

May 10, 2005

970155

SUBJECT: FSP – Indiana – Request to Waive 7 CFR 273.24

TO: Tim English, Director
Food Stamp Program
Midwest Region

This is in response to the Indiana State Agency's request to continue to exempt individuals residing in 26 counties and 3 cities from the work requirements of 7 CFR 273.24 based on insufficient jobs. In addition, the State agency is requesting to modify its waiver by adding 4 counties. Certain counties have been combined into sub-regions based on their service delivery areas within the State. The sub-regions exclude the cities of East Chicago, Gary, and Steuben County as they are on the 2005 LSA list. The sub-regions also exclude the city of Terre Haute and Vermillion County as they each have unemployment rates 20 percent above the national average for CY 2003-2004.

Our response is attached. If you have any questions, please contact Vicky Robinson of my staff at (703) 305-2476.

/s/

Harriet Kornegay
Assistant Branch Chief
Certification Policy Branch
Program Development Division

Attachment

cc: ALL RO w/Attachment (except MWRO)
John Knaus – w/Attachment
Bob Dalrymple - OAE w/Attachment
Kate Fink - OAE w/Attachment
Civil Rights w/Attachment

FINAL: USDA:FNS:FSP:PDD:CPB:VRobinson:4-29-05:so

FILE: ABAWDS

DIR: I:CPB/Waivers/FY2005:970155 IN ext., mod. & memo

WAIVER RESPONSE

1. **Waiver serial number:** 970155
2. **Type of request:** Modification and Extension
3. **Primary regulation citation:** 7 CFR 273.24
4. **Secondary regulation citation:** N/A
5. **State:** Indiana
6. **Region:** Midwest
7. **Regulatory requirements:** Under 7 CFR 273.24 (b) individuals are not 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 with requirements of a program under Section 20 or a comparable program established by the State.

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 above provision for any group of individuals in the State if the FNS 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:** Indiana is requesting to continue to extend its current ABAWD waiver for 26 counties and 3 cities based on insufficient jobs. The State agency is also requesting to add the 4 counties of Benton, Cass, Delaware, and Madison. The State has combined 28 of the counties into sub-regions, or areas, based on their service delivery areas within the State. The sub-regions exclude the cities of East Chicago, Gary, and Steuben County as they are on the 2005 LSA list. The sub-regions also exclude the city of Terre Haute and Vermillion County as they each have unemployment rates 20 percent above the national average for CY 2003-2004.

The State computed the national unemployment error rate (UER) by dividing the total average number of unemployed by the total average number in the labor force for CY03-04 to equal 5.66, with 120 percent above the UER as 6.8.

The combined areas (sub-regions) are as follows:**Sub-Region of Region 1**

Area	LABOR FORCE	UNEMP	
LaPorte County	1281280	84752	
Pulaski County	138462	9201	
Starke County	234399	19394	
Total for sub-region 1	1654141	113347	
Sub-region average	Avg.		0.068523

Sub-Region of Region 4

Area	LABOR FORCE	UNEMP	
Benton County	117622	6318	
Warren County	98344	4444	
White County	270996	22464	
Total for sub-region 4	486962	33226	
Sub-region average	Avg.		0.068231

Sub-Region of Region 5

Area	LABOR FORCE	UNEMP	
Cass County	468624	31955	
Fulton County	222432	15290	
Howard County	1009263	68415	
Miami County	378781	32513	
Wabash County	411549	25398	
Total for sub-region 5	2490649	173571	

Sub-region average	Avg.	0.069689
--------------------	------	----------

970155

Page 3

Sub-Region of Region 6

Area	LABOR FORCE	UNEMP
Blackford County	147065	13114
Delaware County	1418281	83129
Grant County	755218	69417
Henry County	567981	36733
Jay County	245602	18529
Madison County	1571198	97996
Randolph County	266274	23363

Total for sub-region 6	4971619	342281	
Sub-region Avg.			0.068847

Sub-Region of Region 9

Area	LABOR FORCE	UNEMP
Fayette County	240131	23107
Union County	91996	4958
Wayne County	874431	57566

Total for sub-region 9	1206558	85631	
Sub-region average	Avg.		0.070971

Sub-Region of Region 10

Area	LABOR FORCE	UNEMP
Greene County	319220	26549
Lawrence County	523994	40380
Owen County	275837	15615

Total for sub-region 10	1119051	82544	
Sub-region avg.	Avg.		0.073763

Sub-Region B of Service Delivery Region 8

Area	LABOR FORCE	UNEMP	
Crawford County	139973	9481	
Orange County	193245	18357	
Scott County	263292	15439	
Washington County	272528	20438	
Total for sub-region	869038	63715	
Sub-region Avg.			0.073317

9. **Action and reason for approval or denial:** We are approving the State Agency’s request in part. Indiana erred in computing the national UER and the 20 percent threshold by averaging DOL data instead of using DOL’s raw data for the 24-month period of CY03-04. Based on DOL raw data, the total civilian labor force for CY03-04 was 3526788 (in thousands). Total unemployment level for the same time period was 203004 (in thousands). Therefore the national UER for CY03-04 is $203004/3526788=5.76$. The 20 percent threshold is 6.9 (5.76 multiplied by 120 percent). For a county to fall under this waiver approval, its UER must be at least 6.9 percent or the county must be on the LSA list.

The areas listed below are approved based on being on the LSA list or by having an average unemployment rate of at least 20 percent above the national average of 5.76 percent, or 6.9 percent, for CY 2003-2004 based on data obtained from the Department of Labor:

LSA Counties/Cities			
East Chicago City	Gary City	Steuben	White

20 Percent Counties/Cities		
Sub-Region 1:	Sub-Region 5:	Sub-Region 6:
LaPorte (LSA) Pulaski Starke (LSA)	Cass Fulton (LSA) Howard (LSA) Miami (LSA) Wabash	Blackford (LSA) Delaware Grant Henry Jay (LSA) Madison

		Randolph (LSA)
Sub-Region 9:	Sub-Region 10:	Sub-Region B of 8:
Fayette (LSA) Union Wayne	Greene (LSA) Lawrence (LSA) Owen	Crawford Orange (LSA) Scott Washington (LSA)
Terre Haute City	Vermillion County	

970155
Page 5

The counties of Benton and Warren, which were joined with White County as part of Sub-Region 4, are denied as they did not meet the 20 percent threshold. White County, however, is approved as it is on the LSA list. The total number of counties approved is 28 and the total number of cities approved is 3 for a combined total of 31 out of 33 requested by the State.

10. **Regulatory or legislative basis for action:** The waiver is approved under the authority of 7 CFR 273.24(f), which allows FNS to waive the applicability of the work requirement provision for any group of individuals in the State if FNS makes a determination that the area in which the individuals reside has insufficient jobs.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** To receive an extension the State agency must provide data indicating that there are insufficient jobs in the affected areas.
13. **Expiration date:** This waiver is approved from April 1, 2005, and will expire on March 31, 2006
14. **Limitation, if any, on regional office approval of like requests:** This waiver is limited to the Indiana State Agency.
15. **Quality Control Procedures:** N/A
16. **Date of national office action:**
17. **Date of State agency's request:** March 11, 2005
18. **Date of regional office transmittal of response to State agency:** April 6, 2005
20. **Actual implementation date:**