

980017

DEC 11 1997

SUBJECT: FSP - Illinois - Request to Waive 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: David Mikelson, Director
Food Stamp Program
Midwest Region

This is in response to the Illinois State Agency's request for a modification and extension of several waivers which exempted individuals residing in several counties from the work requirement for able-bodied adults without dependents.

Our response is attached. If you have any questions, please contact Moira Johnston at 703-305-2515.

Arthur T. Foley

Arthur T. Foley
Director
Program Development Division

Attachment

cc: John Knaus, Joe Shea, Maurice Tracy, All Regions (except MWRO), Civil Rights CPB (circulate)

FCS:FSP:PDD:CPB:MJohnston::final:12/9:va

FILE: ABAWDS

DIR: I:980017 - Memo

Symbol		Symbol	Surname	Date
PDD	<i>mjohnston</i>			12/9
PDD-110	<i>mjohnston</i>			12/9/97
PDD-110	<i>gmaun</i>			12/8/97

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Waiver Response

1. **Waiver serial number:** 980017
2. **Type of request:** Modification/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 (PRWORA) of 1996, P.L. 104-193.
4. **Secondary regulation citation:**
5. **State:** Illinois
6. **Region:** MWRO
7. **Regulatory Requirements:** Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), P.L. 104-193, 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; 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 PRWORA, 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 Illinois State Agency currently has several waivers of the work requirement provisions of Section 6(o) of the Food Stamp Act which were approved under two separate criteria (unemployment over 10 percent and insufficient jobs), and which have different expiration dates (December 1997 and March 1998). The Illinois State Agency is requesting
 - to consolidate all its current waivers into one waiver,

- to add several new areas to the waiver,
- that the areas be approved under one criteria (the insufficient jobs criteria), and,
- that the one waiver be extended to expire on December 31, 1998.

Though several of the areas in the request have unemployment rates over 10 percent, they all meet the insufficient jobs criteria. Therefore, the State agency is requesting that they all be approved under the insufficient jobs criteria. The State agency believes that this will make the administration of these waivers simpler, more reasonable, and less error prone for the State's local office staff.

The State agency submitted information from the Employment and Training Administration (ETA) which lists 28 counties and 15 cities that have been identified by the ETA as Labor Surplus Areas (LSAs). In addition, it submitted data compiled by the Illinois Department of Employment Security (IDES) which identifies four counties, two large cities, and 82 municipalities which have had unemployment rates of at least 6.5 percent, or 20 percent higher than the national unemployment rate for the 24-month period of September 1995 through August 1997.

9. **Action and reason for approval or denial:** Based on the information submitted by the State agency, and in accordance with your recommendation, we are approving this request in its entirety.

The State agency submitted information from the ETA which lists 28 counties and 15 cities that have been identified by the ETA as LSAs. The counties are Alexander, Christian, Crawford, Franklin, Fulton, Gallatin, Grundy, Hamilton, Hardin, Jefferson, Johnson, LaSalle, Lawrence, Marion, Mason, Montgomery, Perry, Pope, Pulaski, Putnam, Randolph, Saline, Scott, Stark, Union, Wabash, White, and Williamson. The cities are Alton in Madison County; Belleville and East St. Louis in St. Clair County; Carpentersville in Kane County; Cicero, Chicago, Dolton, Harvey and Maywood in Cook County; Granite City in Madison County; Joliet in Will County; Kankakee in Kankakee County; North Chicago in Lake County; Pekin in Tazewell County; Waukegan in Lake County.

The State agency submitted data compiled by IDES which identifies four counties, two cities, and 82 municipalities as having unemployment rates 20 percent above the national average for the 24 month period of September 1995 through August 1997.

The counties are: Greene, Jasper, Macon (Decatur City within Macon County is an LSA), and Vermillion (Danville City within Vermillion County is an LSA).

The cities are Freeport and Rockford.

