

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997
4

As Engrossed: H2/7/97 S3/24/97

A Bill

ACT 1058 OF 1997
HOUSE BILL 1295

5 By: House Committee on Public Health, Welfare and Labor
6 By: Senators Bradford, Bearden, Wilson, Scott, Hoofman, Ross, and Boozman
7

For An Act To Be Entitled

9 "THE ARKANSAS PERSONAL RESPONSIBILITY AND PUBLIC
10 ASSISTANCE REFORM ACT"

11

12

Subtitle

13 "THE ARKANSAS PERSONAL RESPONSIBILITY
14 AND PUBLIC ASSISTANCE REFORM ACT"

15

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

17

18 SECTION 1. Purpose

19 The General Assembly recognizes that for too many families, welfare has
20 become what it never was intended to be: a permanent way of life. This system
21 of continuous income maintenance not only discourages all incentive for an
22 individual to become self-sufficient, but often leads to intergenerational
23 dependency, and has built-in disincentives toward obtaining work and toward
24 any effort to seek and secure a job. The total package of welfare benefits
25 available to some is frequently better than the package of benefits the
26 working poor can obtain, creating an incentive to stay on welfare. The
27 State's welfare system has numerous disincentives for the maintenance of a
28 stable two-parent family unit. The role and responsibilities of the father
29 are largely ignored in the current system although the State's role should be
30 to promote family and community responsibility for nurturing children, not to
31 take their place. Accordingly, the General Assembly hereby declares that
32 welfare reform is one of the major human service priorities of state
33 government and establishes the goals of achieving a significant reduction in
34 the number of citizens who are enrolled in such programs, transforming a "one
35 size fits all" welfare system that fosters dependence, low self-esteem, and
36 irresponsible behavior to one that rewards work and fosters self-reliance,

1 responsibility, and family stability. The General Assembly intends that new
 2 approaches be designed to provide county Human Services offices with
 3 flexibility and autonomy to craft local solutions, encourage volunteer,
 4 religious, and charitable organizations to fulfill a critical role in
 5 leveraging the reduced funding available for welfare programs, create a system
 6 that is just and compassionate, hold individuals accountable for their
 7 actions, and recognize that even with assistance some recipients may be unable
 8 to attain complete self-sufficiency.

9

10 SECTION 2. Arkansas Code Annotated § 20-76-101 is amended to read as
 11 follows:

12 "20-76-101. Definitions.

13 ~~As used in this act, unless the context otherwise requires:~~

14 ~~(1) "Division" means the appropriate division of the Department of~~
 15 ~~Human Services;~~

16 ~~(2) "Deputy director" means a deputy director of an appropriate~~
 17 ~~division of the Department of Human Services;~~

18 ~~(3) "Assistance grants" means money payments to person for old age~~
 19 ~~assistance, aid to dependent children, aid to the blind, and aid to the~~
 20 ~~permanently and totally disabled, as defined in the federal Social Security~~
 21 ~~Act;~~

22 ~~(4) "General relief" means any form of material aid or service given to~~
 23 ~~a needy person or family not in the form of assistance grant;~~

24 ~~(5) "Recipient" means a person who receives an assistance grant under~~
 25 ~~the terms of this act.~~

26 As used in this chapter:

27 (1) Assessment Services means an evaluation to determine the abilities,
 28 talents, proficiencies, and deficiencies of applicants and recipients with
 29 regard to the ability of the individual to move into employment;

30 (2) Date of enrollment means the date that an applicant is approved as
 31 eligible for the Transitional Employment Assistance program (TEA);

32 (3) Department means the Department of Human Services;

33 (4) Diversion from assistance means a one time loan of money or the
 34 furnishing of non-monetary assistance to an applicant who is eligible for but
 35 does not require enrollment in the Transitional Employment Assistance program
 36 (TEA);

1 (5) Education or training means basic remedial education, adult
2 education, high school education, education to obtain the equivalent of a high
3 school diploma, education to learn English as a second language, and applied
4 technology training;

5 (6) Employment assistance means financial assistance, child care,
6 assistance to secure full-time employment, assistance in obtaining education
7 and training that leads to full-time employment, case management services, and
8 other services designed to assist recipients to achieve self-sufficiency
9 through employment;

10 (7) Full time education or training means education or training on a
11 full time basis as defined by the department;

12 (8) Medical Assistance means assistance furnished pursuant to Title XIX
13 of the Social Security Act, commonly referred to as Medicaid, or a
14 state-funded medical assistance program;

15 (9) Personal Responsibility Agreement means an agreement between the
16 department and recipient specifying the recipient's responsibilities that are
17 a condition of receiving employment assistance, which may include an
18 employment plan that describes what the recipient and the department will do
19 to assist the recipient to achieve self-sufficiency through employment;

20 (10) Positive Reinforcement Outcome Bonus means a one time cash
21 assistance bonus for achieving an employment plan goal;

22 (11) Relocation Assistance means assistance to an eligible recipient,
23 who lives in an area of limited job opportunities, to enable the recipient to
24 relocate for purposes of full-time employment that the recipient has secured;

25 (12) Support Services means child care, transportation, financial
26 assistance, medical assistance, substance abuse treatment, life skills
27 training, and parenting skills training, and other similar assistance;

28 (13) TEA means the Transitional Employment Assistance Program;

29 (14) Extended Support Services means assistance to a recipient who has
30 exhausted the financial assistance available under the Transitional Employment
31 Assistance program (TEA), which may include, but is not limited to, child care
32 and medical assistance;

33 (15) Unearned income means all income that a recipient receives from
34 sources other than employment, including child support payments, supplemental
35 security income, supplemental security disability income, workers'
36 compensation, and unemployment insurance."

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SECTION 3. Arkansas Code Annotated § 20-76-102 is amended to read as follows:

"20-76-102. ~~Arkansas Employment Security Department - Service to food stamp applicants.~~ Coordination of State Agency Service Delivery.

(a)(1) To insure that job finding assistance is being adequately provided to food stamp applicants and TEA recipients, the Arkansas Employment Security Department ~~shall~~ may periodically station appropriate staff for some portion of a work day in ~~each~~ any county ~~or district~~ office of the Department of Human Services.

(2) The administrator of the Arkansas Employment Security Department and the Director of the Department of Human Services shall enter into a written agreement regarding the provision of such services to ~~food stamp applicants, provided the Arkansas Employment Security Department has federal funds available and specifically identified for use in providing such~~ services recipients of food stamps and TEA.

~~(b)(1) The Arkansas Employment Security Department shall report quarterly to the Arkansas Legislative Council the number of registrants or recipients of food stamps interviewed, the number of job referrals made, and the number of registrants or recipients of food stamps placed in jobs.~~

~~(2) This report shall be made for each county or district office, provided the Arkansas Employment Security Department has federal funds available and specifically identified for use in providing such services.~~

(b) The Department of Human Services shall appropriately train and supervise all employees and other persons who are responsible for developing, evaluating, and managing personal responsibility agreements for TEA recipients. Such training and supervision shall include, but not be limited to, a competency based case management program to measure the effectiveness of each plan and to provide appropriate oversight and implementation and training to identify and assist victims of domestic violence.

(c) To insure that all available state government resources are used to help TEA recipients make the transition from welfare to work, each of the following state agencies shall also be required to work with the Department of Human Services in providing TEA services:

(1) the Employment Security Department;

(2) the Department of Health;

- 1 (3) the Department of Higher Education, including community
- 2 colleges and the Cooperative Extension Service;
- 3 (4) the Department of Education, including the General Education
- 4 Division and the Vocational Education Division;
- 5 (5) the Arkansas Development Finance Authority;
- 6 (6) Arkansas Industrial Development Commission;
- 7 (7) Arkansas Highway and Transportation Department;
- 8 (8) the Department of Finance and Administration, including the
- 9 Child Support Enforcement Unit;
- 10 (9) the State Child Abuse and Neglect Prevention Board;
- 11 (10) the Arkansas Adult Literacy Council; and
- 12 (11) other state agencies as directed by the Governor or as
- 13 directed by the General Assembly.

14 (d) State agencies required under subsection (b) of this section to
15 work with the Department of Human Services in providing TEA services to
16 recipients shall make every effort to use financial resources in their
17 respective budgets and to seek additional funding sources, whether private or
18 federal, to supplement the monies allocated by the Department of Human
19 Services for the TEA Program.

20 (e) All agencies of the state and local governments providing TEA
21 Program services shall work cooperatively with and provide any necessary
22 assistance to the General Assembly and the TEA Program Advisory Council and
23 shall furnish, in a timely manner, complete and accurate information regarding
24 the TEA Program to legislative committees and the advisory council upon
25 request."

