United States Department of Agriculture

Food and Nutrition Service

3101 Park Center Drive

Alexandria, VA 22302-1500

JUN 13 2006

970148

SUBJECT: Arizona Able-bodied Adults Without Dependents (ABAWD) Waiver of 7 CFR 273.24

TO: Dennis Stewart, Director
Food Stamp Program
Western Region

This is in response to your memorandum dated March 6, 2006, transmitting Arizona State agency's request to modify and extend its waiver which exempts certain individuals from the work requirements of 7 CFR 273.24.

Our response approving the State's request is attached. If you have any questions, please contact Vicky Robinson at vicky.robinson@fns.usda.gov or at (703) 305-2476.

Harriet Kornegay
Acting Branch Chief
Certification Policy Branch

Attachment

AN EQUAL OPPORTUNITY EMPLOYER

WAIVER RESPONSE

1. **Waiver serial number:** 970148

2. **Type of request:** Extension and Modification

3 **Primary regulation citation:** 7 CFR 273.24(f)

4. **Secondary regulation citation:**

5. **State:** Arizona

6. **Region:** Western

7. **Regulatory requirements:** 7 CFR 273.24 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; did not participate in and comply with requirements of a program under Section 20 or a comparable program established by the State; or was exempt from these requirements.

   7 CFR 273.24(f) 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:** The Arizona State Agency is requesting a two-year extension of its current ABAWD waiver in the following geographic areas:

   - Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Mohave, Navajo, Pinal, Santa Cruz, Yavapai, and Yuma counties;
   - Towns of Sells and Ajo within Pima County;
   - Tohono O'odham reservation areas (also known as Papago) within Maricopa, Pinal, and Pima counties that includes San Xavier, Gila Bend, and Florence Village; and
   - Pascua Yaqui Reservation within Pima County.

   Arizona is also requesting to modify its waiver request by adding the following geographic areas:

   - El Mirage, Sun City West, and Youngtown within Maricopa County; and
   - Fort McDowell and Salt River Indian Reservations within Maricopa County.

The chart below illustrates data Arizona obtained from the Bureau of Labor Statistics (BLS), showing that the 13 counties had an unemployment rate of at least 20 percent above the national unemployment rate of 5.5 percent, or 7.2 percent, for the 36-month period of calendar years 2003 through 2005:

County	**Labor Force**	**Unemployed**
Apache	732088	87431
Cochise	1967830	101456
Coconino	2409758	131863
Gila	738606	49569
Graham	448189	30326
Greenlee	128394	7888
La Paz	270470	18351
Mohave	3013880	127805
Navajo	1352535	115903
Pinal	2861131	172562
Santa Cruz	561230	53157
Yavapai	3121230	135759
Yuma	2694586	426000
Totals	**20,299,927**	**1,458,070**

36-month Labor Force total = 20, 299,927
36-month Unemployment total= 1,458,070
1,458,070/ 20,299,927 = 0.0718
0.0718 x 100 = **7.18, or 7.2 percent**

Because unemployment data was not available for some of the smaller requested areas, the State agency used census share ratios based on the 2000 Census and whole county data obtained from BLS. Arizona then clustered the areas as follows to show that each area had an aggregate unemployment rate of at least 20 percent above the national average of 5.5, or 6.6 percent, for the 36-month calendar years of 2003 through 2005:

Labor Area—Western Maricopa County communities of El Mirage, Sun City West and Youngtown

Area	Employed Males	Employed Females	Total employed= Males + Females	Census Share Ratio = County part/County whole	Unemployed Males	Unemployed Females	Total Unemp. = Males + Females	Census Share Ratio = County part/County whole
El Mirage	1880	1233	3113	.0021	180	55	235	.0033
Sun City West	1101	1128	2229	.0015	82	95	177	.0024
Youngtown	430	405	835	.0005	36	32	68	.0009
Maricopa County	791064	636228	1427292	1.0000	39023	31908	70931	1.0000

