# STATE WAIVER REQUEST

1. **Waiver Serial Number (if applicable):** 2150017
2. **Type of request:** Initial
3. **Statutory citation:** Section 6(o) of the Food and Nutrition Act of 2008
4. **Regulatory citation:** 7 CFR 273.24
5. **State:** Wisconsin
6. **Region:** Midwest
7. **Regulatory requirements:**

Under 7 CFR 273.24(b) individuals are not eligible to participate in the Supplemental Nutrition Assistance Program (SNAP) as a member of any household if the individual received program benefits for more than 3 months during any 3-year period in which the individual was subject to, but did not comply with, the SNAP work requirements. Regulations at 273.24(a) provide that fulfilling the work requirement means: working 20 hours or more per week, averaged monthly; participating in and complying with the requirements of a work program or a workfare program for at least 20 hours per week; or any combination of working and participating in a work program for a total of 20 hours per week.

Under 7 CFR 273.24(f), upon the request of a State agency, the Food and Nutrition Service (FNS) may waive the applicability of the time limit described above for any group of individuals in the State if FNS 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.

1. **Description of alternative procedures:**

The State of Wisconsin is requesting to exempt able-bodied adults without dependents (ABAWDs) in 8 counties, 1 city,10 reservations, and 13 zip code areas in the city of Milwaukee from SNAP time limits at 7 CFR 273.24.

1. **Justification for request:**

Under SNAP regulations at 7 CFR 273.24(f)(2), areas may qualify for an ABAWD time limit waiver if they have insufficient jobs. To support this claim, states may submit evidence that an area is designated as a Labor Surplus Area (LSA) by the Department of Labor’s Employment and Training Administration, or that an area has an average unemployment rate for a 24-month time period that is at least 20 percent above the national average for the same 24-month period. 7 CFR 273.24(f)(6) provides that States may define areas to be waived.

The State of Wisconsin seeks a waiver for two individual counties based on their average unemployment rates for the 24-month period of February 2022 through January 2024 that are at least 20 percent above the national average for the same period. The national average unemployment rate for this 24-month period was 3.6 percent; 20 percent above this was 4.3 percent.

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| **Bureau of Labor Statistics Local Area Unemployment Data**  **February 2022 – January 2024** | | | |
| **County** | **Total Unemployed** | **Total Labor Force** | **Unemployment Rate** |
| Iron County, WI | 3,228 | 61,044 | **5.3%** |
| Menominee County, WI | 2,080 | 36,224 | **5.7%** |
| **20% Above National Average Threshold** | **4.3%** | | |

The State also seeks a waiver for a region of 2 counties based on its average unemployment rate for the 24-month period of February 2022 to January 2024. The region’s aggregate average unemployment rate was 4.3 percent for the same period.

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| **Bureau of Labor Statistics Local Area Unemployment Data February 2022 – January 2024** | | |
| **County** | **Total Unemployed** | **Total Labor Force** |
| Florence County, WI | 1,779 | 52,004 |
| Forest County, WI | 4,428 | 93,825 |
| **Combined Area Total** | 6,207 | 145,829 |
| **Combined Unemployment Rate** | **4.3%** | |
| **20% Above National Average Threshold** | **4.3%** | |

The State seeks another waiver for a region of 2 counties based on its average unemployment rate for the 24-month period of February 2022 to January 2024. The region’s aggregate average unemployment rate was 4.3 percent for the same period.

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| **Bureau of Labor Statistics Local Area Unemployment Data February 2022 – January 2024** | | |
| **County** | **Total Unemployed** | **Total Labor Force** |
| Bayfield County, WI | 8,161 | 177,351 |
| Douglas County, WI | 23,036 | 550,192 |
| **Combined Area Total** | 31,197 | 727,543 |
| **Combined Unemployment Rate** | **4.3%** | |
| **20% Above National Average Threshold** | **4.3%** | |

The State seeks another waiver for a region of 2 counties based on its average unemployment rate for the 24-month period of February 2022 to January 2024. The region’s aggregate average unemployment rate was 4.3 percent for the same period.

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| **Bureau of Labor Statistics Local Area Unemployment Data February 2022 – January 2024** | | |
| **County** | **Total Unemployed** | **Total Labor Force** |
| Adams County, WI | 9,377 | 189,706 |
| Marquette County, WI | 6,679 | 185,206 |
| **Combined Area Total** | 16,056 | 374,912 |
| **Combined Unemployment Rate** | **4.3%** | |
| **20% Above National Average Threshold** | **4.3%** | |

The State also seeks a waiver for an individual city based on its average unemployment rate for the 24-month period of February 2022 through January 2024. The city’s average unemployment rate was 4.4 percent for the same period.