The municipalities are as follows:

Belevidere in Boone County; Bureau Junction, Hollowayville and Spring Valley in Bureau County; Savanna in Carroll County; Beardstown in Cass County; Casey and Marshall in Clark County; Carlyle in Clinton County; Bellwood, Blue Island, Broadview, Burnham, Calumet Park, Dixmoor, Ford Heights, Hazel Crest, Hodgkins, Markham, Melrose Park,

Oak Grove, Phoenix, Riverdale, Robbins, Stone Park, and Summit in Cook County; Arlington in Douglas County; Paris in Edgar County, Anna, Galva, and Kewanee in Henry County; Ava and Murphysboro in Jackson County; Abingdon in Knox County; Round Lake Park and Zion in Lake County; Lincoln in Logan County; Carlinville, Chesterfield, Dowell, Gillespie, Hettick, Mount Clare, Royal Lakes, Sawyerville, White City, and Wilsonville in Macoupin County; East Alton, Madison, Venice, and Wood River in Madison County; Wenona in Marshall County; Joppa in Massac County, Keithsburg, Matherville, New Boston, and Seaton in Mercer County; Oregon in Ogle County, West Peoria in Peoria County; Baylis, El Dara, Florence, Nebo, New Canton, New Salem, Pearl, Time, and Valley City in Pike County; Olney in Richland County; Alorton, Brooklyn, Centreville, National City, Scott AFB and Washington Park in St. Clair County, Shelbyville in Shelby County; Creve Coeur in Tazewell County; Fairfield in Wayne County; Braidwood, Preston Heights and Fairmont in Will County; Wamac in Marion and Washington Counties.

10. **Regulatory or legislative basis for action:** The waiver is approved pursuant to Section 6(o) of the Food Stamp Act, as amended by Section 824 of the PRWORA, 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 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 indicating that there are insufficient jobs.
13. **Expiration date:** This waiver is effective January 1, 1998 and expires on December 31, 1998.
14. **Limitation on regional office approval of like requests:** This waiver is limited to the Illinois State Agency.
15. **Quality Control Procedures:** N/A
16. **Date of national office action:**
17. **Date of State agency's request:** November 7, 1997
18. **Date of regional office transmittal of response to State agency:** November 14, 1997
19. **Actual implementation date:**



United States
Department of
Agriculture

Food and
Consumer
Service

Midwest
Region

77 W. Jackson Blvd. - 20th Floor
Chicago, IL 60604-3507

Reply to
Attn of: MWFS-100:FS 13-1-3 Illinois

NOV 14 1997

Subject: Request for Extension to Waive Section 6(o) of the Food Stamp Act, as amended by Section 824 of PRWORA

To: Art Foley, Director
Program Development Division
Food Stamp Program

Attached is a copy of a letter and supporting documentation from the Illinois State agency requesting extension to waive Section 6(o) of the Food Stamp Act in areas which were previously approved for exemption from the requirements of Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996. The State is also requesting to waive these requirements in several additional areas not previously approved for exemption. Illinois is requesting that all areas listed in this waiver request be exempted from January 1998 through December 1998.

Concerning those previously approved areas, Illinois' request lists counties and cities which will be expiring in December 1997 and in March 1998. The State agency is requesting that waiver approval be extended from January 1998 through December 1998, even for those areas which are currently approved through March 1998. Illinois feels that this will make the administration of these waivers simpler, more reasonable, and less error prone for the State's local office staff. Only one area, the city of Steger, was previously approved for exemption through March 1998 and is not included in this extension request since it did not meet the requirements for exemption under Section 824. A member of the Illinois staff said that the State will continue exempting individuals in this area until the approved waiver expires in March 1998.

Illinois is supporting its request by using statistics from the Bureau of Labor Statistics (BLS) and the Illinois Department of Employment Security (IDES) for exemption as labor surplus areas (LSA). Several areas have an employment rate in excess of 10% but the State is not requesting exemptions under this criterion since these areas are also labor surplus areas. The State is requesting exemption for 28 counties and 15 large cities as LSAs using BLS statistics, 4 counties and 2 large cities as LSAs using IDES statistics, and 82 municipalities with populations of less than 25,000 as LSAs using IDES statistics. These figures include previously approved areas as well as newly requested areas. Please see the attached letter and attachments from Illinois for additional information.

