

NOV 2 5 1996

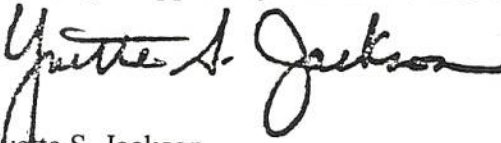
970028 and 970029

SUBJECT: FSP - New Jersey, and Virginia- 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: Christopher Martin, Regional Administrator
Food and Consumer Service
Mid-Atlantic Regional Office

This is in response to your memorandum of November 8, 1996 forwarding requests from the New Jersey and Virginia State Agencies 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. This section limits the receipt of food stamp benefits to three months within a three year period for able-bodied adults who are not working (or participating in a work program) twenty hours or more each week or participating in workfare. Our responses are attached.

If you have any questions, please contact Larry Tropp of my staff at 703-305-2437.


Yvette S. Jackson
Deputy Administrator
Food Stamp Program

Attachment

Waiver Response

1. **Waiver serial number:** 970028
2. **Type of request:** Initial
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:** New Jersey
6. **Region:** MARO
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 New Jersey State agency is proposing to exempt from this requirement individuals who reside in areas which have an unemployment rate of over 10 percent. The New Jersey Department of Labor has identified 22 municipalities and 1 county in which the unemployment rates are over 10 percent. The areas were identified using the average annual labor force estimates for 1995, which according to the State agency, is the most recent period for which statistics are available.

Approval of this waiver would allow individuals who reside in the identified areas the opportunity to participate in the food stamp program without being required to meet unrealistic program work requirements. It would also ease the burden for individuals trying to comply with work requirements which are unreasonable given the local economic environment. Finally, it would provide for more efficient operation of the Food Stamp Program by allowing the State agency to focus its efforts and resources in regard to work requirements on those households most likely to benefit.

Action and reason for approval or denial: The information provided by the New Jersey State agency regarding the unemployment rate was generated by the New Jersey Department of Labor which is, according to Bureau of Labor Statistics (BLS), a cooperating State agency and uses BLS data and/or methods.

Based on this information, and the recommendation of the Regional Office, we are approving the request by the New Jersey State agency to exempt individuals in the 22 municipalities and 1 county listed in its waiver request from the work requirement provisions of Section 6(o)(2) of the Food Stamp Act, as amended by Section 824 of the PRWORA.

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 has an unemployment rate of over 10 percent.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** Please submit supporting unemployment data which relies on standard BLS data and/or methods.
13. **Expiration date:** This waiver is approved for a period of one year and expires on December 31, 1997. Although the State agency has requested approval for a two-year period, at this time, we are not approving waivers of this type for a period of more than one year. Labor markets fluctuate and the relationship to the period of high unemployment upon which this waiver is based may change significantly within a year.
14. **Limitation on regional office approval of like requests:** This waiver is limited to the New Jersey State agency.
15. **Quality Control Procedures:** N/A
16. **Date of national office action:**
17. **Date of State agency's request:** November 8, 1996
18. **Date of regional office transmittal of response to State agency:** November 8, 1996
19. **Actual implementation date:**