

November 3, 1997

970337, 970344, 970345, 970346, 970347

SUBJECT: FSP - Maine State Agency - Requests 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: Robert Canavan, Regional Director
Food Stamp Program
Northeast Region

This is in response to the Maine State Agency's requests to exempt individuals in the entire State who do not have access to a reliable vehicle to commute to work, are homeless, have language barriers, lack necessary work skills, education, employment references or work history, or are migrant farm workers from Section 6(o) of the Food Stamp Act, as amended by Section 824 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1997. This section limits the receipt of food stamp benefits to 3 months within a 3-year period for able-bodied adults without dependents (ABAWDS) with certain exceptions.

The law allows the Secretary to waive the provisions of Section 6(o) of the Act for any group of individuals in the State if the Secretary determines that the area in which the individual resides has an unemployment rate of over 10 percent or does not have a sufficient number of jobs to provide employment for the individuals. On this basis, we have already approved waivers of Section 6(o) for persons residing in several counties, labor market areas and towns in Maine. We realize there are still many obstacles for other needy people in Maine to obtain jobs. The State agency has done much research into the matter and has presented compelling arguments in favor of further waiving Section 6(o) by groups across the State. However, most of the 18 to 50 year old population subject to the ABAWD provisions face significant challenges in obtaining employment, including the types of challenges for which Maine requested waivers. We understand the difficulties that these individuals face, however, the intent of the law is that people must work if they want to receive food stamps and the focus of the waiver authority is on high unemployment and insufficiency of jobs in the area. Maine has a very low unemployment rate which has been falling. In 1994, the annual rate was 7.4 percent; the 1995 rate was 5.7 percent. In 1996 the rate was 5.1 percent, and so far in 1997 the unemployment rate appears to be less than 5

percent. Moreover, those counties with substandard economic conditions already are waived (8 full counties and 3 partial counties). Therefore, we are denying the State agency's request. The real test for these waivers is whether there are sufficient jobs in an area for these people. We would consider a waiver that focuses on an insufficient number of jobs for these people in designated areas of the State.

However, many ABAWDs in Maine are already included in one of the approved waivers. Section 1001 of the Balanced Budget Act amends the Food Stamp Act of 1977 to permit State agencies to exempt from the Section 6(o) of the work requirement for ABAWDS up to 15 percent of a State's "covered individuals". The State agency may want to use this authority to exempt from Section 6(o) work requirements individuals who do not have access to a vehicle to commute to work, are homeless or have language barriers or who lack necessary work skills, education, employment references or work history or are migrant farm workers.

If you have any questions, please contact James A. Walsh of my staff at 703-305-2531.

/s/

Arthur T. Foley
Director
Program Development Division

Attachments

cc: J. Shea, J. Knaus, J. Pinto, M. Tracy, Civil Rights, CPB(circulate),
OA&E - Bob Dalrymple, OGC
All Regions

FCS:FSP:PDD:CPB:JWALSH:FINAL:10/25/97:REVISED:10/31/97:va

FC: ABAWDS

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