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| **Bureau of Labor Statistics Local Area Unemployment Data**  **February 2022 – January 2024** | | | |
| **City** | **Total Unemployed** | **Total Labor Force** | **Unemployment Rate** |
| Racine city, WI | 36,558 | 838,779 | **4.4%** |
| **20% Above National Average Threshold** | **4.3%** | | |

The State requests to waive the following reservations based on having an average unemployment rate exceeding the national average for a recent 24-month period. The national average unemployment rate for this 24-month period was 3.6 percent; 20 percent above this was 4.3 percent. The reservation unemployment rates were calculated by applying 2018-2022 American Community Survey[[1]](#footnote-1) share ratios to county-level Bureau of Labor Statistics data from February 2022 through January 2024. The following table summarizes the calculations:

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| --- | --- | --- | --- |
| **American Community Survey and Bureau of Labor Statistics Data**  **February 2022 through January 2024** | | | |
| **Reservations** | **Unemployed** | **Labor Force** | **Unemployment Rate** |
| Ashland County (part); Wisconsin (part); Bad River Reservation, WI | 1,908 | 16,829 | 11.3% |
| Iron County (part); Wisconsin (part); Bad River Reservation, WI | 0 | 0 | - |
| **Total Bad River Reservation** | **1,908** | **16,829** | **11.3%** |
|  | | | |
| Forest County (part); Wisconsin (part); Forest County Potawatomi Community and Off-Reservation Trust Land, WI | 1,476 | 3,652 | 40.4% |
| Milwaukee County (part); Wisconsin (part); Forest County Potawatomi Community and Off-Reservation Trust Land, WI | 0 | 0 | - |
| Oconto County (part); Wisconsin (part); Forest County Potawatomi Community and Off-Reservation Trust Land, WI | 0 | 0 | - |
| **Total Forest County Reservation** | **1,476** | **3,652** | **40.4%** |
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| Adams County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 0 | - |
| Clark County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 152 | 0.0% |
| Crawford County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 23 | 0.0% |
| Dane County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 0 | - |
| Eau Claire County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 0 | - |
| Jackson County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 862 | 5,609 | 15.4% |
| Juneau County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 667 | 0.0% |
| La Crosse County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 73 | 0.0% |
| Marathon County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 0 | - |
| Monroe County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 122 | 878 | 13.9% |
| Sauk County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 455 | 1,431 | 31.8% |
| Shawano County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 147 | 700 | 21.1% |
| Vernon County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 0 | 0 | - |
| Wood County (part); Wisconsin (part); Ho-Chunk Nation Reservation and Off-Reservation Trust Land, WI--MN | 71 | 1,046 | 6.7% |
| **Total Ho-Chunk Nation Reservation** | **1,658** | **10,580** | **15.7%** |
|  | | | |
| Burnett County (part); Wisconsin (part); Lac Courte Oreilles Reservation and Off-Reservation Trust Land, WI | 0 | 0 | - |
| Sawyer County (part); Wisconsin (part); Lac Courte Oreilles Reservation and Off-Reservation Trust Land, WI | 2,191 | 28,616 | 7.7% |
| Washburn County (part); Wisconsin (part); Lac Courte Oreilles Reservation and Off-Reservation Trust Land, WI | 0 | 0 | - |
| **Total Lac Courte Oreilles Reservation** | **2,191** | **28,616** | **7.7%** |
|  | | | |
| Iron County (part); Wisconsin (part); Lac du Flambeau Reservation, WI | 0 | 64 | 0.0% |
| Oneida County (part); Wisconsin (part); Lac du Flambeau Reservation, WI | 0 | 349 | 0.0% |
| Vilas County (part); Wisconsin (part); Lac du Flambeau Reservation, WI | 2,724 | 35,431 | 7.7% |
| **Total Lac du Flambeau Reservation** | **2,724** | **35,845** | **7.6%** |
|  | | | |
| Menominee County (part); Wisconsin (part); Menominee Reservation and Off-Reservation Trust Land, WI | 1,981 | 28,167 | 7.0% |
| Shawano County (part); Wisconsin (part); Menominee Reservation and Off-Reservation Trust Land, WI | 98 | 1,155 | 8.5% |
| **Total Menominee Reservation** | **2,079** | **29,322** | **7.1%** |
|  | | | |
| Bayfield County (part); Wisconsin (part); Red Cliff Reservation and Off-Reservation Trust Land, WI | 2,172 | 13,506 | 16.1% |
| **Total Red Cliff Reservation** | **2,172** | **13,506** | **16.1%** |
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| Barron County (part); Wisconsin (part); St. Croix Reservation and Off-Reservation Trust Land, WI | 0 | 636 | 0.0% |
| Burnett County (part); Wisconsin (part); St. Croix Reservation and Off-Reservation Trust Land, WI | 129 | 3,218 | 4.0% |
| Polk County (part); Wisconsin (part); St. Croix Reservation and Off-Reservation Trust Land, WI | 295 | 1,610 | 18.3% |
| **Total St. Croix Reservation** | **424** | **5,463** | **7.8%** |
|  | | | |
| Forest County (part); Wisconsin (part); Sokaogon Chippewa Community and Off-Reservation Trust Land, WI | 596 | 4,215 | 14.1% |
| **Total Sokaogon Chippewa Community** | **596** | **4,215** | **14.1%** |
|  | | | |
| Shawano County (part); Wisconsin (part); Stockbridge Munsee Community and Off-Reservation Trust Land, WI | 614 | 6,089 | 10.1% |
| **Total Stockbridge Munsee Community** | **614** | **6,089** | **10.1%** |

