

February 3, 2006

SUBJECT: FSP – 2-Year Approval of Waivers of the Work Requirements for
ABAWDs under 7 CFR 273.24

TO: All Regional Directors
Food Stamp Program

In response to requests from State agencies regarding the approval time-frame for waivers of the work requirements for able-bodied adults without dependents (ABAWDs) mandated by 7 CFR 273.24, we have decided to offer State agencies the option of 2-year ABAWD waivers under limited circumstances. We believe that this option will reduce the burden imposed on State agencies of preparing annual requests for waivers affecting areas with chronic high unemployment as well as having the additional benefit of facilitating longer range planning by the affected State agencies.

In recognition of the dynamic nature of labor markets as well as strong congressional support for a recipient work requirement we originally limited approval of ABAWD waivers to a period of one year. In response to specific State agency requests and in recognition of their unique labor markets and chronically high unemployment, three years ago we began issuing approvals beyond one year for Indian reservations. In response to a recent detailed request from a State agency for a 2-year approval period for certain areas within the State other than reservations, we reviewed our policy and following that review have decided to offer all States the option of 2-year approvals.

Because of the previously mentioned dynamic nature of labor markets, we are imposing very strict criteria for the approval of 2-year waivers that target areas that qualified for ABAWD waivers for two consecutive past years. In order to be eligible for a 2-year waiver, the affected area must meet at least one of the following criteria indicating that the area has experienced and will probably continue chronic high unemployment:

- An unemployment rate greater than 10 percent for the 2-year period immediately prior to the request;
- Designation as a labor surplus area (LSA) by the Department of Labor's Employment and Training Administration (DOLETA) for a minimum of two consecutive fiscal years (the year of the request and the fiscal year prior to the request); or
- An unemployment rate greater than 20 percent above the national average for a 36-month period, ending no earlier than three months prior to the request (please note that this time frame is different and more restrictive than the 24-month time frame used for waivers in which the State is requesting a waiver for a 1-year period).

All Regional Directors
Page 2

If you have any questions regarding the subject of extended ABAWD waivers please contact Larry Tropp of my staff by email or by telephone at (703) 305-2504.

/s/

Arthur T. Foley
Director
Program Development Division