

JUL 01 1999

970141

SUBJECT: FSP -Maine - 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: Robert L. Canavan, Regional Director
Food Stamp Program
Northeast Region

This is in response to Mary A. Ferris' memorandum forwarding the Maine State Agency's request to extend its current 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 1999, for the Penobscot Indian Reservation.

In a memorandum dated March 22, 1999, we granted a temporary extension for the reservation through June 30, 1999, pending receipt of more recent data than that originally provided by the State agency. In its previous request for an extension the State agency submitted the labor force data from the Bureau of Indian Affairs (BIA) data for 1995, which at the time was the latest available. We advised the State agency that we would need either more recent data from the BIA, or alternative data justifying an exemption for the reservation. The State agency has now provided both updated data from the BIA and additional data indicating insufficient jobs on the reservation.

Our response extending the waiver is attached. If you have any questions please contact Larry Tropp of my staff at 703-305-2437.

Arthur Foley

Arthur T. Foley
Director
Program Development Division

Attachments

cc: w/attachments: John Knaus, Maurice Tracy, Fran Heil
All Regions (except NERO), Civil Rights, CPB (circulate), Mike DePiro, OAE

FNS:FSP:PDD:Ltropp:final:6/29/99:va
DIR: 1:CPB:970141.mem(1999 ext)

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Waiver Response

1. **Waiver serial number:** 970140 and 970141
2. **Type of request:** Extension and Modification
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:** Maine
6. **Region:** NERO
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, participate in and comply with the requirements of a work program for 20 hours or more per week, or participate in and comply with requirements of a program under section 20 or a comparable program established by the State.

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 Maine State Agency is proposing to extend and modify waiver #970140 exempting six counties designated as Labor Surplus Areas (LSAs) by the Employment and Training Administration of the Department of Labor for FY 1999 and the Ellsworth/Bar Harbor Labor Market Area (LMA) from this requirement based on insufficient job opportunities for individuals who reside in areas which have an insufficient number of jobs. The counties which are currently covered by the waiver are: Aroostook, Oxford, Piscataquis, Somerset, Waldo, and Washington. The counties designated as LSAs for FY 1999 include Aroostook, Franklin, Oxford, Piscataquis, Somerset, and Washington. Franklin County is being added to the waiver. Waldo County, which was included in the last waiver extension, is not a designated LSA for FY 1999 and is not included in the extension request. The 24-month average unemployment rate of 6.0 percent for the Ellsworth/Bar Harbor LMA was greater than the 20 percent above the national average threshold of 4.8 percent (5.76 percent) for the 2-year period ending November 30, 1998.

The State agency is also requesting an extension of waiver #970141, which provides an exemption from the provision of Section 6(o) for residents of the Penobscot Indian Reservation. The State agency submitted Bureau of Indian Affairs (BIA) data for 1995, the latest data available for the Penobscot Indian Reservation.

Approval of these waivers will provide consistency for households and State agency operations in areas where unemployment remains higher than the national average.

9. **Action and reason for approval or denial:** We are approving for one year the State agency's request to extend and modify waiver #970140 to exempt individuals residing in the six counties designated as LSAs (Aroostook, Franklin, Oxford, Piscataquis, Somerset, and Washington) and the Ellsworth/Bar Harbor LMA from the work requirements of Section 6(o) of the Food Stamp Act, based on data indicating that there are insufficient jobs for persons residing in the areas who are subject to the provisions of Section 6(o).

We are approving the State agency's request to extend waiver #970141 exempting residents of the Penobscot Indian Reservation for only three months. Employment data regarding employment on Indian reservations is compiled by the BIA on a biennial basis, and data for 1997 is being issued by the BIA. However, the 1997 data for the Penobscot Indian Reservation was not given to BIA by the reservation; the BIA employment data for the Penobscot Indian Reservation in BIA's 1997 listing by reservation is still the data for 1995. Also, the State agency submitted the 1995 data to support the extension of the waiver. Therefore, we feel that there is insufficient justification to extend the waiver for an additional full year.

If current data on employment to population ratios is not available within three months, the State agency will have to provide alternative data for the reservation to receive an extension.

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 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 does not have a sufficient number of jobs to provide employment for the individuals.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** For areas other than the Penobscot Indian reservation, please submit data indicating that the areas included in the waiver continue experience insufficient job opportunities. For the Penobscot Indian reservation, please submit recent employment to population ratio data, or recent unemployment rate data based on census share ratios.
13. **Expiration date:** The waiver extensions are approved through March 31, 2000, 1-year from the expiration date of the State agency's original waiver for the six counties and the Ellsworth/Bar Harbor LMA. The waiver extension for the Penobscot Indian Reservation is approved through June 30, 1999. The waiver for Waldo County remains in effect until its original expiration date of March 31, 1999.
14. **Limitation on regional office approval of like requests:** These waivers are limited to the Maine State Agency.
15. **Quality Control Procedures:** N/A

16. Date of national office action:

17. Date of State agency's request: January 21, 1999 and January 27, 1999

18. Date of regional office transmittal to the national office: February 17, 1999

19. Actual implementation date: