

June 13, 2006

970090 and 970146

SUBJECT: FSP - Montana - Request to Waive 7 CFR 274.24

TO: Jody Cornwall
Regional Director
Mountain Plains Region

This is in response to the request from the Montana State Agency to extend and modify its current waivers of 7 CFR 273.24(b). The State Agency is requesting an extension and modification of waiver 970090. This waiver would exempt five economic areas whose aggregate unemployment rate exceeds 20 percent of the national average for the 24-month periods of calendar year (CY) 2003-2005. The areas are: Sub-Areas A and B of the Billings Economic Area, Great Falls Economic Area, Missoula Economic Area, and Helena. These areas contain a total of 19 counties. Roosevelt County is based on having an average unemployment rate of at least 20 percent above the national average during December 2003-November 2005.

Montana is also requesting another extension of waiver 970146. This waiver would exempt 3 Indian Reservations – Fort Belknap, Fort Peck, and Rocky Boy’s. These reservations have unemployment rates that are greater than 20 percent above the national average for the 24-month period CY 2003- 2004.

Our response approving the waiver is attached. If you have any questions, please contact Celeste Perkins of my staff at 703-305-2507.

/s/

Harriet Kornegay
Assistant Branch Chief
Certification Policy Branch
Program Development Division

Attachment

cc: All Regions (except MPRO)
Dan Wilucz, QCB, PAD
Civil Rights

FINAL:USDA:FNS:FSP:PDD:CPB:CPERKINS: 06-08-06:so
DIR:I:CPB:Waivers:FY2006 970090 and 970146 MT 2006 ABAWD Extension

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Waiver Response

1. **Waiver serial number:** 970090 and 970146
2. **Type of request:** Modification and Extension
3. **Primary regulation citation:** 7 CFR 273.24(b).
4. **Secondary regulation citation:** 7 CFR 273.24(f)
5. **State:** Montana
6. **Region:** MPRO
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; 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.

Under 7 CFR 273.24(f), FNS may waive the above work requirements for any group of individuals in the State if 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. Under 7 CFR 273.24(f)(3)(iii) waivers of the work requirements of 7 CFR 273.24(b) are readily approvable by FNS if the State provides data from the Bureau of Labor Statistics (BLS) or a BLS cooperating agency indicating that area has a 24-month average unemployment rate that exceeds the national average by 20 percent for any 24-month period no earlier than the same period that the Employment and Training Administration of the Department of Labor (ETA/DOL) uses to designate Labor Surplus Areas (LSAs) for the current fiscal year. Under 7 CFR 273.24(f)(2)(ii) the State may support a claim of lack of sufficient jobs by submitting evidence that an area is determined by the Department of Labor's Unemployment Service as qualifying for extended unemployment benefits; has a low and declining employment to population ratio; has a lack of jobs in declining occupations or industries; is described in an academic study or other publications as an area where there are a lack of jobs.

8. **Description of proposed alternative procedures:**

970090: Montana is requesting an exemption for 18 counties, which are grouped into four economic areas as defined by the Bureau of Economic Analysis (BEA) of the Department of Commerce. Each BEA Economic Area consists of one or more economic nodes (metropolitan areas or similar areas that serve as centers of economic activity) and the surrounding counties that are economically related to the nodes. The main factor used in

determining the economic relationships among counties is commuting patterns, so each economic area includes, as far as possible, the place of work and the place of residence of its labor force.

The four BEA Economic Areas qualify for exemptions because their aggregate unemployment rate for a recent 24-month period exceeds the national unemployment rate of 5.3 by 20 percent or more. The areas are:

- The Sub-Region of the Billings Economic Area includes: Big Horn, Fallon, Golden Valley, Musselshell, Petroleum, Prairie, Rosebud, Treasure Counties and Wibaux. The aggregate average unemployment rate for Sub-Area A for the 24 month period of Dec. 2003- Nov. 2005 is 6.4 percent.
- The Sub-Region of the Great Falls Economic Area includes: Glacier, Liberty, and Toole Counties. The aggregate average unemployment rate for the Great Falls Economic Area for the 24 period of Dec. 2003-Nov. 2005 is 6.4 percent.
- The Sub-Region of the Missoula Economic Area includes: Lake, Lincoln, Mineral, and Sanders Counties. The aggregate average unemployment rate for the Missoula Economic Area for the 24 period of Dec. 2003-Nov. 2005 is 6.9 percent.
- The Sub-Region of the Helena Economic Area includes: Deer Lodge and Powell Counties. The aggregate average unemployment rate Sub-Area B for the 24 period of Dec. 2003-Nov. 2005 is 6.9 percent.
- In addition the State requests a waiver for Roosevelt County based on having an average unemployment rate of 6.7 percent at least 20 percent above the national average of 5.3 percent during December 2003-November 2005.

