

JUN 27 2000

970090 and 970146

SUBJECT: FSP - Montana - 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: Allan C. Nickels, Regional Director  
Food Stamp Program  
Mountain Plains Region

This is in response to the Montana State Agency's request of April 10, 2000, to extend its waivers 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. In a memorandum dated February 25, 2000, we granted a limited approval (through May 31, 2000) for certain tribal areas based on the absence of current data. In its letter of April 10, the State agency requested an extension through February 28, 2001 for all of the tribal areas which were granted temporary exemptions under our February 25, 2000, waiver response.

Our response approving the waiver request is attached. If you have any questions, please contact Larry Tropp of my staff at 703-305-2437.

Arthur T. Foley  
Director  
Program Development Division

Attachment

cc: PAD, Maurice Tracy, All Regions (except MPRO), Mike DePiro (OANE)  
Civil Rights, CPB (circulate), Fran Heil

FINAL:FCS:FSP:PDD:LTropp:cdh:06-23-00

FILE: ABAWDs

DIR: I:970090 (2000 EXT.).mem2

Symbol	Surname	Date	Symbol	Surname	Date
PR/21	Tropp	6/23/00			
PR/00	Wetters	6/26/00			

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## Waiver Response

1. **Waiver serial number:** 970090 and 970146
2. **Type of request:** Extension and Modification
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, Public Law 104-193.
4. **Secondary regulation citation:**
5. **State:** Montana
6. **Region:** MPRO
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), Public Law 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; 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. **Description of proposed alternative procedures:** In response to the State agency's original request to extend the subject waivers for the calendar year 2000 period, we extended exemptions from the work requirements of Section 6(o) through February 28, 2001, for residents of the following tribal areas: the Blackfeet Agency located within Glacier County; the Crow Agency located within Big Horn County; the Fort Peck Agency located within Roosevelt County; the Fort Belknap Agency; and the Northern Cheyenne Agency based on the fact that all the counties in which these reservations are located are designated LSAs for Fiscal Year 2000. We also approved an exemption until February 28, 2001 for residents of those portions of the Flathead Agency that are located within Flathead County, Lake County, and Sanders County because those counties are designated as LSAs for 2000.

Since current workforce data was not available at the time we evaluated the State agency's request, we approved a limited extension through May 31, 2000, for those portions of the reservations not located in LSAs. The State agency is now requesting a full extension (through February 28, 2001) for all the areas which were approved through May 31, 2000. The areas in this request include the Rocky Boy Agency in its entirety; that portion of the Flathead Agency located in Missoula County; and those portions of the Blackfeet, Crow, and Fort Peck Agencies not covered in our February 25, 2000 extension approval. In support of its request for a full year extension the State agency provided a description of the rural nature of the reservations, travel distances, and the lack of public transportation.

**Action and reason for approval or denial:** We are approving the State agency's request in its entirety. As indicated in the table below prepared by the Office of Research & Analysis of the Montana Department of Labor and Industry, all of the requested areas, with the exception of the Flathead Agency in Missoula County, had an average unemployment rate greater than 10 percent for calendar year 1999 (see Table I). These reservations, which will be included in waiver no. 970046, include the Blackfeet, Crow, Fort Belknap, Fort Peck, Northern Cheyenne, and Rocky Boy.

We are approving a waiver for the Flathead Reservation in its entirety. Although the Missoula County portion of the reservation would not qualify for a waiver if evaluated independently, we have determined that the reservation as a whole would qualify for an exemption. We evaluated each of the reservation counties using census share ratio analysis, and by aggregating the workforce data for each county, have determined that the reservation as whole qualifies for a waiver based on an unemployment rate greater than 20 percent above the national average for a recent 24-month period (calendar years 1998 and 1999). According to our analysis for the portions of the four counties which comprise the reservation (Missoula, Sanders, Flathead, and Lake), its average unemployment rate for calendar years 1998 and 1999 was 6.4 percent (see Table II). This rate is well above 5.28 percent (120 percent of the national average of 4.4 percent for the period). Accordingly, we are approving the State agency's request to exclude the reservation based on insufficient jobs. We also note that only 3.3 percent of the reservation's population resides in Missoula County (704 persons out of a total reservation population of 21,259, based on 1990 census data). The exemption for the Flathead Reservation is included in waiver no. 970190, which applies to areas exempt based on insufficient jobs.