We recommend that these waivers be approved since they appear to meet the LSA requirement. We also recommend that the current waivers naturally expire and that FCS assigns one new waiver number for all of the areas in the State's request. If you have any questions or require any further information regarding this waiver request, please feel free to contact me or have your staff contact Linda Herbert at (312) 353-0577.

DAVID M. MIKELSON
Regional Director
Food Stamp Program

Attachment



Jim Edgar, Governor

Illinois Department of Human Services

Howard A. Peters III, Secretary

100 South Grand Avenue, East • Springfield, Illinois 62762
401 South Clinton Street • Chicago, Illinois 60607

November 7, 1997

Mr. David Mikelson, Director
Food Stamp Program
Midwest Region
Food and Consumer Service
United States Department of Agriculture
77 W. Jackson Blvd., 20th Floor
Chicago, IL 60604-3507

Dear Mr. Mikelson:

Attached you will find information substantiating our present request for a continuation of (in addition to several new) waivers under provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), specifically Section 6(o) of the Food Stamp Act, as amended by Section 824. We have drafted this request in accordance with the guidelines issued by FCS, and I hope for a timely, positive response. In discussing the approval process with FCS central office staff at a recent session of joint attendance, I understood that the "delays in response" over this past year would not be anticipated by FCS with subsequent requests by states. As it is necessary we notify the appropriate areas soon, I would hope that would be the case.

We continue to have counties and cities that are operating under previously requested/approved waivers of Section 824, some expiring at the end of December while others at the end of March 1998. Over this past year we made multiple requests for waivers of particular counties and cities, using various criteria. Many were approved and some were denied. The differing periods of area exemptions were from two months to 13 months. With each of these requests and subsequent approvals and denials, it was necessary to initiate particular programming changes, notify affected clients, and keep our local offices up-to-date on those areas that fell within their administration. Given its complexity, it was surprising that the entire system worked as well as it did.

However, we continue to be concerned in making any changes that could have an adverse impact on our quality control error rate. Therefore, I am requesting that all approvals begin January 1998 and remain in effect through December 1998 (even for the areas that are presently under waivers extending through March 1998.) This would make the administration of this aspect of the program simpler, more reasonable, and less error prone for our local office staff.

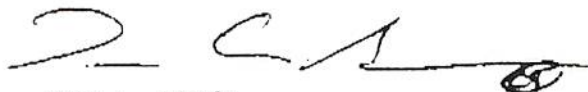
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I have included attachments reflecting information from two basic sources - the Bureau of Labor Statistics (BLS) for labor surplus areas, and the Illinois Department of Employment Security (IDES), Economic Information and Analysis Section, also for labor surplus areas. While several areas showed rates of unemployment in excess of 10%, all were also included as labor surplus areas so are not duplicated.

In addition, most of the counties, and cities with populations greater than 25,000, appeared on both the BLS report and the IDES labor surplus area report. However, I only included them once, with primary designation being made under the BLS heading.

As listed on Attachments I and II, we are requesting exemption of the following for the period from 1/1/98 through 12/31/98: 28 counties and 15 large cities as Labor Surplus Areas under BLS criteria; 4 counties and 2 large cities as Labor Surplus Areas using IDES data; and 82 municipalities with populations of less than 25,000 as Labor Surplus Areas using IDES data. Data on Attachment II is for the 24 month period of September 1995 through August 1997. All the listed areas had unemployment rates of at least 6.5%, 20% in excess of the national unemployment rate of 5.4% for the same period. The national rate includes Puerto Rico.

Sincerely,



TIM A. GRACE
State Director
Food Stamp Program

Attachments