26
27 SECTION 4. Subchapter 1 of Chapter 76 of Title 20 of the Arkansas Code
28 Annotated is amended by adding the following new sections:

29 20-76-105. TEA Program Advisory Council.

30 (a) There is created a TEA Program Advisory Council, which shall be
31 composed of the following members:

- 32 (1) the director of the Department of Human Services;
- 33 (2) the director of the Employment Security Department;
- 34 (3) the director of the Department of Health;
- 35 (4) the director of the Department of Education;
- 36 (5) the director of the Department of Higher Education;

1 (6) the director of the Arkansas Development Finance Authority;

2 (7) the director of the Arkansas Industrial Development

3 Commission;

4 (8) the director of the Arkansas Highway and Transportation

5 Department;

6 (9) the director of the Office of Child Support Enforcement;

7 (10) the director of the Division of Child Care and Early

8 Childhood Education;

9 (11) three (3) members appointed by the Governor;

10 (12) three (3) members appointed by the House Chairperson of the

11 Public Health, Welfare and Labor Committee; and

12 (13) three (3) members shall be appointed by the Senate

13 Chairperson of the Public Health, Welfare and Labor Committee.

14 (b) Appointed members may be representatives of non-profit
15 organizations, the business community, labor, current and former public
16 assistance recipients, the Chamber of Commerce, the Arkansas Municipal League,
17 and the Association of Arkansas Counties. Appointed members may be
18 legislators.

19 (c)(1) The appointed members of the advisory council shall serve
20 three-year staggered terms. Initial appointed members of the advisory council
21 shall draw lots to determine the length of their terms. The director of the
22 Department of Human Services shall call the first meeting of the advisory
23 council, and the advisory council shall annually elect a chairperson from
24 among the appointed members. Ten (10) members of the advisory council shall
25 constitute a quorum. The advisory council shall meet with the Governor every
26 six (6) months or as frequently as it deems necessary upon request of the
27 chairperson.

28 (2) Vacancies occurring on the advisory council by reason of
29 death or resignation shall be filled in the same manner as a regular
30 appointment for the remainder of the unexpired term.

31 (3) The members of the advisory council shall not be entitled to
32 compensation for their services but may receive expense reimbursement in
33 accordance with A.C.A. § 25-16-902.

34 (d) The advisory council shall:

35 (1) Advise and assist all state agencies in the implementation of
36 the TEA Program;

1 (2) Provide evaluation and feedback on the TEA implementation
2 plan submitted by the Department of Human Services;

3 (3) Provide evaluation and feedback on rules of state agencies
4 participating in the delivery of services under the TEA Program;

5 (4) Provide evaluation and feedback on the role of local TEA
6 coalitions;

7 (5) Encourage businesses in the State to hire TEA recipients;

8 (6) Respond to and report on citizen concerns about the
9 implementation and administration of the TEA Program; and

10 (7) Submit biannual reports to the House and Senate Committees on
11 Public Health, Welfare and Labor.

12 (e) Employees of the Department of Human Services and the Employment
13 Security Department shall provide staff support for the TEA Advisory Council.

14

15 20-76-106. Statewide implementation plan - TEA.

16 (a) The department shall:

17 (1) Develop a statewide implementation plan for ensuring the
18 cooperation of state agencies and local agencies and encouraging the
19 cooperation of private entities, especially those receiving state funds, in
20 the coordination and implementation of the TEA Program;

21 (2) Ensure that TEA recipients throughout the state including
22 those in rural areas have comparable access to TEA benefits; and

23 (3) Charter local TEA coalitions and approve local implementation
24 plans.

25 (b)(1) By March 1, 1998, or anytime prior to that date, the department
26 shall submit to the TEA Program Advisory Council the proposed TEA
27 implementation plan.

28 (2) By July 1, 1998, or any time prior to that date, the
29 department shall submit to the Governor and the House and Senate Committees on
30 Public Health, Welfare and Labor the TEA implementation plan.

31 (c) At a minimum, the TEA implementation plan shall include:

32 (1) Performance standards and measurement criteria for all
33 service providers under the TEA Program.

34 (2) Contract guidelines for contract service providers under the
35 TEA Program.

36 (3) Recommendations for training TEA service providers, whether

1 State employees or contract providers.

2 (4) Functions to be performed by each state agency in helping
3 recipients make the transition from welfare to work.

4 (5) Recommendations for clarifying, or if necessary, modifying
5 the rules of the state agencies charged with implementing the TEA Program so
6 that all unnecessary duplication is eliminated.

7 (6) Recommendations for establishing joint TEA benefit and
8 employment offices in every county of the state, which shall function as
9 common service centers for the delivery of TEA Program services to applicants
10 and recipients of food stamps and TEA benefits.

11 (7) Recommendations for modifying compensation and incentive
12 programs for state employees in order to achieve the performance outcomes
13 necessary for successful implementation of the TEA Program.

14 (8) A micro-lending program and an Individual Development Trust
15 Account (IDA) demonstration project for TEA recipients.

16 (9) One (1) or more employment opportunity districts and develop
17 job development, child care, and transportation strategies for each district.

18 (10) Application guidelines and requirements for chartering local
19 TEA coalitions to plan and coordinate the delivery of services under the TEA
20 Program at the local level.

21 (11) Criteria for relocation of TEA recipients, which takes into
22 account factors, including but not limited to, job availability, availability
23 of support services, and proximity of relocation area to current residence.

24 (12) Criteria for the approval of the implementation plans
25 submitted by local TEA coalitions.

26 (13) Criteria for allocating TEA Program resources to local TEA
27 coalitions.

28 (14) Criteria for prioritizing work activities of TEA recipients
29 in the event that funds are projected to be insufficient to support full-time
30 work activities of TEA recipients. The criteria may include, but not be
31 limited to, priorities based on the following:

32 (A) At least one adult in each two-parent family shall be
33 assigned priority for full-time work activities;

34 (B) Among single-parent families, a family that has older
35 preschool children or school-age children shall be assigned priority for work
36 activities;

1 (C) A recipient who has access to nonsubsidized child care
2 may be assigned priority for work activities;

3 (D) Priority may be assigned based on the amount of time
4 remaining until the recipient reaches the applicable time limit for program
5 participation or may be based on requirements of a personal responsibility
6 agreement.

7 (15) The development of a performance-based payment structure to
8 be used for all TEA Program services, which takes into account the degree of
9 difficulty associated with placing a TEA Program recipient in a job, the
10 quality of placement with regard to salary, benefits, and opportunities for
11 advancement, and the recipient's retention of the placement. The payment
12 structure should, if appropriate, provide bonus payments to providers that
13 experience notable success in achieving long-term job retention with TEA
14 Program recipients.

15 (d) The department shall update the TEA implementation plan annually
16 and submit quarterly progress reports to the Governor and the House and Senate
17 Committees on Public Health, Welfare, and Labor. The annual updated plan must
18 contain proposals for implementing the goals and objectives of the TEA Program
19 during the succeeding three (3) year period. The quarterly progress reports
20 to the Governor and the House and Senate Committees on Public Health, Welfare,
21 and Labor shall also include the following information for the state, each
22 employment opportunity district, and each county:

23 (1) Total number of cases;

24 (2) Number of TEA recipients who signed the personal
25 responsibility agreement;

26 (3) Number of persons getting a diversion from assistance;

27 (4) Number of TEA Program dropouts, and to the extent possible,
28 the reason they have dropped out, where they are living, if they are working,
29 and any other pertinent information;

30 (5) The number of persons who reapplied for and received TEA
31 benefits after having dropped out;

32 (6) The types of assistance and support services utilized by TEA
33 recipients;

34 (7) Number of births to TEA recipients;

35 (8) Percentage of TEA children complying with compulsory school
36 attendance;

- 1 (9) Percentage of TEA children immunized;
2 (10) Number of cases of reported child abuse and neglect cases
3 among TEA recipients and TEA Program dropouts;
4 (11) Number of cases deferred from TEA work requirements and time
5 limitations because of domestic violence;
6 (12) Types and percentages of child care placements;
7 (13) Percentage of TEA recipients in allowable work activities;
8 (14) Number of TEA recipients in each allowable work activity;
9 (15) Length of time TEA recipients have spent in each allowable
10 work activity;
11 (16) Number of TEA recipients employed by State agencies and
12 contract service providers compared to the ten percent (10%) target goal;
13 (17) Occupation types of TEA recipients;
14 (18) Estimated earnings for employed TEA recipients;
15 (19) Number of hours worked by TEA recipients;
16 (20) Percent of TEA employed persons with continued employment
17 continuing into the next quarter; and
18 (21) Any other data agreed to by the department and the House and
19 Senate Committees on Public Health, Welfare, and Labor.
20 (e) The Department of Human Services shall submit bi-annual reports on
21 the impact of welfare reform on child welfare issues to the Senate Committee
22 on Children and Youth and the House Subcommittee on Children and Youth of the
23 House Committee on Aging, Children and Youth, and Legislative and Military
24 Affairs.
25 (f) The House and Senate Committees on Public Health, Welfare, and
26 Labor the Senate Committee on Children and Youth and the House Subcommittee on
27 Children and Youth of the House Committee on Aging, Children and Youth, and
28 Legislative and Military Affairs shall report annually to the General Assembly
29 their findings and recommendations regarding the TEA Program.
30
31 20-76-107. Independent Evaluator.
32 (a) By July 1, 1997 the Governor shall contract with a professional
33 consultant for an ongoing independent evaluation of the TEA Program and TEA
34 Program development. The independent evaluator shall submit bi-annual reports
35 to the Governor and the House and Senate Committees on Public Health, Welfare,
36 and Labor, which assess:

- 1 (1) How effectively performance standards and measurement
2 criteria in the statewide implementation plan are being met;
3 (2) How effectively State agencies are cooperating in the
4 implementation of the TEA Program;
5 (3) How effectively various funding sources are being integrated
6 into the support of the TEA Program;
7 (4) How effectively local TEA coalitions are serving the needs of
8 their local TEA population;
9 (5) The effects of the TEA program on recipients and their
10 children;
11 (6) Effectiveness of training received by TEA recipients based
12 upon the number of individuals placed in employment;
13 (7) Outcomes of incentive programs for State employees charged
14 with implementing the TEA Program;
15 (8) Outcomes of bonus programs for TEA service providers who
16 experience success in achieving long-term job retention with TEA recipients;
17 (9) Effectiveness of incentives designed to promote business
18 participation in the TEA Program; and
19 (10) Any other information deemed by the independent evaluator to
20 be helpful in assisting the Governor and the General Assembly in evaluating
21 the impact and effectiveness of the TEA Program.

22 (b) All agencies of the State and local government providing TEA
23 Program services shall work cooperatively with and provide any necessary
24 assistance to the independent evaluator and shall furnish, in a timely manner,
25 complete and accurate information to the independent evaluator upon request.
26

27 20-76-108. Local TEA coalitions.

28 (a)(1) Local TEA coalitions may organize and apply to the department
29 for a charter to plan and coordinate the delivery of services for the TEA
30 Program at the local level.

31 (2) The membership of each coalition may include:

32 (A) Representatives of the principal entities that provide
33 funding for the employment, education, training, and social service programs
34 that are operated in the area.

35 (B) A representative of the Chamber of Commerce;

36 (C) A representative of the department;

1 (D) A representative of a community development
2 organization;

3 (E) Representatives of the business community who represent
4 a diversity of sizes of business;

5 (F) Representatives of other local planning, coordinating,
6 or service-delivery entities; and

7 (G) A representative of a grassroots community or economic
8 development organization that serves the poor of the community.

9 (b)(1) Each local TEA coalition may perform the planning, coordination,
10 and oversight functions specified in the statewide implementation plan,
11 including, but not limited to:

12 (A) Developing a local implementation plan to be approved
13 by the department to achieve the performance outcomes of the TEA Program for
14 current and potential program recipients in the local area, which reflects the
15 needs of the service area for seed money to create programs that assist
16 children of TEA recipients;

17 (B) Developing a funding strategy to implement the local
18 implementation plan which incorporates resources from all principal funding
19 sources;

20 (C) Identifying employment, service, and support resources
21 in the community which may be used to fulfill the performance outcomes of the
22 TEA Program; and

23 (D) Advising the Department of Human Services and other
24 agencies involved in the delivery of services under the TEA Program with
25 respect to the competitive procurement of services under the TEA Program.

26 (2) The department shall not approve the local implementation
27 plan of a TEA local coalition unless the plan provides a teen pregnancy
28 prevention program within each segment of the service area in which the
29 childhood birth rate is higher than the state average.

30 (c) Each local TEA coalition shall establish a business registry for
31 business firms committed to assist in the effort of finding jobs for TEA
32 recipients. Registered businesses agree to work with the coalition and to
33 hire TEA recipients to the maximum extent possible consistent with the nature
34 of their business. Each quarter, the coalition shall publish a list of the
35 businesses registered, the number of jobs each has provided for TEA
36 recipients, and the current job openings with each registered business.

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20-76-109. Use of contracts.

The department should, as appropriate, provide work activities, training, and other services through contracts. In contracting for work activities, training, or services, the following applies:

(1) A contract shall be performance-based. Whenever possible, payment shall be tied to performance outcomes that include factors such as, but not limited to, job entry, job entry at a target wage, and job retention, rather than tied to completion of training or education or any other phase of the program participation process.

(2) A contract may include performance-based incentive payments that may vary according to the extent to which the recipient is more difficult to place. Contract payments may be weighted proportionally to reflect the extent to which the recipient has limitations associated with the long-term receipt of welfare and difficulty in sustaining employment. The factors may include the extent of the recipients prior receipt of welfare, lack of employment experience, lack of education, lack of job skills, and other factors determined appropriate by the department.

(3) Each contract awarded under the TEA Program shall be awarded in accordance with State purchasing and contract law.

(4) The department may contract with commercial, charitable, or religious organizations. A contract must comply with federal requirements with respect to nondiscrimination and other requirements that safeguard the rights of participants. Services may be provided under contract, certificate, voucher, or other form of disbursement.

SECTION 5. Arkansas Code Annotated § 20-76-201 is amended to read as follows:

"20-76-201. Department of Human Services - ~~Public assistance~~ Powers and duties.

~~— (a) The department shall be charged with the administration and supervision of all welfare activities of the state, as provided.~~

~~— (b) The department shall:~~

~~(1) Administer or supervise all forms of public assistance including general relief, outdoor and indoor care for persons in need, old age assistance, aid to dependent children, aid to the blind, child welfare~~

1 ~~services, aid and services to crippled children and persons otherwise~~
2 ~~handicapped, except those provided for by civilian vocational rehabilitation,~~
3 ~~the supervision of supervise agencies and institutions caring for dependent or~~
4 ~~mentally or physically disabled or aged adults, and administer such other~~
5 ~~welfare activities or services that may be vested in it;~~

6 (2) Administer or supervise all child welfare activities, in accordance
7 with the rules and regulations of the ~~division~~ department, including:

8 ~~_____ (A) The regulation of the importation of children;~~

9 ~~_____ (B)(A) Licensing and supervising of private and public~~
10 ~~child-caring agencies and institutions and boarding homes for children;~~

11 ~~_____ (C)(B) The care of dependent, neglected, and delinquent children~~
12 ~~and children with mental or physical disabilities, in foster family homes or~~
13 ~~in institutions; and~~

14 ~~_____ (D)(C) The care and supervision of children placed for adoption;~~

15 ~~_____ (E) The care and supervision of children of illegitimate birth;~~

16 ~~_____ (F) The supervision of the Juvenile Court Department;~~

17 ~~_____ (3) Supervise and license all private institutions, private boarding~~
18 ~~homes, and private agencies providing assistance, care, or other direct~~
19 ~~services to the aged, blind, feeble-minded, and other dependent persons and in~~
20 ~~accordance with rules and regulations of the division. It shall also~~
21 ~~administer or supervise all mental hygiene work, including the care of~~
22 ~~mentally ill or feeble-minded persons not in the State Hospital;~~

23 ~~_____ (4) Provide services to county governments including the organization~~
24 ~~and supervision of county welfare departments for the effective administration~~
25 ~~of welfare functions and for the compilation of statistics and necessary~~
26 ~~information relative to public welfare problems throughout the state;~~

27 ~~_____ (5)(3) Have the authority to enter Enter into reciprocal agreements~~
28 ~~with public welfare agencies in other states relative to the provisions of~~
29 ~~relief and assistance to transients and nonresidents and cooperate with other~~
30 ~~state departments and with the federal government in studying labor, health,~~
31 ~~and public assistance problems involved in transiency;~~

32 ~~_____ (6)(4) To administer Administer and make effective the rules and~~
33 ~~regulations governing personnel administration, including the preparation and~~
34 ~~administration of classification and compensation plans and the method of~~
35 ~~selection for positions in the state and county or district departments~~
36 ~~department;~~

- 1 ~~——(7)(5)~~ Carry on research and compile statistics relative to the public
2 welfare programs throughout the state, including all phases of dependency,
3 defectiveness, delinquency, and related problems and develop plans in
4 cooperation with other public and private agencies for the prevention as well
5 as treatment of conditions giving rise to public welfare problems;
- 6 ~~——(8)(6)~~ Assist other departments, agencies, and institutions of the
7 state and federal governments, when so requested, by performing services in
8 conformity with the purposes of this ~~act~~ chapter;
- 9 ~~——(9)(7)~~ Cooperate with the federal government in matters of mutual
10 concern pertaining to federally funded programs within the department~~s~~
11 purview; ~~assistance to the needy aged, assistance to dependent children,~~
12 ~~assistance to the needy blind, services for locating crippled children and for~~
13 ~~providing medical, surgical, corrective, and other services, care, and~~
14 ~~facilities for diagnosis, hospitalization, and aftercare for children who are~~
15 ~~crippled or who are suffering from conditions that lead to crippling; and~~
16 ~~services for the care and protection of homeless, dependent, and neglected~~
17 ~~children and children in danger of becoming delinquent, and other general~~
18 ~~welfare matters, including the adoption of such methods of administration as~~
19 ~~may be recommended by the federal government for the efficient operation of~~
20 ~~the plans for such service and assistance;~~
- 21 ~~——(10)(8)~~ Make any and all contracts that may be necessary to carry out
22 the purposes of this ~~act~~ chapter and in accordance with rules and regulations
23 made by the ~~division~~ department;
- 24 ~~——(11)(9)~~ Make such reports in such form and containing such information
25 as the federal government may from time to time require and comply with such
26 provisions as the federal government may from time to time find necessary to
27 assure the correctness and veracity of the reports;
- 28 ~~——(12)(10)~~ ~~Have authority to allocate~~ Allocate funds to ~~county~~
29 ~~departments~~ for such purposes and in accordance with the provisions of this
30 ~~act~~ chapter and such rules and regulations as may be prescribed by the
31 ~~division~~ department;
- 32 ~~——(13)(11)~~ ~~Have authority to establish~~ Establish ~~general~~ standards of
33 eligibility ~~and adequacy of for~~ assistance ~~grants~~;
- 34 ~~——(14)(12)~~ ~~Have authority to receive~~ Receive, administer, disburse,
35 dispose, and account for funds, commodities, equipment, supplies, and any kind
36 of property given, granted, loaned, or advanced to the State of Arkansas for

1 public assistance, public welfare, social security, or any other similar
2 purposes;

3 ~~—— (15) At its discretion, establish boards and departments of public~~
4 ~~welfare for such territory as it may see fit and by rules and regulations~~
5 ~~prescribe the duties of such;~~

6 ~~—— (16)~~(13) Make such rules and regulations and take such actions as
7 necessary or desirable to carry out the provisions of this ~~act~~ chapter and
8 which are not inconsistent therewith;

9 ~~—— (17) [Repealed.]~~

10 (14) Solicit participation of private organizations, nonprofit
11 organizations, charitable organizations, and institutions of education, in the
12 delivery of services and in the enactment and revision of rules and
13 regulations;

14 (15) Employ attorneys to represent the interests of the department;

15 (16) Establish and implement a Transitional Employment Assistance
16 Program that meets the requirements of this chapter and of federal law
17 regarding Temporary Assistance for Needy Families; and

18 (17) Develop and implement automated statewide benefit delivery and
19 information systems to achieve the purposes of this chapter."

20

21 SECTION 6. Arkansas Code Annotated § 20-76-202 is amended to read as
22 follows:

23 "20-76-202. Department of Human Services - Public assistance - Temporary
24 funding.

25 (a)(1) It is found and determined that the continued operations of the
26 Department of Human Services, through its appropriate divisions, in accordance
27 with the approved annual operations plan, are from time to time seriously
28 impaired by either administrative oversights and delays by the Grants
29 Management Office of the United States Department of Health and Human
30 Services, or by the processes of federal fiscal year conversion.

31 (2) It is further found and determined that the delays in the
32 proper preparation and transmittal of federal grant award authorizations and
33 letter of credit instruments have created unnecessary hardships on the
34 providers of services and the needy citizens of this state.

35 (b)(1) Therefore, upon certification of the pending availability of
36 federal funding by the Disbursing Officer of the appropriate division of the

1 Department of Human Services, the Chief Fiscal Officer of the State may grant
2 temporary advances. ~~The maximum amount of these advances shall not exceed~~
3 ~~seven million five hundred thousand dollars (\$7,500,000) from the State Budget~~
4 ~~Revolving Fund to the appropriate accounts of the Department of Human~~
5 ~~Services, through its appropriate divisions, so affected by such delays.~~

6 (2) The Chief Fiscal Officer of the State shall recover within a
7 period of twenty (20) days such temporary advances upon receipt of the grant
8 award authorizations or letter of credit instruments.

9 (c) No person in the State of Arkansas shall be excluded from
10 participation in or be subjected to discrimination under any program or
11 activity enumerated in this section on the ground of race, color, sex,
12 disability, religion, or national origin."

13

14 SECTION 7. Subchapter 2 of Chapter 76 of Title 20 of the Arkansas Code
15 Annotated is amended by adding the following new section:

16 "20-76-214. Payment of certain contributions and withholdings - TEA.

17 (a) The department is authorized to pay the employer's portion of
18 contributions and withholdings required by the federal and state income tax
19 laws, the Federal Insurance Contributions Act, the Workers Compensation Law
20 §11-9-101 et seq., the Arkansas Employment Security Act §11-10-101 et seq.,
21 and private medical insurance premiums for eligible individuals where such is
22 necessary to achieve employment assistance.

23 (b)(1) TEA recipients shall not be deemed to be state employees solely
24 as a consequence of receiving TEA benefits and shall not be eligible to
25 participate in the State Employees Retirement System solely as a consequence
26 of receiving TEA benefits;

27 (2) TEA recipients who are employed by the State shall be
28 eligible for the same benefits as an employee who performs similar work and is
29 not a TEA recipient."

30

31 SECTION 8. Arkansas Code Annotated § 20-76-401 is amended to read as
32 follows:

33 "20-76-401. Eligibility generally - Transitional Employment Assistance
34 Program.

35 ~~— (a) Public assistance grants or general relief shall be granted under~~
36 ~~this act to any needy person or family which:~~

1 ~~— (1) Has not sufficient income or other resources to provide a reasonable~~
2 ~~subsistence compatible with decency and health;~~

3 ~~— (2) Has not made an assignment of or transfer of real or personal~~
4 ~~property for the purpose of rendering himself eligible for assistance grants~~
5 ~~under this act at any time within the last five (5) years. Any person making~~
6 ~~such an assignment or transfer shall be ineligible for assistance grants under~~
7 ~~this act for such a period of time as the fair market value of the property~~
8 ~~assigned or transferred would have provided subsistence in accordance with the~~
9 ~~budgetary need as established by the existing rules and regulations of the~~
10 ~~appropriate division of the Department of Human Services.~~

11 ~~— (b) No recipient of one form of welfare assistance shall be entitled to~~
12 ~~receive any other form of welfare assistance.~~

13 ~~— (c) No assistance grant shall be given under the laws of this state to~~
14 ~~any needy person until, in addition to the qualifications set forth in~~
15 ~~AA 20-76-401, 20-76-419, 20-76-424, and 20-76-427, the person has resided in~~
16 ~~the State of Arkansas for at least three (3) years of the last five (5) years~~
17 ~~and for the past one (1) year of the three (3) years has resided continuously~~
18 ~~in the State of Arkansas.~~

19 (a) The department shall establish a program of Transitional Employment
20 Assistance (TEA). Eligible applicants shall receive one or more of the
21 following: assessment services, employment assistance, support services,
22 medical assistance, a positive reinforcement outcome bonus, relocation
23 assistance, and extended support services.

24 (b) Eligibility for TEA is limited to applicants for or recipients of
25 assistance who:

26 (1) have care and custody of a related minor child;

27 (2) reside in the state at the time of application for assistance;

28 (3) have applied for child support services, when applicable, with

29 a local child support enforcement office at the time of application for

30 assistance and comply and cooperate with all applicable requirements of that

31 office, including, but not limited to, assignment of benefits to the

32 department;

33 (4) participate in an approved work activity, including complying

34 with an employment plan, unless deferred or exempt from work activity

35 requirements;

36 (5) are citizens of the United States of America, are qualified

1 aliens lawfully present in the United States of America before August 23,
2 1996, or are aliens to whom benefits under Temporary Assistance for Needy
3 Families must be provided under federal law;

- 4 (6) are income and resource eligible; and
- 5 (7) sign and comply with a personal responsibility agreement.

6 (c) The department shall promulgate regulations to determine resource
7 eligibility and benefit levels for participating families. The regulations
8 shall include, but not be limited to, the following categories of income and
9 resource disregards:

- 10 (1) To reward work, earned income from sources other than TEA;
- 11 (2) A certain percentage of a familys gross monthly income;
- 12 (3) The familys homestead;
- 13 (4) An operable motor vehicle per family;
- 14 (5) Household and personal goods;
- 15 (6) Income producing property;
- 16 (7) Monies deposited in an approved individual development
17 account (IDA) or approved escrow account for business or career development;
- 18 (8) Any other property or resource specified in the TEA
19 implementation plan which is determined to be cost-efficient to exclude or
20 which must be excluded due to federal or state law.

21 (e) Any person who makes an application for assistance shall have the
22 burden of proving eligibility for such assistance."

23

24 SECTION 9. Arkansas Code Annotated § 20-76-402 is amended to read as
25 follows:

26 "20-76-402. ~~Eligibility - Refusal to accept employment. Work activities.~~

27 ~~----- (a) No able-bodied individual who has refused any employment which pays~~
28 ~~at or above the federal minimum wage, or the state minimum wage when the~~
29 ~~federal minimum wage is not applicable, shall receive any welfare benefits~~
30 ~~administered by the appropriate division of the Department of Human Services~~
31 ~~after thirty (30) days from the date of his refusal to accept the employment.~~

32 ~~----- (b) In the event that federal statutes, rules, or regulations conflict~~
33 ~~with the requirements of this section or rules and regulations promulgated~~
34 ~~hereunder, the appropriate division of the Department of Human Services is~~
35 ~~authorized to promulgate rules and regulations bringing the state's welfare~~
36 ~~programs into compliance with federal law after first obtaining the advice of~~

1 ~~the Legislative Council thereon, while pursuing, insofar as possible, the~~
2 ~~legitimate objectives of this section.~~

3 ~~— (c) As used in this section, "able-bodied individual" shall be defined as~~
4 ~~all individuals between eighteen (18) years of age and sixty (60) years of~~
5 ~~age, except for those individuals:~~

6 ~~— (1) Who are medically certified by a licensed physician as incapacitated;~~
7 ~~or~~

8 ~~— (2) Whose presence in the home is required because of the medically~~
9 ~~certified illness or incapacity of another member of the household; or~~

10 ~~— (3) Who are mothers or other relatives of a minor under twelve (12) years~~
11 ~~of age who are caring for the child.~~

12 (a) The department shall develop and describe categories of approved
13 work activities for TEA recipients in accordance with this section. Approved
14 work activities may include unsubsidized employment, subsidized private sector
15 employment, subsidized public sector employment, education or training, skills
16 training, job search and job readiness assistance, on-the-job training, micro
17 enterprise, and community service work experience.

18 (1) Unsubsidized employment is full-time employment or part-time
19 employment that is not directly supplemented by federal or state funds.

20 (2)(A) Subsidized private sector employment is employment in a
21 private for-profit enterprise or a private not-for-profit enterprise which is
22 directly supplemented by federal or state funds. A TEA recipient in
23 subsidized private sector employment shall be eligible for the same benefits
24 as a nonsubsidized employee who performs similar work. Prior to receiving any
25 subsidy or incentive, an employer shall enter into a written contract with the
26 department which may include, but not be limited to, provisions addressing any
27 of the following:

28 (i) payment schedules for any subsidy or incentive,
29 such as deferred payments based on retention of the recipient in employment;

30 (ii) durational requirements for the employer to
31 retain the recipient in employment;

32 (iii) training to be provided to the recipient by the
33 employer;

34 (iv) weighting of incentive payments proportionally
35 to the extent to which the recipient has limitations associated with the long-
36 term receipt of welfare and difficulty in sustaining employment. In

1 establishing incentive payments, the department shall consider the extent of
2 the recipients prior receipt of welfare, lack of employment experience, lack
3 of education, lack of job skills, and other appropriate factors.

4 (B) The department may require an employer to repay some or
5 all of a subsidy or incentive previously paid to an employer under the TEA
6 program unless the recipient is terminated for cause.

7 (3)(A) Subsidized public sector employment is employment by an
8 agency of the federal, state, or local government which is directly
9 supplemented by federal or state funds. A TEA recipient in subsidized public
10 sector employment shall be eligible for the same benefits as a nonsubsidized
11 employee who performs similar work. Prior to receiving any subsidy or
12 incentive, an employer shall enter into a written contract with the department
13 which may include, but not be limited to, provisions addressing any of the
14 following:

15 (i) payment schedules for any subsidy or incentive,
16 such as deferred payments based on retention of the recipient in employment;

17 (ii) durational requirements for the employer to
18 retain the recipient in employment;

19 (iii) training to be provided to the recipient by the
20 employer;

21 (iv) weighting of incentive payments proportionally
22 to the extent to which the recipient has limitations associated with the long-
23 term receipt of welfare and difficulty in sustaining employment. In
24 establishing incentive payments, the department shall consider the extent of
25 the recipients prior receipt of welfare, lack of employment experience, lack
26 of education, lack of job skills, and other appropriate factors.

27 (B) The department may require an employer to repay some or
28 all of a subsidy and incentive previously paid to an employer under the TEA
29 program unless the recipient is terminated for cause.

30 (4) Community service work experience is job-training experience
31 at a supervised public or private not-for-profit agency, which is both linked
32 to education or training and substantially enhances a recipients
33 employability.

34 (5)(A) Job search assistance may include supervised or
35 unsupervised job-seeking activities. Job readiness assistance provides
36 support for job-seeking activities, which may include:

1 (i) Orientation in the world of work and basic
2 job-seeking and job retention skills;

3 (ii) Instruction in completing an application for
4 employment and writing a resume;

5 (iii) Instruction in conducting oneself during a job
6 interview, including appropriate dress;

7 (iv) Providing a recipient with access to an
8 employment resource center that contains job listings, telephones, facsimile
9 machines, typewriters, and word processors.

10 (B) Job search and job readiness activities may be used in
11 conjunction with other program activities, such as community service work
12 experience, but may not be the primary work activity and may not continue
13 longer than the length of time permitted under federal law.

14 (6) Education or training is vocational-educational training and
15 education directly related to employment. Education or training may be
16 combined with other program activities and also may be used to upgrade skills
17 or prepare for a higher paying occupation for a recipient who is employed.

18 (7) Job skills training directly related to employment provides
19 job skills training in a specific occupation for which there is a written
20 commitment by the employer to offer employment to a recipient who successfully
21 completes the training. Job skills training includes customized training
22 designed to meet the needs of a specific employer or a specific industry. A
23 recipient may be required to complete an entrance assessment or test before
24 entering into job skills training if assessments or tests are required for
25 employment upon completion of the training.

26 (8) School attendance at a high school or attendance at a program
27 designed to prepare the recipient to receive a high school equivalency diploma
28 is a required program activity for each recipient eighteen (18) years of age
29 or younger who:

30 (A) has not completed high school or obtained a high school
31 equivalency diploma;

32 (B) is a dependent child or a head of household; and

33 (C) for whom it has not been determined that another
34 program activity is more appropriate.

35 (9) Participation in medical, educational, counseling, and other
36 services that are part of a the recipients personal responsibility agreement

1 is a required activity for each teen parent who participates in the TEA
2 Program.

3 (b) Adult recipients who meet the minimum weekly work requirement, but
4 who do not have a GED or the equivalent and who do not spend forty (40) hours
5 per week in approved work activities, shall be given an option of
6 participating in education directly related to employment or a GED program in
7 accordance with the recipients personal responsibility agreement.

8 (c) Each state agency and each entity that contracts to provide
9 services for a state agency shall establish recruitment and hiring goals which
10 shall target ten percent (10%) of all jobs requiring a high school diploma or
11 less to be filled with TEA or food stamp recipients. A question concerning
12 receipt of TEA benefits or food stamps may be added to the state employment
13 application for purposes of targeting these applicants. Each agency shall
14 report to the TEA Program Advisory Council and the independent evaluator the
15 number of TEA recipients employed by the state agency and the contract service
16 provider in comparison to the established goal.

17 (d)(1) The department shall require participation in approved work
18 activities to the maximum extent possible, subject to federal and state
19 funding. If funds are projected to be insufficient to support full-time work
20 activities by all TEA program recipients who are required to participate in
21 work activities, the department shall screen recipients and assign priority in
22 accordance with the TEA implementation plan.