**Table I - Reservation Unemployment**

<b>MONTANA LABOR FORCE BY RESERVATION</b>				
Annual Average 1999				
<b>RESERVATION</b>	<b>CIVILIAN LABOR FORCE</b>	<b>EMPLOY- MENT</b>	<b>UNEMPLOY- MENT</b>	<b>UNEMPLOYMENT RATE</b>
Blackfeet	3,270	2,562	708	21.7%
Crow	2,614	2,229	385	14.7%
Flathead	12,109	11,406	703	5.8%
Fort Belknap	808	625	183	22.6%
Fort Peck	4,532	4,053	479	10.6%
Northern Cheyenne	1,348	1,097	251	18.6%
Rocky Boy's	527	378	149	28.3%
Prepared by the Office of Research & Analysis-LAUS Montana Department of Labor and Industry - January 19, 2000				

**Table II - Census Share Ratios for the Flathead Reservation**

<b>Flathead</b>	<b>1998</b>		
Missoula	CLF	EMP	UMP
		0.008135	0.004846
		50233	2232
	419.4617	408.6455	10.81627
	<b>0.025786</b>		
<b>Flathead</b>	<b>1999</b>		
Missoula	CLF	EMP	UMP
		0.008135	0.004846
		50334	1947
	418.9023	409.4671	9.435162
	<b>0.022524</b>		

<b>Flathead</b>	<b>1998</b>		
Flathead	CLF	EMP	UMP
		0	0
		35406	3047
	0	0	0
	<b>0.07924</b>		
<b>Flathead</b>	<b>1999</b>		
Flathead	CLF	EMP	UMP
		0	0
		35318	2685
	0	0	0
	<b>0.070652</b>		
<b>Flathead</b>	<b>1998</b>		
Lake	CLF	EMP	UMP
		0.884978	0.861214
		10509	839
	10022.79	9300.234	722.5585
	<b>0.072092</b>		
<b>Flathead</b>	<b>1999</b>		
Lake	CLF	EMP	UMP
		0.884978	0.861214
		11661	781
	10992.34	10319.73	672.6081
	<b>0.061189</b>		

<b>Flathead</b>	<b>1998</b>		
Sanders	CLF	EMP	UMP
		0.170533	0.087227
		3669	437
	663.8038	625.6856	38.1182
	<b>0.057424</b>		
<b>Flathead</b>	<b>1999</b>		
Sanders	CLF	EMP	UMP
		0.170533	0.087227
		3936	394
	705.5853	671.2179	34.36744
	<b>0.048708</b>		
	23222.88	130342	1487.904
<b>Reservation 24- month Average</b>	<b>6.4%</b>		

10. **Regulatory or legislative basis for action:** Waiver no. 970090 and waiver no 970146 are 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 over 10 percent or does not have a sufficient number of jobs to provide employment for individuals residing in the area.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** Please submit recent data which relies on BLS data and methods that indicates counties or Indian Reservations which have unemployment rates over 10 percent, or which supports an exemption for counties or Indian Reservations which have insufficient jobs. We note that for this waiver we obtained the unemployment rate data from the Montana Census and Economic Information Center Homepage. We are requesting that the State agency provide the supporting data with its request for an extension of this waiver.

13. **Expiration date:** These waivers are approved through February 28, 2001, retroactive to June 1, 2000.
14. **Limitation on regional office approval of like requests:** These waivers are limited to the Montana State Agency.
15. **Quality Control Procedures:** There are no special quality control procedures needed in conjunction with these waivers.
16. **Date of national office action:**
17. **Date of State agency's request:** April 10, 2000
18. **Date of regional office transmittal to the national office:** May 10, 2000