The State requests to waive 13 individual zip code areas[[2]](#footnote-2) based on having average unemployment rates exceeding the national average for a recent 24-month period. The unemployment rates for these zip code areas were calculated by applying 2018-2022 American Community Survey[[3]](#footnote-3) share ratios to county-level Bureau of Labor Statistics data from May 2022 to April 2024. The national average unemployment rate for this 24-month period was 3.6 percent; 20 percent above this was 4.4 percent. The following table summarizes the calculations:[[4]](#footnote-4)

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| **American Community Survey and Bureau of Labor Statistics Data May 2022 – April 2024** | | | |
| **Zip Code Tabulation Area (and the county it is located in)** | **Unemployed** | **Labor Force** | **Unemployment Rate** |
| **Milwaukee County[[5]](#footnote-5)** | |  |  |
| ZCTA5 53204 | 20,328 | 405,087 | **5.0%** |
| ZCTA5 53205 | 5,909 | 77,972 | **7.6%** |
| ZCTA5 53206 | 12,606 | 177,111 | **7.1%** |
| ZCTA5 53208 | 17,327 | 320,043 | **5.4%** |
| ZCTA5 53209 | 30,007 | 472,502 | **6.4%** |
| ZCTA5 53210 | 15,058 | 232,555 | **6.5%** |
| ZCTA5 53212 | 21,700 | 354,465 | **6.1%** |
| ZCTA5 53216 | 15,241 | 314,266 | **4.8%** |
| ZCTA5 53218 | 35,386 | 406,667 | **8.7%** |
| ZCTA5 53223 | 15,461 | 317,372 | **4.9%** |
| ZCTA5 53225 | 15,808 | 291,556 | **5.4%** |
| ZCTA5 53233 | 6,331 | 140,958 | **4.5%** |
| ZCTA5 53295 | 256 | 256 | **100.0%** |
|  |  |  |  |
| **20% Above National Average Threshold** | **4.4%** | | |

As additional evidence of the need for a waiver for these zip codes in the city of Milwaukee, labor force data for the city of Milwaukee indicates that while the city is not eligible for a waiver on the basis of its 24-month average unemployment rate, its unemployment rate is only 0.2 percentage points lower than the threshold required to meet eligibility. Therefore, this economic indicator does not present an economic picture of the city of Milwaukee that is significantly different than that shown by the analysis of the zip code areas within the city of Milwaukee.

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| **Bureau of Labor Statistics Local Area Unemployment Data**  **May 2022 – April 2024** | | | |
| **County** | **Total Unemployed** | **Total Labor Force** | **Unemployment Rate** |
| Milwaukee City, WI | 271,203 | 6,527,172 | 4.2% |

Furthermore, the State has compiled additional research that shows that the economy in these zip code areas located within the city of Milwaukee has been plagued by decades-long challenges including concentrated poverty, joblessness, and disinvestment. Milwaukee’s 53206 has been the focus of numerous academic studies, targeted efforts by politicians, and even a 2016 documentary about the staggering rates of incarceration. While neighboring zip codes have not spent as much time in the spotlight, areas surrounding 53206 face similar levels of disadvantage and lack of opportunity[[6]](#footnote-6).