23 (2) In accordance with the TEA implementation plan, the
24 department may limit a recipients weekly work requirement to the minimum
25 required to meet federal work activity requirements and may develop screening
26 and prioritization procedures within employment opportunity districts or
27 within counties based on the allocation of resources, the availability of
28 community resources, or the work activity needs of the employment opportunity
29 district or county.

30 (e)(1) Subject to subparagraph (2), an adult in a family receiving
31 assistance under TEA may fill a vacant employment position in order to engage
32 in a work activity described in subsection (a).

33 (2) No adult in a work activity described in subsection (a) which
34 is funded, in whole or in part, by funds provided by the federal government
35 shall be employed or assigned:

36 (A) When any other individual is on layoff from the same or

1 any substantially equivalent job; or

2 (B) If the employer has terminated the employment of any
3 regular employee or otherwise caused an involuntary reduction in its workforce
4 in order to fill the vacancy so created with an adult described in
5 subparagraph (1).

6 (3) The Employment Security Department shall establish and
7 maintain a grievance procedure for resolving complaints of alleged violations
8 of subparagraph (2).

9 (4) Nothing in this subsection shall preempt or supersede any
10 provision of state or local law that provides greater protection for employees
11 from displacement.

12 (f) The department shall establish criteria to exempt or temporarily
13 defer the following persons from any work activity requirement:

14 (1) an individual required to care for a recipient child until the
15 child reaches the maximum age specified by regulation, not to exceed twelve
16 (12) months of age;

17 (2) an individual who is medically incapacitated or who possesses
18 a disability that precludes an individual from working at available
19 employment;

20 (3) a woman in the third trimester of pregnancy;

21 (4) an individual who must remain in the home to care for a
22 resident family member who is seriously ill or incapacitated;

23 (5) a minor parent less than eighteen (18) years old who resides
24 in the home of a parent or in an approved adult-supervised setting and who
25 participates in full-time education or training;

26 (6) a teen parent/head of household under the age of twenty (20)
27 who maintains satisfactory attendance as a full-time student at a secondary
28 school;

29 (7) an individual for whom support services necessary to engage in
30 a work activity are not available;

31 (8) an individual who, as determined by a department case
32 manager, is unable to participate in work activities due directly to the
33 immediate effects of domestic violence. All case manager determinations made
34 under this subsection shall be reviewed by a supervisor within five (5) days
35 of such determination;

36 (9) an individual unable to participate in a work activity due to

1 extraordinary circumstances."

2

3 SECTION 10. Arkansas Code Annotated § 20-76-403 is amended to read as
4 follows:

5 "20-76-403. Application ~~generally~~ - Fraud.

6 ~~(a)(1) Application for assistance grants under this act shall be made
7 to the county office in the county or district in which the applicant resides.~~

8 ~~— (2) The application shall be in writing or reduced to writing in the
9 manner and upon the form prescribed by the appropriate division of the
10 Department of Human Services.~~

11 ~~— (3) The application for assistance shall contain a statement of the
12 amount of both real and personal property in which the applicant has an
13 interest and of all earned and unearned income which he may have at the time
14 of the filing of the application, and such other information as may be
15 required by the ~~division~~ department.~~

16 ~~(b) In the case of dependent children, the application shall be made by
17 the person having custody of the dependent child and shall contain information
18 as to the age and residence of the child and such other information as may be
19 required by the rules and regulations of the division. One (1) application may
20 be made for several children of the same family if they reside with the same
21 person.~~

22 ~~— (c) Whosoever shall give a false answer to any question contained in the
23 application for assistance shall be guilty of fraud under Rev. Stat., ch. 44,
24 art. 11, § 1 [repealed] Any assistance grant improperly paid as a result of
25 this fraud shall be recoverable by the state as a debt due the state and, if
26 applicable, the recipient shall be prosecuted under theft of public benefits,
27 § 5-36-202.~~

28 (c)(1) All assistance provided under this chapter shall be reconsidered
29 by the department as frequently as the department deems necessary. The amount
30 of assistance may be entirely withdrawn by the department if the department is
31 advised that the recipient's circumstances have altered sufficiently to
32 warrant such action.

33 (2) Whoever shall withhold information in a periodic
34 reconsideration that may result in a recipient's assistance being changed or
35 withdrawn shall be guilty of fraud. Any money paid after information has been
36 withheld shall be recoverable as a debt due the state.

1 (d) The department shall forthwith close any recipient's open case
2 upon a judicial or administrative determination that the individual recipient
3 has committed fraud in order to receive TEA benefits. The case shall remain
4 closed and the recipient shall remain ineligible until all indebtedness to the
5 department is repaid with interest."

6
7 SECTION 11. Arkansas Code Annotated § 20-76-404 is amended to read as
8 follows:

9 ~~"20-76-404. Application - Physically disabled persons. Duration of~~
10 ~~Assistance - Extended Support Services.~~

11 ~~—— (a) Whenever any person makes application for an assistance grant or~~
12 ~~for general relief and states in his application as his reason for seeking~~
13 ~~assistance that he is physically disabled and unable to support his family or~~
14 ~~himself, then the claim must be proved to the satisfaction of the appropriate~~
15 ~~division of the Department of Human Services.~~

16 ~~—— (b) The appropriate division of the Department of Human Services shall~~
17 ~~require sufficient medical evidence to establish that the applicant is~~
18 ~~physically or mentally incapacitated to such an extent that he is unable to~~
19 ~~provide the necessities of life for himself or his family.~~

20 (a) Beginning, July 1, 1998, the department shall not provide financial
21 assistance to a family that includes an adult recipient who has received
22 financial assistance for more than twenty-four (24) months, except as provided
23 in subsection (c) of this section. The number of months need not be
24 consecutive and shall include the time a recipient receives financial
25 assistance from another state. The department may by regulation establish
26 other limitations on the receipt of financial assistance not inconsistent with
27 state or federal law.

28 (b) The department shall certify to the Governor and the House and
29 Senate Committees on Public Health, Welfare and Labor when the support
30 services necessary for TEA recipients to obtain employment or participate in
31 allowable work activities are available. The department may certify subsets
32 of TEA recipients, including, but not limited to, TEA recipients in a certain
33 geographical area or employment opportunity district, or TEA recipients with a
34 high school diploma or G.E.D. Prior to implementing the twenty-four (24)
35 month cumulative limit on financial assistance, the department shall notify
36 TEA recipients by direct mail or contact and by other means reasonably

1 calculated to reach to current and potential TEA recipients, including but not
2 limited to, the posting of notices in county offices.

3 (c) The department shall establish criteria to exempt or temporarily
4 defer the following persons from the twenty-four (24) month cumulative limit
5 on financial assistance:

6 (1) an individual, as determined by a department case manager,
7 who cooperated and participated in activities, but was unable to obtain
8 employment because of extraordinary circumstances or barriers beyond his or
9 her control;

10 (2) child-only cases;

11 (3) an individual unable to obtain employment because of the lack
12 of support services necessary to overcome barriers to employment;

13 (4) a parent or caregiver over sixty (60) years of age;

14 (5) a parent or caregiver who is caring for a disabled child
15 relative or disabled adult relative, based upon criteria set forth in the
16 department's regulations;

17 (6) a disabled parent or caregiver, based upon criteria set forth
18 in the department's regulations;

19 (7) a parent less than eighteen (18) years old who resides in the
20 home of a parent or in an approved adult-supervised setting, and who
21 participates in full-time education or training;

22 (8) an individual, who as determined by a department case
23 manager, is unable to obtain employment due directly to the effects of
24 domestic violence. All case manager determinations made under this subsection
25 shall be reviewed by a supervisor within five (5) days of such determination;

26 (9) other individuals as determined by the department, including,
27 but not limited to, a child when necessary to protect the child from risk of
28 neglect, as defined by A.C.A. § 12-12-503(6).

29 (d) A recipient who was eligible for Medicaid that loses his or her
30 financial assistance due to earnings whose income remains below one hundred
31 eighty-five percent (185%) of the federal poverty level shall remain eligible
32 for transitional Medicaid and child care assistance without reapplication
33 during the immediately succeeding twelve (12) month period if private medical
34 insurance is unavailable from the employer. Twenty-four (24) additional months
35 of child care assistance shall be provided on a sliding fee scale or other
36 cost-sharing arrangement as determined by the department.

1 (1) The department shall deny Medicaid and child care assistance
2 during the twelve (12) month period for any month in which the recipient s
3 family does not include a dependent child.

4 (2) The department shall notify the recipient of transitional
5 Medicaid and child care assistance when the recipient is notified of the
6 termination of cash assistance. The notice shall include a description of the
7 circumstances in which the transitional Medicaid and child care assistance may
8 be terminated.