Labor Area—Western Maricopa County communities of El Mirage, Sun City West and Youngtown (continued)

Area	2000 Census Share Ratio - Employed	2000 Census Share Ratio Unemployed	CY 2003 through CY2005 Whole County From BLS Employed	CY 2003 through CY2005 Whole County From BLS Unemployed	Employed = Whole county Employed * Census Share Ratio	Unemployed = Whole County Unemployed * Census Share Ratio	Labor Force = Emp. + Unemp.	Unemployed Rate = Unemp/ Labor Force
El Mirage	.0021	.0033	60809114	2879592	127699	9503	137202	**6.9**
Sun City West	.0015	.0024	60809114	2879592	91214	6911	98125	**7.0**
Youngtown	.0005	.0009	60809114	2879592	30405	2592	32997	**7.9**

Labor Area—Pima County Communities of Ajo and Sells

Area	Employed Males	Employed Females	Total employed= Males + Females	Census Share Ratio = County part/County whole	Unemployed Males	Unemployed Females	Total Unemp. = Males + Females	Census Share Ratio = County part/County whole
Ajo	507	469	976	.0026	58	42	100	.0047
Sells	262	374	636	.0017	175	63	238	.0113
Pima County	197526	173242	370768	1.0000	11264	9641	20905	1.0000

Area	2000 Census Share Ratio - Employed	2000 Census Share Ratio Unemployed	CY 2003 through CY2005 Whole County From BLS Employed	CY 2003 through CY2005 Whole County From BLS Unemployed	Employed = Whole county Employed * Census Share Ratio	Unemployed = Whole County Unemployed * Census Share Ratio	Labor Force = Emp. + Unemp.	Unemployed Rate = Unemployed / Labor Force
Ajo	.0026	.0047	15275685	748449	39717	3518	43235	**8.1**
Sells	.0017	.0113	15275685	748449	25969	8457	34426	**24.6**

Labor Area—Tohono O'odham Indian Reservation Areas (including San Xavier, Gila Bend and Florence Village)

	Employed [2000 Census]				Unemployed [2000 Census]			
Area	Males	Females	Total [= Males + Females]	Census Share Ratio [= County Part / Whole County]	Males	Females	Total [= Males + Females]	Census Share Ratio [= County Part / Whole County]
Papago (Tohono O'odham) reservation Maricopa county part	31	59	90	.000063	27	32	59	.000831
Maricopa County	791,064	636,228	1,427,292	1.000000	39,023	31,908	70,931	1.000000
Papago reservation Pinal County part	62	85	147	.002398	22	17	39	.007216
Pinal County	33,622	27,669	61,291	1.000000	2,952	2,452	5,404	1.000000
Papago reservation Pima County part	960	1,044	2,004	.005404	424	184	608	.029083
Pima County	197,526	173,242	370,768	1.000000	11,264	9,641	20,905	1.000000

Labor Area—Tohono O'odham Indian Reservation Areas (including San Xavier, Gila Bend and Florence Village continued)

Area	2000 Census Share Ratio - Employed	2000 Census Share Ratio Unemployed	CY 2003 through CY2005 Whole County BLS Employed	CY 2003 through CY2005 Whole County BLS Unemployed	Employed = Whole county Employed * Census Share Ratio	Unemployed = Whole County Unemployed * Census Share Ratio	Labor Force = Emp. +unemp	Unemployed Rate = Unemployed / Labor Force
Papago Reservation Maricopa County	.000063	.000831	60809114	2879592	3831	2393	6224	**38.4**
Papago Reservation Pinal County	.002398	.007216	2688579	172562	6447	1245	7692	**16.2**
Papago Reservation Pima County	.005404	.029083	15275685	748449	82550	21767	104317	**20.9**

