2004

970057

SUBJECT: Food Stamp Program - Texas - Request to Extend Waiver of 7 CFR
273.24

TO: Judy K. Barron, Regional Director
Food Stamp Program
Southwest Region

This is in response to your memorandum of June 15, 2004, forwarding the Texas State Agency's request to extend and modify waiver 970057. The waiver would be effective October 1, 2004, to coincide with the start of fiscal year (FY) 2005. Under the waiver, individuals residing in 17 counties would be exempt from the work requirements of 7 CFR 273.24 based on an unemployment rate greater than 10 percent for a 12-month period.

Our response approving the waiver is attached. If you have any questions, please contact Patricia Maggi at 703-305-2468.



Harriet Kornegay
Assistant Chief
Certification Policy Branch
Program Development Division

Attachment

cc: All Regions (except SWRO)
Kate Fink (OANE)
Bob Dalrymple (OANE)
David Young, National Arbitrator
Civil Rights

File:I:CPB:Waivers:970057 TX (2005 ext):Pmaggi:06-25-04

Symbol	Surname	Date	Symbol	Surname	Date
	Harriet Kornegay	7/2/04			

OFFICIAL RECORD COPY

WAIVER RESPONSE

1. **Waiver Serial Number:** 970057
2. **Type of Request:** Extension
3. **Primary Regulation Citation:** 7 CFR 273.24
4. **Secondary Regulation Citation:** None
5. **State:** Texas
6. **Region:** Southwest Region (SWRO)
7. **Regulatory Requirements:** 7 CFR 273.24 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 3-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; or did not participate in and comply with requirements of a program under Section 20 or a comparable program established by the State.

7 CFR 273.24(f) also provides that, upon the request of a State agency, the Food and Nutrition Service 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 was an unemployment rate of over 10 percent, or does not have a sufficient number of jobs to provide employment for the individuals benefits because they were exempt from these requirements.
8. **Description of Proposed Alternative Procedures:** The Texas State Agency is requesting an extension and modification of its current waiver that exempts individuals from the provisions of 7 CFR 273.24, based on unemployment rate greater than 10 percent for a recent 12-month period. Under the waiver residents of 17 counties would be exempt from the work requirements of 7 CFR 273.24.
9. **Action and Reason for Approval or Denial:** We are approving the waiver as requested by the State Agency. The Texas State Agency calculated the unemployment rates for Calendar Year (CY) 2003 for 17 counties using the method described in the April 22, 2004 memorandum "ABAWD Waivers – New Method for Calculating Average Unemployment Rates". After obtaining monthly data for January through December 2003 from the Bureau of Labor Statistics (<http://www.bls.gov>), Texas added up each county's total Labor Force and Unemployed figures. It divided the total unemployed figure by the total labor force; multiplied the answer by 100 to obtain the unemployment percentage

amount. This figure was then rounded down to 1 decimal place. For example, the State Agency calculated Cameron County's unemployment rate as follows:

Year	Period	Labor force	Unemployed
2003	Jan	142,883	15,853
2003	Feb	141,557	15,208
2003	Mar	143,043	14,992
2003	Apr	142,709	14,896
2003	May	142,777	14,896
2003	Jun	147,289	18,234
2003	Jul	147,471	17,157
2003	Aug	145,703	16,120
2003	Sep	143,654	15,319
2003	Oct	144,191	15,324
2003	Nov	145,689	16,521
2003	Dec	145,287	16,162
TOTAL		1,732,253	190,682

The State agency divided the total unemployed by the total labor force [$190,682 / 1,732,253$] and obtained an unemployment rate of 11.0078 (0.110078×100), which was then rounded to one decimal place – **11.0 percent**.

Here are the total calculations for the 17 counties:

COUNTY	TOTAL LABOR FORCE	TOTAL UNEMPLOYED	UNEMPLOYMENT RATE (UNROUNDED)	UNEMPLOYMENT RATE (ROUNDED)
Cameron	1,732,253	190,682	11.0078	11.0%
Cochran	17,111	1,771	10.3501	10.4%
Dimmit	47,250	5,475	11.5873	11.6%
Hidalgo	2,788,299	378,961	13.5911	13.6%
Jasper	176,549	21,284	12.0556	12.1%
Liberty	383,665	40,089	10.4490	10.4% ¹
Matagorda	180,876	26,068	14.4121	14.4%
Maverick	248,565	56,471	22.7188	22.7%
Newton	69,161	10,210	14.7627	14.8%
Orange	492,223	55,783	11.3329	11.3%
Presidio	45,219	9,939	21.9797	22.0%
Reeves	70,663	7,973	11.2831	11.3%
Sabine	47,050	6,160	13.0925	13.1%
Somervell	25,499	2,773	10.8749	10.9%
Starr	287,603	54,431	18.9257	18.9%
Willacy	77,369	12,993	16.7936	16.8%
Zavala	56,800	8,833	15.5511	15.6%

Each County has a 12-month unemployment rate that is greater than 10 percent. Cameron, Cochran, Dimmit, Hidalgo, Jasper, Liberty, Matagorda, Maverick, Newton, Orange, Presidio, Reeves, Sabine, Somervell, Starr, Willacy, and Zavala Counties are exempt from the work requirements of 7 CFR 273.24 based on their unemployment rates exceeding 10 percent for a 12-month period.

10. **Regulatory or Legislative Basis for Action:** This waiver is approved pursuant to 7 CFR 273.24(f), which allows FNS to waive the applicability of the work requirement provision in 7 CFR 273.24 for any group of individuals in the State if we make a determination that the area in which the individuals reside has an unemployment rate over 10 percent or has insufficient jobs.
11. **Conditions and Reasons:** N/A
12. **Information Required for Extension.** To receive an extension the State agency must provide data compiled by its Bureau of Labor Statistics (BLS) cooperating agency or compiled by the State using the BLS data from the web site.
13. **Expiration Date:** As requested by the State agency, the extension and modification of this waiver will be effective October 1, 2004, to coincide with the

¹ Texas calculated Liberty County's unemployment rate (UER) as 10.3 percent. We performed the calculations and came up with a 10.4 percent UER.

beginning of the new fiscal year (FY 2005), and will expire on September 30, 2005. The current waiver will remain in effect until September 30, 2004.

14. **Limitation on Regional Office Approval of Like Requests:** Approval is limited to the Texas State Agency.
15. **Quality Control Procedures:** N/A
16. **Date of State Agency's Request:** June 8, 2004
17. **Date of Regional Office Transmittal:** June 15, 2004
18. **Date of National Office Action:**
18. **Date of Regional Office Transmittal of Response to State Agency:**
19. **Actual Implementation Date:**