Waiver 970146: Montana is requesting an extension to exempt three Indian Reservations – Fort Belknap, Fort Peck, and Rocky Boy’s – because their unemployment rates for CY 2003-2004 were greater than 20 percent above the national average of 5.8.

9. Action and reason for approval or denial:

970090: We are approving the waiver based on the following unemployment rates and thresholds. The average national unemployment rate for the 24 period of Dec. 2003-Nov. 2005 is 5.3 percent. An area must have an unemployment rate for the 24 period of Dec. 2003-Nov. 2005 of 6.4 percent or greater in order to be exempt from the ABAWDs work requirements of 7 CFR 273.24(b).

<i>Economic Area</i>	<i>Counties</i>	<i>Combined Unemployment Rate %</i>
The following 14 counties qualify for a waiver based on area's aggregate average unemployment rate for the 24 period of Dec. 2003 through Nov. 2005. The counties' unemployment rate of 6.4 exceeded the national unemployment rate for the same period by 20% (the threshold is 6.4%)		
<i>Sub-Area A of the Billings Economic Area</i>	Big Horn Fallon Golden Valley Musselshell Petroleum Prairie Rosebud Treasure Wibaux	6.4
<i>Great Falls Economic Area</i>	Glacier Liberty Toole	6.4
<i>Helena Economic Area</i>	Deer Lodge Powell	6.4

<i>Economic Area</i>	<i>Counties</i>	<i>Combined Unemployment Rate %</i>
The following 4 counties qualify for a waiver based on area's aggregate average unemployment rate for the 24 period of Dec. 2003 through Nov. 2005. The counties' unemployment rate of 6.9 exceeded the national unemployment rate for the same period by 20% (the threshold is 6.4%)		
<i>Sub-Area A of Missoula Economic Area</i>	Lake Lincoln Mineral Sanders	7.0

We are approving Roosevelt County based on having an average unemployment rate of 6.7 at least 20 percent above the national average of 5.3 percent during December 2003-November 2005.

970146 - We are approving the waiver extension based on the submitted data from the State agency pertaining to the three reservations: Fort Belknap, Fort Peck, and Rocky Boys.

The average national unemployment rate for CY 2003-2004 is 5.8 percent. An area must have an unemployment rate for CY 2003-2004 of 6.9 percent or greater in order to be exempt from the ABAWDs work requirements of 7 CFR 273.24(b). Fort Belknap unemployment rate is 12.6, Fort Peck unemployment rate is 9.0, and Rocky Boys unemployment rate is 11.3. The three Reservations have unemployment rates that exceed the 6.9 percent threshold for CY 2003-2004.

10. **Regulatory or legislative basis for action:** We are approving the waiver pursuant to 7 CFR 273.24(f)(3) which allows FNS to waive the applicability of the work requirement provisions for any group of individuals in the State if the area in which the individuals reside: (i) has an unemployment rate of over 10 percent; or (ii) does not have a sufficient number of jobs to provide employment for the individuals.
11. **Conditions and reasons:** N/A
12. **Information required for extension:** Please submit recent data that relies on BLS data and methods that indicates the State or areas with the State (counties or Indian Reservations) qualify for waivers based on insufficient jobs.
13. **Expiration date:** The waiver is approved from May 1, 2006 and will expire on April 30, 2007.
14. **Limitation on regional office approval of like requests:** The waiver is limited to the Montana State Agency.
15. **Quality Control Procedures:** There are no special quality control procedures needed for this waiver.
16. **Date of national office action:**
17. **Date of State agency's request:** January 31, 2006
18. **Date of regional office transmittal to the national office:**