

OCT 27 1998

970050 and 990007

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 Islands of Hawaii, Kauai, and Molokai.

We are approving the extension of Waiver #970050 for the Islands of Hawaii and Molokai for unemployment over 10 percent. We are approving Waiver #990007 for the Island of Kauai based on its designation as a Labor Surplus Area. Our response is attached. If you have any questions regarding this waiver, please call James A. Walsh at 703-305-2531.


Arthur T. Foley
Director
Program Development Division

Attachment

cc: Bryan Allison
John Knaus
Maurice Tracy
All Regions (except WRO)
Civil Rights
CPB (circulate)

FNS:FSP:PDD:JWalsh:Final:10/23/98:va

FILE: ABAWDs

DIR: I:970050-990007HI-memo

PD-124 Walsh 10-23-98
-mmw wBatts 10/23/98

WAIVER RESPONSE

1. **Waiver Serial Number:** 970050 and 990007
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 waiver #970050 for individuals residing on the Islands of Hawaii, Kauai, and Molokai. In the last extension of the waiver all three islands were approved based on unemployment over 10 percent. In the current request the State agency is requesting an extension of the waiver based on unemployment of 10 percent or higher for the three islands.
9. **Action and reason for approval or denial.** Waiver #970050: The State agency provided unemployment data for the twelve-month period ending August 1998. Unemployment for the Island of Molokai averaged 14.1 percent for 12 months and for the Island of Hawaii unemployment averaged 10.2 percent for the last 3 months ending in August 1998. 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.

Waiver #990007: The Island of Kauai had an unemployment rate of 9.6 percent for the 12-month period ending August 1998. The Act provides for a waiver based on unemployment of **over 10 percent**. Therefore, rounding up to 10 percent as suggested by the Hawaii State Agency is not an option. However, the Island of Kauai is on the current list of eligible Labor Surplus Areas (LSA) prepared by the U. S. Department of Labor for the fiscal year ending September 30, 1999. Therefore, we are approving this waiver for one year for individuals residing on the Island of Kauai based on the island's designation as an LSA.

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 or do not have a sufficient number of jobs to provide employment for individuals residing in these areas.
13. **Expiration date:** These waivers will expire December 31, 1999.
14. **Limitation, if any, on regional office approval of like requests:** These waivers are 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 1, 1998.
18. **Date of regional office transmittal of request:** October 8, 1998.
19. **Date of regional office transmittal of response to State agency:**
20. **Actual implementation date:**