9 (e)(1) In order to assist current and former TEA recipients in
10 continuing training and upgrading skills, transitional education or training
11 may be provided to a recipient for up to one (1) years after the recipient is
12 no longer eligible to participate in the TEA program due to employment
13 earnings.

14 (2) Education or training resources available in the community at
15 no additional cost to the department shall be used whenever possible.

16 (3) Transitional education or training shall be
17 employment-related, and may include education or training to improve a
18 recipients job skills in the recipients existing area of employment or may
19 include education or training to prepare a recipient for employment in another
20 occupation.

21 (4) The department may enter into an agreement with an employer
22 to share the costs relating to upgrading the skills of recipients hired by the
23 employer.

24 (f) Other extended support services may be available to recipients no
25 longer eligible for financial assistance under TEA.

26 (g) By January 1, 1998 the department, in conjunction with the
27 Department of Health, shall present a plan for the consideration of the
28 Governor and the House and Senate Committees on Public Health, Welfare and
29 Labor to monitor and protect the safety and well-being of the children within
30 a family whose temporary assistance is terminated for any reason other than
31 the familys successful transition to economic self-sufficiency. Such actions
32 may include, but not necessarily be limited to, one (1) or more in-home visits
33 with such children within thirty (30) days of the termination of such
34 temporary assistance."

35

36 SECTION 12. Arkansas Code Annotated § 20-76-405 is amended to read as

1 follows:

2 "20-76-405. ~~Application - Investigation. Diversion from Assistance.~~

3 ~~Whenever a county office receives an application for assistance grants~~
4 ~~under this act, an investigation and record shall promptly be made of the~~
5 ~~circumstances of the applicant in order to ascertain the facts supporting the~~
6 ~~application and in order to obtain such other information as may be required~~
7 ~~by the rules of the appropriate division of the Department of Human Services.~~
8 ~~The investigation shall include a visit to the home of the applicant.~~

9 (a) When an applicant applies for employment assistance, the department
10 shall determine if the applicant is eligible to be diverted from receiving
11 employment assistance. That determination shall be based on an assessment
12 conducted in conformity with regulations promulgated by the department.

13 (b) The department shall determine eligibility for diversion from
14 assistance by considering whether, but for the diversion from assistance, the
15 applicant would receive employment assistance. If the department determines
16 that the applicant is eligible for diversion from assistance and the recipient
17 agrees to the diversion, the department may provide a single loan payment of
18 up to the amount of financial assistance that the applicant could receive
19 during three months if not diverted.

20 (c) An applicant may receive diversion loan assistance only once.
21 Receipt of diversion loan assistance shall be accompanied by a written
22 declaration by the recipient electing to forego TEA financial assistance for
23 one hundred (100) days as a condition of receiving the diversion loan
24 assistance.

25 (d) A diversion from assistance is in lieu of other services described
26 in this chapter."

27

28 SECTION 13. Arkansas Code Annotated § 20-76-406 is amended to read as
29 follows:

30 "20-76-406. ~~Investigation of claims and award of assistance - Issuance~~
31 ~~of voucher. Alternative Benefits.~~

32 ~~(a) When a claim for assistance has been filed with the appropriate~~
33 ~~division of the Department of Human Services, the appropriate division of the~~
34 ~~Department of Human Services shall have an investigation made, and, within~~
35 ~~sixty (60) days from the date of filing the claim, a report must be sent to~~
36 ~~the applicant of the action taken by the office. In the event any applicant is~~

1 ~~found eligible for benefits under the present law, the applicant's case shall~~
2 ~~be certified immediately to the deputy director of the appropriate division of~~
3 ~~the Department of Human Services who in turn must cause a voucher to be issued~~
4 ~~without delay for the amount allowed the applicant.~~

5 ~~— (b) Upon the completion of an investigation on an application for an~~
6 ~~assistance grant, the appropriate division of the Department of Human Services~~
7 ~~shall determine eligibility and certify eligible cases with the amount of the~~
8 ~~assistance grant as determined by division rules and regulations.~~

9 ~~— (c) The assistance shall be paid monthly by the appropriate division of~~
10 ~~the Department of Human Services.~~

11 (a) The department may establish and maintain a program of public
12 assistance as an alternative for individuals otherwise eligible for TEA, who
13 having engaged in TEA work activities for at least six weeks, have fully
14 complied with all provisions in the individual's personal responsibility
15 agreement, but who are not engaged in work as defined in TEA laws or
16 regulations.

17 (b) No individual shall be eligible for alternative benefits unless
18 such person meets the minimum eligibility requirements for TEA. The amount,
19 scope, and duration of alternative benefits shall not exceed benefits
20 available through TEA."

21

22 SECTION 14. Arkansas Code Annotated § 20-76-407 is amended to read as
23 follows:

24 "20-76-407. ~~Amount.~~ Micro-lending Program and Individual Development
25 Accounts.

26 ~~— The amount of assistance grants which any person shall receive shall be~~
27 ~~determined by the appropriate division of the Department of Human Services~~
28 ~~with due regard to the resources and necessary expenditures of the case, the~~
29 ~~conditions existing in each case, and in accordance with the rules and~~
30 ~~regulations made by the division. This amount shall be sufficient, when added~~
31 ~~to all other income and support available to the recipient, to provide the~~
32 ~~person with a reasonable subsistence compatible with decency and health.~~

33 (a)(1) The department will make available a micro-lending program to
34 low-income entrepreneurs. For the purpose of this section, a low-income
35 entrepreneur is one who is starting or expanding a business and who meets the
36 eligibility criteria established by the department for the micro-lending

1 program. A micro-lending program is one which provides training, technical
2 assistance, and loan funds to low-income entrepreneurs to start or expand a
3 business venture.

4 (2) In accordance with their personal responsibility agreement,
5 low-income entrepreneurs may escrow profits from their business enterprise
6 which are not reinvested into their business into an account which will be
7 placed in a micro-lending program and not be counted against their public
8 assistance benefits until they accumulate an amount to be determined by the
9 department for the period they are eligible for the TEA program. Under this
10 section, participating low-income entrepreneurs, who are otherwise eligible
11 for TEA, shall not have their benefits reduced and shall not lose any
12 transitional or extended support services available to them as TEA recipients
13 for the life of the escrow account.

14 (3) Under this section self-employment shall be considered an
15 allowable work activity, if the individuals income, divided by the minimum
16 wage, equals at a minimum twenty (20) hours per week. To receive the
17 self-employment exemption outlined in this section, low-income entrepreneurs
18 shall be enrolled in the TEA program and shall be enrolled in a micro-lending
19 program providing entrepreneurship training, technical assistance, and peer
20 support.

21 (b)(1) The department shall establish an Individual Development Account
22 (IDA) demonstration project.

23 (2) In the selected communities for the demonstration project, TEA
24 recipients may deposit up to an amount determined by the department in special
25 savings accounts for career development goals for post-secondary education of
26 themselves or their children, small business development, home ownership
27 purposes, or transportation needs. For the period the recipient is eligible
28 for the TEA program, the Individual Development Account (IDA) shall not be
29 considered when computing the asset limit of the recipient when determining
30 the participants eligibility for TEA or for food stamps, unless contrary to
31 federal law.

32 (3) To be eligible, IDA demonstration project participants shall
33 be a member of a group which meets twice a month to make contributions into
34 their Individual Development Accounts (IDAs) and receive support, training,
35 and technical assistance to ensure they secure and maintain employment while
36 building their Individual Development Account (IDA), and shall notify the

1 department in advance of establishing such an account.

2 (4) For those TEA recipients who secure employment while
3 participating in this project, their Individual Development Accounts (IDAs)
4 may begin to be matched immediately. TEA recipients who are not employed
5 shall not receive matching fund donations into their Individual Development
6 Accounts (IDAs). Matching funds may be secured from public and private funds.
7 Public funds utilized to provide such matching funds shall not include state
8 funds.

9 (c) Federal funds received by the state pursuant to the Temporary
10 Assistance for Needy Families (TANF) program shall be available for programs
11 under this section.

12
13 SECTION 15. Arkansas Code Annotated § 20-76-408 is amended to read as
14 follows:

15 "20-76-408. Appeal to Department of Human Services.

16 (a) If an application for ~~an assistance grant is not acted upon by the~~
17 ~~appropriate division of the Department of Human Services within a reasonable~~
18 ~~time after the filing of the application, or is denied in whole or in part, or~~
19 ~~if any award of assistance grants is modified or cancelled under any provision~~
20 ~~of this act,~~ the applicant or recipient may appeal to the ~~appropriate division~~
21 ~~of the Department of Human Services~~ department in the manner and form
22 prescribed by the ~~appropriate division of the Department of Human Services~~
23 department. The ~~division~~ department shall, upon receipt of the appeal, give
24 the applicant or recipient a reasonable notice of opportunity for a fair
25 hearing pursuant to the Arkansas Administrative Procedures Act, § 25-15-201,
26 et seq.