Labor Area—Pascua Yaqui Indian Reservation located within Pima County

	Employed [2000 Census]				**Unemployed [2000 Census]**			
Area	Males	Females	Total [= Males + Females]	Census Share Ratio [= County Part / Whole County]	Males	Females	Total [= Males + Females]	Census Share Ratio [= County Part / Whole County]
Pascua Yaqui Reservation, Pima County	445	443	888	.002395	122	75	197	.009423
Pima County	197,526	173242	370,768	1.000000	11,264	9,641	20,905	1.000000

Labor Area—Pascua Yaqui Indian Reservation located within Pima County (continued)

Area	2000 Census Share Ratio [from previous table]		Calendar Year 2003 through Calendar Year 2005 Whole County (from BLS)]		Calendar Year 2003 through Calendar Year 2005 Calculated Reservation			
	Emp.	Unemp.	Employed	Unemp.	Employed [= Whole County Emp. * Census Share Ratio]	Unemployed [= Whole County Unemp. * Census Share Ratio]	Labor force [= Res. Unemp. + Res. Unemp.]	Unemp. rate [= Reservation Unemp. / Reservation Labor Force]
Pascua Yaqui res. Pima County	.002395	.009423	15275685	748449	36585	7053	43638	**16.2**

Labor Areas—Fort McDowell and Salt River Indian Reservations within Maricopa County

Area	**Employed [2000 Census]**				**Unemployed [2000 Census]**			
	Males	Females	Total [= Males + Females]	Census Share Ratio [= County Part / Whole County]	Males	Females	Total [= Males + Females]	Census Share Ratio [= County Part / Whole County]
Fort McDowell Indian reservation	92	91	183	.000128	15	19	34	.000479
Salt River Indian Reservation	868	980	1848	.001294	110	83	193	.002720
Maricopa County	791,064	636, 228	1,427,292	1.000000	39,023	31,908	70,931	1.000000

Labor Areas—Fort McDowell and Salt River Indian Reservations within Maricopa County (continued)

Area	2000 Census Share Ratio [from previous table]		CY 2003 through Calendar Year 2005 [from BLS]		Calendar Year 2003 through Calendar Year 2005 Calculated Reservation			
	Emp.	Unemp.	Emp.	Unemp.	Emp. [= Whole County Emp * Census Share Ratio]	Unemp [= Whole County Unemp * Census Share Ratio]	Labor force [= Res. employed + Res Unemp.]	Unemp. rate [= Reservation Unemployed / Reservation Labor Force]
Fort Mc Dowell Indian res.	.000128	.000479	60809114	2879592	7784	1379	9163	**15.0**
Salt River Indian res.	.001294	.002720	60809114	2879592	78687	7832	86519	**9.1**

9. **Justification for request:** To ensure the equitable distribution of food stamp benefits in areas experiencing high unemployment.

10. **Action and reason for approval or denial:** We are approving the State agency's request in full. Able-bodied adults without dependents (ABAWDs) who reside on the aforementioned areas will be exempt from work requirements based on the areas having an unemployment rate at least 20 percent above the national average of 5.5, or 6.6 percent, for the 36-month calendar years of 2003 through 2005. Note that we did make some mathematical adjustments to the final unemployment rate figures to reflect correct rounding.

11. **Regulatory or legislative basis for action:** The waiver is approved pursuant to 7 CFR 273.24(f), which allows the Secretary to waive the applicability of the work requirement provision for any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside has insufficient jobs.

12. **Conditions and reasons:** None.

13. **Information required for extension:** To receive an extension the State agency must provide data for the affected areas indicating that there continue to be insufficient jobs for individuals subject to 7 CFR 273.24.

14. **Expiration date:** The waiver is approved for two years, effective May 1, 2006 through April 30, 2008.

15. **Limitation on regional office approval of like requests:** Approval of this waiver is limited to the Arizona State agency.

16. **Quality control procedures:** N/A

17. **Date of national office action:** May 2, 2006

18. **Date of State agency's request:** March 6, 2006

19. **Date of regional office transmittal of response to State agency:** March 6, 2006

20. **Actual implementation date:**