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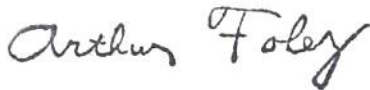
980063

SUBJECT: FSP - Pennsylvania - 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: Joseph Weingart, Regional Director
Food Stamp Program
Mid-Atlantic Region

This is in response to the Pennsylvania State Agency's April 16, 1999, (as nearly as we can read the date stamp) request for a 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. This section limits the receipt of food stamp benefits to 3 months within a 3-year period for able-bodied adults who are not working (or participating in a work program) 20 hours or more each week or participating in workfare.

Our response is attached. We are approving a waiver for individuals residing in 33 counties and 6 cities. We are unable to approve at this time a waiver for five of the requested counties, or for that part of Lycoming County outside of Williamsport City. If you have any questions, please contact Dan Woodhead of my staff at 703-305-2501.



Arthur T. Foley
Director
Program Development Division

Attachments

cc:	Carolyn Foley	Bob Dalrymple - OAE
	John Knaus	Mike Depiro - OAE
	Maurice Tracy	Civil Rights
	Joe Shea	All Regions (except MARO)

FCS:FSP:PDD:CPB:DRWoodhead:DRAFT:5/18/99:REDRAFT:5/27/99:final:5/28/99:va
DIR: I:CPB:PA ABAWD Extension/PA ABAWD - Memo 99

Waiver Response

1. **Waiver serial number:** 980063
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 (PRWORA) of 1996 (PL 104-193)
4. **Secondary regulation citation:**
5. **State:** Pennsylvania
6. **Region:** MARO
7. **Regulatory requirements:** Section 6(o) of the Food Stamp Act, as amended by Section 824 of the PRWORA, 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; or did not 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. **Proposed alternative procedures:** On April 16, 1999, the Pennsylvania State Agency submitted a request to the regional office to waive the requirements of Section 6(o) of the Food Stamp Act as amended by Section 824 of the PRWORA for individuals residing in 39 counties and 5 cities: Thirty one counties and five cities based on their being identified as Labor Surplus Areas (LSAs) in the "September 1998" issue of the U.S. Department of Labor's "Area Trends in Employment and Unemployment", three counties based on 24-month average unemployment rates that were 20 percent above the national average for the same period, and five counties based on adverse job growth.

9. **Action and reason for approval or denial:** FNS reviewed the list of counties and cities the State agency identified as LSAs against the latest edition of the U.S. Department of Labor's "Area Trends in Employment and Unemployment" (for the period October 1, 1998, through September 30, 1999, Federal Fiscal Year 1999). Using this information, we are approving a waiver for individuals residing in the following 32 counties based on their designation as LSAs: Armstrong, Bedford, Cambria, Cameron, Carbon, Clarion, Clearfield, Clinton, Columbia, Fayette, Forest, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Luzerne, Mifflin, Monroe, Northumberland, Philadelphia, Potter, Schuylkill, Somerset, Sullivan, Susquehanna, Tioga, Venango, Wayne, and Wyoming.

The State agency requested that for administrative purposes we approve the entire counties where part of the county had been identified as an LSA. However, as we stated in our previous waiver approval, we are unable to approve a waiver for individuals based solely on administrative concerns. The only authority we have to waive this requirement for individuals is if the areas in which they reside have unemployment rates over 10 percent or insufficient jobs. The State agency did not submit data regarding the balance of the counties, and therefore, we are only able to approve a waiver for individuals residing in the parts of counties that have been identified as LSAs. Those areas are: McKeesport City in Allegheny County, Altoona City in Blair County, Chester City in Delaware County, Erie City in Erie County, Allentown City in Lehigh County, and Williamsport City in Lycoming County (the State agency apparently thought the entire county was designated as an LSA; however, they submitted the FY 1998 LSA list, and in the FY 1999 list the balance of Lycoming County is not designated as an LSA).

The State agency requested that individuals residing in Fulton, Lawrence, and Sullivan Counties be waived, based on data published by the Pennsylvania Department of Labor and Industry showing that the unemployment rate for the past 24 months in those counties was 20 percent above the national average unemployment rate for the same period. As explained above, Fulton and Sullivan counties are LSAs and are approved based on that status. We established through the regional office that the State agency had used figures for calendar years 1997 and 1998, and then reviewed data on unemployment rates for Lawrence County for the same period published on the Pennsylvania Department of Labor and Industry's web site (www.li.state.pa.us). Based on this data, the average unemployment rate for Sullivan County it was 6.89. Because the average unemployment rate for the 24-month period of calendar years 1997 and 1998 for Lawrence County exceeded the national average unemployment rate of 4.71 for the same period by 20 percent, we are approving a waiver for individuals residing in this county based on the insufficient jobs criteria.

The State agency requested that individuals residing in Montgomery, Montour, Perry, Snyder and Union Counties be waived due to adverse job-growth rates. The State agency listed population and persons employed, and calculated the ratio of population to persons employed for each of the counties for the 6 year period 1992 through 1997. It then averaged the ratio for each county and compared it to the ratio of population to employed persons for 1992, to show a 6-year pattern of adverse job growth—despite the fact that figures for the later years are consistently above figures for the earlier years. However, the averages shown are all below the lowest figure for the years averaged—a puzzling outcome. To verify the correct figures, we totaled people employed and total population for the 6 years for each county, and then divided the 6-year total of people employed by the 6-year total of county population to obtain average ratios for the period. The ratios are 95.2303 for Montgomery County, 95.2741 for Montour County, 95.2174 for Perry County, 94.086 for Snyder County, and 94.8276 for Union County. Each is significantly higher than the corresponding ratio for the county for 1992. A more significant comparison, however, is that between the 6-year average ratio, and the ratios for the last 1 or 2 years. Based on that comparison, none of the counties could be said to have adverse job growth, since the ratio of population to persons employed for 1996 and 1997 is above the 6-year average for each county. If the State agency wishes to submit further data to show adverse job growth, we will consider it.

To make sure that we had not overlooked any possibility that the five counties might have insufficient jobs, we obtained data on civilian labor force, persons employed, and unemployment in the counties for the period April 1997 through March 1999 from the Pennsylvania Department of Labor & Industry, and calculated the unemployment rate for each of the five counties for that period. The unemployment rate is 3.4 percent for Montgomery County, 3.6 percent for Montour County, 3.6 percent for Perry County, 4.8 percent for Snyder County, and 4.0 percent for Union County. All are less than 20 percent above the U.S. unemployment rate for the same period. Therefore, we are not approving a waiver for individuals living in the five counties on the basis of insufficient jobs.

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 have an unemployment rate over 10 percent or has insufficient jobs.
11. **Conditions and reasons:** n/a

12. **Information required for extension.** Please submit information which indicates that these areas have insufficient jobs.
13. **Expiration date:** This waiver expires May 31, 2000.
14. **Limitation on regional office approval of like requests:** Approval of this waiver is limited to the Pennsylvania State Agency.
15. **Quality Control Procedures:** n/a
16. **Date of national office action:** June 7, 1999
17. **Date of State agency's request:** April 16, 1999.
18. **Date of regional office transmittal of response to State agency:** April 12, 1999.
19. **Actual Implementation Date:**