The Economic Innovation Group’s (EIG) Distressed Communities Index (DCI) measure and data elements can also be used to corroborate the lack of jobs in the above zip code areas. The EIG’s DCI aims to identify communities alienated from the modern economy using seven key metrics, including percent of adults not working, change in business establishments, and change in the number of jobs. Per the EIG’s 2024 map, all but two of the zip codes corresponding with the ZCTAs listed above have experienced a decrease in jobs available over the past five years[[7]](#footnote-7). All but one of the zip codes corresponding with the ZCTAs listed above have been rated as “distressed”, which is the lowest of the EIG’s five category scale[[8]](#footnote-8).

In addition, the zip codes meeting the unemployment criteria are connected and cover a significant portion of the city of Milwaukee. The zip code map helps to illustrate that individuals living in the Milwaukee zip codes identified for waiver coverage do not have access to sufficient employment options nearby. More than one third of Wisconsin’s non-exempt ABAWDs, and almost three of every four non-exempt ABAWDs in the city of Milwaukee, reside in these zip codes.

1. **Anticipated impact on households and State agency operations:**

This waiver will provide consistency for households and State agency operations in areas where unemployment remains higher than the national average.

1. **Caseload information, including percent, characteristics, and quality control error rate for affection portion (if applicable):**

In June 2024 there were 373,788 FoodShare assistance groups, with 707,035 members. In June 2024, there were 20,685 non-exempt ABAWDs total in the state that would be at risk of receiving a countable month. Areas included in this geographic waiver represent 33.71% of the caseload for the state. Wisconsin’s QC error rate for FFY22 was 5.15%.

1. **Anticipated implementation date and time period for which waiver is needed:**

The State is requesting a one-year waiver, from October 1, 2024 through September 30, 2025.

1. **Proposed quality control review procedures:**

There are no special quality control procedures needed in conjunction with this waiver.

1. **State agency submitting waiver request and State contact person:**

Autumn Arnold

Bureau Director

Bureau of Eligibility and Enrollment Policy (BEEP)

Division of Medicaid Services

Wisconsin Department of Health Services

1. **Signature and title of requesting official:**

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Title: Bureau Director  
Email for transmission of response: [Autumn.Arnold@dhs.wisconsin.gov](mailto:Autumn.Arnold@dhs.wisconsin.gov)

1. **Date of request:** August 8, 2024
2. **State agency staff contact (name/email/telephone):**

Julie Taylor

FoodShare Team Lead

Bureau of Eligibility and Enrollment Policy

Email: [Julie.Taylor@dhs.wisconsin.gov](mailto:Julie.Taylor@dhs.wisconsin.gov)

Telephone: (608) 266-8471

1. **Regional office contact person (*to be completed by FNS regional office*):**

1. These calculations are based on data from the 2018-2022 American Community Survey 5-Year Estimates. [↑](#footnote-ref-1)
2. The Census Bureau provides labor force data for geographical entities called [Zip Code Tabulation Areas](https://www.census.gov/programs-surveys/geography/guidance/geo-areas/zctas.html) (ZCTAs), which are the Bureau’s representations of U.S. Postal Service Zip Code service areas. The Census Bureau notes that ZCTAs are for the most part the same as USPS zip codes for a given area. [↑](#footnote-ref-2)
3. These calculations are based on data from the 2018-2022 American Community Survey 5-Year Estimates. [↑](#footnote-ref-3)
4. The labor force estimates for ZCTAs are calculated using a similar methodology as that used to estimate labor force estimates for Native American reservations, as detailed in Section VII of FNS’ [guide to completing waiver analyses](https://www.fns.usda.gov/snap/guide-supporting-requests-waive-time-limit-abawd). [↑](#footnote-ref-4)
5. The ZCTAs are located fully within the borders of Milwaukee County. Most are located inside the city of Milwaukee, although a few have areas that fall outside the borders of the city. [↑](#footnote-ref-5)
6. Hegerty, 2020 [↑](#footnote-ref-6)
7. The EIG’s DCI utilized the Census Business Patterns Data from 2017 to 2021 to estimate the change in the number of jobs. [↑](#footnote-ref-7)
8. The EIG identified five quintiles of well-being: prosperous, comfortable, mid-tier, at risk, and distressed. The EIG estimates that 15.6 of the United States population is living in a distressed zip code. [↑](#footnote-ref-8)