



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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

Janet Napolitano
Governor

Tracy L. Wareing
Director

Dennis Stewart, Regional Director
Food and Nutrition Service
Western Region
90 Seventh St., Suite 10-100
San Francisco, CA 94103

Dear Mr. Stewart:

The Arizona Department of Economic Security (ADES) is requesting a two year modification and extension to current food stamp waiver 970148 which exempts individuals from the Food Stamp able-bodied time limited assistance provisions in 7 CFR 273.24, when residing in Labor Surplus Areas and other areas that do not have a sufficient number of jobs to provide employment. The current waiver request expires on April 30, 2008.

The current waiver exempts individuals residing in all counties within Arizona except for Maricopa and Pima counties. The Maricopa county towns of El Mirage, Sun City West and Youngtown and the Pima county towns of Ajo and Sells are currently exempt. The current waiver also exempts the Fort McDowell and Salt River Indian reservation areas within Maricopa County, the Pascua Yaqui reservation area within Pima County and the Tohono O'odham Indian reservation areas within both Maricopa and Pima counties.

Arizona's modification and extension request includes the following areas:

- The entire counties of Apache, Coconino, Gila, Graham, Greenlee, LaPaz, Mohave, Navajo, Pima, Pinal, Santa Cruz, Yavapai and Yuma.
- The Maricopa county town of Youngtown (El Mirage and Sun City West no longer qualify for an exemption)
- The Pima county towns of Ajo and Sells.
- The Indian reservation areas within the boundaries of Maricopa County of the Fort McDowell, Gila River, Salt River and Tohono O'odham tribes. (The Gila River reservation is not currently exempt.)
- The Indian reservation areas within the boundaries of Pima County of the Pascua Yaqui and Tohono O'odham tribes.

Arizona is requesting exemption for the aggregate labor area of the thirteen counties because the combined unemployment rate was 20% or more above the nationwide unemployment rate for the 36 month period beginning December 2004 and ending November 2007. All Indian reservation areas, Youngtown, Ajo and Sells have a projected unemployment rate 20% or more above the nationwide unemployment rate. The projections for all Indian reservations and towns are based on census share ratio data and data from the Bureau of Labor Statistics. The 36 month period of time included December 2004 through November 2007. Arizona has included spreadsheets for all calculations.

Your prompt attention to this request is greatly appreciated. If you have questions or require additional information, please contact Luese Washington, Policy Support Team Manager, at (602) 542-5472.

Sincerely,

Veronica Bossack
Assistant Director
Division of Benefits
and Medical Eligibility

Waiver Request

1. **Waiver serial number:**

970148

2. **Type of request:**

Extension and Modification

3. **Primary regulation citation:**

7 CFR 273.24(f)

4. **Secondary regulation citation:**

Not applicable

5. **State:**

Arizona

6. **Region:**

Western Region

7. **Regulatory requirements:**

7 CFR 273.24 (b) restricts Food Stamp program participation for able-bodied adults (ABAWD) to three full months during any three year period, unless the adult fulfills the employment or work program requirements, is exempt from these requirements as specified in 7 CFR 273.24 (c), regains eligibility as specified in 7 CFR 273.24 (d), or qualifies for an additional three month eligibility as specified in 7 CFR 273.24 (e).

7 CFR 273.24 (f) permits state agencies to request FNS to waive the time limit for a group of individuals residing in an area that does not have a sufficient number of jobs to provide employment for the individuals. This includes areas that have a 36-month average unemployment rate that exceeds the national average for the same 36-month period by at least 20 percent and areas that have a recent 12-month average unemployment rate over 10 percent.

8. **Proposed alternative procedures:**

The State of Arizona, Department of Economic Security (DES), requests a modification and extension of waiver 970148 which is approved for the period of May 1, 2006 through April 30, 2008. Arizona is requesting an extension for ABAWD participants residing in the following counties: Apache, Cochise, Coconino, Gila, Graham, Greenlee, LaPaz, Mohave, Pima, Pinal, Santa Cruz, Yavapai and Yuma. Arizona. Arizona also requests an extension for Youngtown within Maricopa County, Ajo and Sells within Pima County, the Indian reservation areas of the Fort McDowell, and Salt River tribes within Maricopa County, the Pascua Yaqui tribe within Pima County and the Tohono O'odham areas within both Maricopa and Pima Counties.

Arizona is requesting a modification of the current waiver in order to exempt the Indian reservation area of the Gila River tribe within Maricopa County. The western Maricopa County towns of El Mirage and Sun City West no longer qualify for an exemption.

9. **Justification for request:**

The modification and extension will continue to ensure equitable distribution of food stamp benefits in areas experiencing a high incidence of unemployment. 7 CFR 273.24 (f) (6) allows states to define areas to be covered in the waiver.

In this waiver modification and extension request, Arizona has clustered the 13 counties. The national unemployment average for the period of December 2004 through November 2007 was 4.7835%. The unemployment rate sufficient to meet the waiver requirement for this time period is 5.7%. For this 36 month period the 13 combined counties had an average unemployment rate of 6.3%. This calculation is based on labor force and unemployment data from the Bureau of Labor Statistics.

Arizona used census share ratio data in combination with labor force and unemployment data from the Bureau of Labor Statistics for all other entities. The period of time used for these calculations was December 2004 through November 2007. Using this methodology the following unemployment rate calculations were determined:

- The town of Ajo, (within Pima County)7.1%.
- The town of Sells (within Pima County) 21.8%.
- The town of Youngtown (within Maricopa County) 5.7%.
- The Fort McDowell Indian reservation area (Maricopa County) 12.1%.
- The Gila River Indian reservation area (Maricopa County) 21.0%.
- The Salt River Indian reservation area (Maricopa County) 7.2%.
- The Pasqua Yaqui Indian reservation area (Pima County) 14.2%.
- The Tohono O'odham Indian reservation (Maricopa County part) 32.7%.
- The Tohono O'odham Indian reservation area (Pima County part) 18.5.

Spreadsheets have been included with Arizona's waiver request to support unemployment rate percentages.

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

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| A. | Client Benefits: | Will not penalize Arizona residents living in higher unemployment areas who lack the same opportunity to obtain employment as individuals residing in lower unemployment areas. |
| B. | Worker Benefits | Monitoring and tracking of work compliance in Labor Surplus Areas and high unemployment areas will not be required. |

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

All individuals residing in Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Mohave, Navajo, Pinal, Santa Cruz, Yavapai, and Yuma counties will be exempt.

Individuals residing in the Maricopa town of Youngtown and the Pima County towns of Ajo and Sells will be exempt. The Fort McDowell, Gila River, Salt River and Tohono O'odham reservation areas within Maricopa County will be exempt as well as the Pasqua Yaqui and Tohono O'odham Indian reservation areas within Pima County. The ABAWD related quality control error rate for cases within these ABAWD exempt areas will be positively affected, as this population has no mandatory work requirements to satisfy.

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

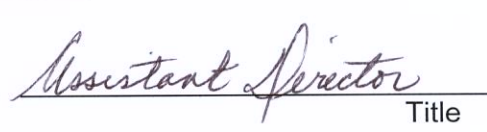
The waiver modification and extension is requested for current waiver 970148 for the period of May 1, 2008 through April 30, 2010.

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

Arizona Department of Economic Security, Family Assistance Administration

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

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

 
Signature Title

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

FEB 06 2008