

JAN 14 1998

970050

SUBJECT: FSP - Hawaii - Request to extend waiver of Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996

TO: Dennis Stewart, Director
Food Stamp Program
Western Region

This is in response to the request from the Hawaii State Agency to extend its waiver of Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 for the counties of Hawaii, Kauai, and the island of Molokai.

We are approving the request. Our response is attached. If you have any questions regarding this waiver, please call Moira Johnston at 703-305-2515.



Arthur T. Foley
Director
Program Development Division

Attachment

cc: Joseph Pinto
John Knaus
Joe Shea
Maurice Tracy
All Regions (except WRO)
Civil Rights
CPB (circulate)

FINAL:FCS:FSP:PDD:MJohnston:Final:1/12/98
FILE: ABAWDs
DIR: I:970050 - hi - memo

WAIVER RESPONSE

1. **Waiver Serial Number:** 970050
2. **Type of Request:** Extension
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 (PROWRA) of 1996, P. L. 104-193
4. **Secondary regulation citation:** N/A
5. **State:** Hawaii
6. **Region:** Western
7. **Regulatory Requirement:** Section 6(o) of the Food Stamp Act, as amended, by Section 824 of the PROWA, 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, average monthly; did not participate in and comply with the requirements of a work program for 20 hours or more per week; did not participate in and comply with requirements of a program under Section 20 or a comparable program established by the State; or received benefits because they were exempt from these requirements.

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

8. **Description of proposed alternative procedures.** The State agency is requesting an extension of this waiver for individuals residing on the islands of Hawaii, Kauai, and Molokai. The island of Hawaii was originally approved based on its designation as a Labor Surplus Area (LSA) by the Employment and Training Administration (ETA). According to the State agency, Hawaii reflects a 3-month average unemployment rate in excess of 10 percent for the period ending July 1997.
9. **Action and reason for approval or denial.** The State agency provided unemployment data for the period ending July 1997. A review of more recent data from the Hawaii State Department of Labor and Industrial Relations, a Bureau of Labor Statistics (BLS) cooperating agency, indicates that for the 12-month period

ending in November 1997 the islands of Kauai and Molokai had average unemployment rates over 10 percent. Therefore, we are approving an extension of this waiver for a period of one year for individuals residing on these two islands based on unemployment over 10 percent. The island of Hawaii had an unemployment rate of only 9.5 percent for the 12-month period ending November 1997. However, it had an unemployment rate over 10 percent for the 6-month period ending November 1997. Based on this information, we are approving an extension of this waiver for individuals residing on the island of Hawaii due to unemployment over 10 percent.

10. **Regulatory or legislative basis for action:** This waiver is approved pursuant to Section 6(o) of the Food Stamp Act, as amended by Section 824 of the PROWRA, which allows the Secretary to waive the applicability of the work requirement provision in Section 6(o) 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 individuals residing in the area.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** To receive an extension the State agency must provide data from their State Department of Labor and Industrial Relations, its BLS cooperating agency, indicating that these areas had unemployment rates over 10 percent.
13. **Expiration date:** This waiver will expire December 31, 1998.
14. **Limitation, if any, on regional office approval of like requests:** This waiver is limited to the Hawaii State Agency.
15. **Quality control procedures:** N/A
16. **Date of national office action:**
17. **Date of State agency's request:** October 20, 1997
18. **Date of regional office transmittal of request:** December 1, 1997
19. **Date of regional office transmittal of response to State agency:**
20. **Actual implementation date:**