

July 18, 2005

2000039

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

TO: Dennis Stewart, Regional Director  
Food Stamp Program  
Western Region

This is in response to your memorandum of April 18, 2005, which was received during the week of June 13, 2005. The memorandum forwarded the Oregon Department of Human Services' request to waive the work requirements of 7 CFR 273.24, which limits the receipt of food stamp benefits to three months within a three-year period for able-bodied adults who are not working (or participating in a work program) 20 hours or more each week or participating in workfare.

The State requested a waiver for specific Labor Surplus Areas (LSA), and then expanded their request because their state-wide unemployment rate exceeded the national average by 20 percent for calendar years 2003/2004. Our detailed response is attached.

If you have any questions, please contact Dwight Ricker at (703) 305-2803.

/s/

Harriet Kornegay  
Assistant Branch Chief  
Certification Policy Branch  
Program Development Division

Attachment

FINAL:USDA:FNS:FSP:PDD:CPB:DRicker:703-305-2803:7/15/05:je  
FC:ABAWD Waivers - Oregon  
DIR:I:CPB:WAIVERS:FY2005:2000039 OR ABAWD Extension

## WAIVER RESPONSE

1. **Waiver serial number:** 2000039
2. **Type of request:** Renewal
3. **Primary regulation citation:** 7 CFR 273.24
4. **Secondary regulation citation, if any:** None
5. **State:** Oregon
6. **Region:** Western
7. **Regulatory requirements:** 7 CFR 273.24(b) and Section 6(o) of the Food Stamp Act of 1977, provides that no individual, who is able bodied without a dependent (ABAWD), 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).

7 CFR 273.24(f) and Section 6(o)(4) of the Food Stamp Act of 1977, allows the State the opportunity to request a waiver when it is determined that the area in which the individual resides has an unemployment rate of more than 10 percent; or there are not sufficient jobs to provide employment for the individuals.

8. **Proposed alternative procedures:** Oregon is seeking an extension of the waiver initially granted on April 21, 2000 for one more year using Department of Labor statistics and State unemployment rate information. This waiver extension will allow the State to exempt ABAWDs from the 3-month time limit due to labor surplus or labor insufficiency. These individuals will continue to be subject to Employment and Training requirements. However, they will no longer be required to work 20 hours a week or participate in workfare to remain eligible for food stamp benefits beyond three months.

This waiver renewal is based on an unemployment rate that is more than 20 percent higher than the national average. Oregon's unemployment rate for January 2003 through December 2004 is 7.6, this is more than 20 percent higher than the 5.84 national unemployment rate for the same time period. Therefore, Oregon is asking that this waiver include the entire state.

The Department of Labor Employment and Training Administration (ETA) identifies labor surplus areas each year. ETA identified 21 Oregon counties, parts of ten counties and five cities as LSA. The 21 Oregon counties are Baker, Columbia, Coos,

Crook, Curry, Douglas, Grant, Harney, Hood River, Jefferson, Josephine, Kiamath, Lake, Lincoln, Maiheur, Morrow, Sherman, Umatilla, Wallowa, Wasco, and Wheeler.

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The ten partial counties identified as LSAs are: Clackamas (less cities of Lake Oswego, Oregon City and Portland), Deschutes (less city of Bend), Jackson (less city of Medford), Lane (less cities of Eugene and Springfield), Linn (less city of Albany), Marion (less cities of Keizer and Salem), Multnomah (less cities of Gresham, Lake Oswego and Portland), Polk (less city of Salem), Washington (less cities of Beaverton, Hillsboro, Portland and Tigard), and Yamhill (less city of McMinnville). The cities are Albany (in Linn county), McMinnville (in Yaxnhill county), Portland (in Clackamas, Multnomah and Washington counties), Salem (in Marion and Polk counties), and Springfield (in Lane county).

In addition to these LSAs, Oregon has identified (using the criteria set forth in Administrative notice 04-33) that the entire state is experiencing an unemployment rate that is more than 20 percent higher than the national average. Therefore, the remaining counties and cities are included in this waiver based on statewide labor insufficiency. The remaining counties are Benton, Clatsop, Gilliam, Tillamook, and Union. The remaining cities are Bend (in Deschutes county), Beaverton (in Washington county), Eugene (in Lane county), Gresham (in Multnomah county), Hillsboro (in Washington county), Keizer (in Marion county), Lake Oswego (in Clackamas and Multnomah counties), Medford (in Jackson county), Oregon City (in Clackamas county) and Tigard (in Washington county).

Per the regulations in 7 CFR 273.24(f) (2) (ii), Oregon is meeting the requirements for this claim of high unemployment rate using Department of Labor data for the state. The data shows that over the period of January 2003 through December 2004, Oregon's unemployment rate of 7.6 exceeded the national average of 5.84 by more than 20 percent. The raw data supporting our numbers is available on the DLS website and in the attached State of Oregon data.

9. **Action and reason for approval or denial:** We have approved a state-wide waiver for Oregon because its unemployment rate for calendar years 2003/2004 exceeded the national average by 20 percent. The average national unemployment rate for calendar years 2003/2004 was 5.75 percent, which inflates to 6.9 percent when increased by 20 percent. ( $5.75 \times 1.20 = 6.9$ ) During the 24 months of calendar years 2003/2004, the State's monthly unemployment rate averaged 7.75 percent.
10. **Regulatory or legislative basis for action:** This waiver is approved under 7 CFR 273.24(f), which allows FNS to waive the applicability of the work requirement provision of 7 CFR 273.24 for any group of individuals in the State if FNS determines that the area in which the individuals reside does not have a sufficient number of jobs to provide employment for the affected individuals, or the areas exceeded the national average unemployment average by 20 percent for 24

consecutive.

**11. Conditions and reasons:** N/A

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**12. Information required for extension:** Please submit supporting unemployment data that relies on standard BLS data/or methods and data that relies on indicating a lack of sufficient jobs. Please show calculations for unemployment rate averages over the 12-month or 24-month time Frames.

**13. Expiration date:** The waiver is approved retroactively, for a period of 1 year, effective May 1, 2004 through April 30, 2006.

**Comment [RE1]:** This is two years. R.Ek

**14. Limitation on regional office approval of like requests:** This waiver is limited to the Oregon Department of Human Services.

**15. Quality Control Procedures:** N/A

**16. Date of national office action:**

**17. Date of State agency's request:** March 28, 2005

**18. Date of regional office transmittal to the national office:** Resubmitted week of June 13, 2005.

**19. Date of regional transmittal to the state agency:**

**20. Date of implementation by State agency:**