27 ~~_____ (b) The decision of the division on any appeal for assistance grants~~
28 ~~shall be final. No action shall be brought in any court having for its object~~
29 ~~the changing of a ruling of the division on the merits of any application."~~

30
31 SECTION 16. Arkansas Code Annotated § 20-76-409 is amended to read as
32 follows:

33 "20-76-409. ~~General relief. Disqualification and Sanction.~~

34 ~~_____ (a) General relief shall be material aid or service given to any person~~
35 ~~or family not in the form of an assistance grant.~~

36 ~~_____ (b) The determining of eligibility for an amount of general relief shall~~

1 ~~be in accordance with ^A 20-76-401 and the disbursement wholly in accord with~~
2 ~~rules and regulations of the appropriate division of the Department of Human~~
3 ~~Services.~~

4 ~~— (c) Application for general relief shall be made to the county office in~~
5 ~~the county or district in which the applicant resides.~~

6 ~~— (d) The application shall be taken to the member of the appropriate~~
7 ~~division of the Department of Human Services, and investigations shall be~~
8 ~~made, including a visit to the home of the applicant, by a member of the~~
9 ~~Department of Human Services.~~

10 ~~— (e) Upon completion of the investigation, the county office shall decide~~
11 ~~as to the amount of the relief to be given in accordance with rules,~~
12 ~~regulations, and policies of the division.~~

13 (a) Each individual applying for assistance under this chapter shall
14 state in writing during the application process whether the individual, or any
15 member of the household of the individual has been found guilty of or pleaded
16 guilty or nolo contendere to a crime described in subsection (b).

17 (b) No individual who has been found guilty of or has pleaded guilty or
18 nolo contendere to any state or federal offense classified as a felony by the
19 law of the jurisdiction involved, and which has as an element of the offense,
20 the distribution or manufacture of a controlled substance (as defined in
21 section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) shall be
22 eligible for:

23 (1) assistance under any state program funded wholly or partially
24 under part A of title IV of the Social Security Act;

25 (2) assistance under any state program created by this chapter; or

26 (3) benefits under the food stamp program.

27 (c)(1) The amount of the assistance otherwise required to be provided
28 under TEA to the family members of an individual made ineligible by this
29 section shall be reduced by the amount which would have otherwise been made
30 available to the individual.

31 (2) The amount of benefits otherwise required to be provided to a
32 household under the food stamp program shall be determined by considering the
33 individual made ineligible by this section not to be a member of such
34 household, except that the income and resources of the individual shall be
35 considered to be income and resources of the household.

36 (d) Clear notice of this section shall be provided in the personal

1 responsibility agreement;

2 (e) This section shall not apply to findings of guilt or pleas of
3 guilty or nolo contendere for offenses occurring on or before July 1, 1997.

4 (f) In accordance with this section, the State of Arkansas opts out of
5 Section 115 of the Personal Responsibility and Work Opportunity Act of 1996."

6

7 SECTION 17. Arkansas Code Annotated § 20-76-410 is amended to read as
8 follows:

9 20-76-410. ~~Dependent children~~ Administrative Sanctions - TEA.

10 ~~— (a)(1) Assistance grants shall be given under this act to any dependent~~
11 ~~child, as defined in this section, who is living in a suitable family home~~
12 ~~meeting the standards of care and health fixed by the laws of this state and~~
13 ~~the rules and regulations of the appropriate division of the Department of~~
14 ~~Human Services.~~

15 ~~— (2) The amount of the assistance shall be determined in accordance with~~
16 ~~the provisions of § 20-76-407.~~

17 ~~— (3) The assistance grants shall be in the form of money payments with~~
18 ~~respect to a dependent child or dependent children.~~

19 ~~— (b) The term "dependent child" means a needy child under the age of~~
20 ~~twenty-one (21) years who has been deprived of parental support or care by~~
21 ~~reason of the death, continued absence from the home, or physical or mental~~
22 ~~incapacity of a parent and whose relatives liable under the law for his~~
23 ~~support are not able to provide adequate care and support of the child without~~
24 ~~public assistance grants, and who is living with any blood relative, including~~
25 ~~those of half-blood, and including first cousins, nephews, nieces, stepfather,~~
26 ~~stepmother, stepbrother, stepsister, adoptive parents, or spouses named in the~~
27 ~~above groups, in a place of residence maintained by one (1) or more of the~~
28 ~~relatives as their own home.~~

29 ~~— (c) By accepting assistance for or on behalf of a child which assistance~~
30 ~~is provided by the appropriate division of the Department of Human Services,~~
31 ~~under subsections (a) and (b) of this section, the recipient thereof shall be~~
32 ~~deemed to have assigned to the appropriate division of the Department of Human~~
33 ~~Services any rights to child support from any other person as the recipient~~
34 ~~may have:~~

35 ~~— (1) In his own behalf or in behalf of any other family member for whom~~
36 ~~the recipient is receiving assistance; and~~

1 ~~— (2) Accrued at the time such assistance, or any portion thereof, is~~
2 ~~accepted.~~

3 ~~— (d) The appropriate division of the Department of Human Services shall~~
4 ~~give notice, in writing, to each applicant for assistance. This notice shall~~
5 ~~state that acceptance of assistance would invoke the provisions of subsection~~
6 ~~(c) of this section and result in an assignment under subsection (c) of this~~
7 ~~section.~~

8 (a) A reduction in financial assistance or case closure shall be imposed
9 in the following situations:

10 (1) Individual fails without good cause to cooperate with the
11 Office of Child Support Enforcement;

12 (2) Individual refuses to accept employment without good cause;

13 (3) Individual quits employment without good cause;

14 (4) Individual fails without good cause to comply with the
15 provisions of the Employment Plan;

16 (5) Individual fails without good cause to comply with the
17 provisions of the Personal Responsibility Agreement; or

18 (6) Individual flees prosecution or custody or confinement
19 following conviction or in violation of terms or condition of parole, or
20 probation.

21 (b) The Department may by regulation define additional situations that
22 require sanction, establish additional sanctions, and provide for
23 administrative disqualification.

24 (c)(1) If a parent is sanctioned for noncompliance with TEA program
25 requirements, financial assistance for the child or children in a family who
26 are under age sixteen (16) may be continued. The department shall develop
27 procedures in such instances to ensure the well-being of the child or
28 children. Such procedures may include, but not be limited to, reduced
29 assistance to the parent, designation of a protective payee, referral to the
30 Division of Children and Family Services as a dependent-neglect case, or any
31 other procedures necessary to protect the child or children from risk of
32 neglect, as defined in A.C.A. § 12-12-503(6).

33 (2) When appropriate, protective payees may be designated by the
34 department and may include:

35 (A) A relative or other individual who is interested in or
36 concerned with the welfare of the child or children and agrees in writing to

1 utilize the assistance in the best interests of the child or children;

2 (B) A member of the community affiliated with a religious,
3 community, neighborhood, or charitable organization who agrees in writing to
4 utilize the assistance in the best interests of the child or children; or

5 (C) A volunteer or member of an organization who agrees in
6 writing to utilize the assistance in the best interests of the child or
7 children.

8 (3) If it is in the best interest of the child or children, as
9 determined by the department, for the staff member of a private agency, a
10 public agency, the department, or any other appropriate organization to serve
11 as a protective payee, such designation may be made, except that a protective
12 payee must not be any individual involved in determining eligibility for
13 assistance for the family, staff handling any fiscal pressures related to the
14 issuance of assistance, or landlords, grocers, or vendors of goods, services,
15 or items dealing directly with the recipient.

16
17 SECTION 18. Arkansas Code Annotated § 20-76-411 is amended to read as
18 follows:

19 "20-76-411. Reporting requirements for ~~receivers of Aid to Families with~~
20 ~~Dependent Children~~ recipients of TEA benefits - Failure to appear for
21 pediatrics screening and have children age-appropriately immunized.

22 Those citizens receiving benefits under ~~the Aid to Families with~~
23 ~~Dependent Children Program~~ TEA who fail to keep their appointments for
24 pediatric screening at the local health office or who fail to have their child
25 or children age-appropriately immunized shall be required to appear in person
26 at the local health office the following month and each month thereafter to
27 receive their warrants until such time as the appointment is kept or until
28 such time as the child or children are age-appropriately immunized."

29
30 SECTION 19. Arkansas Code Annotated § 20-76-412 is amended to read as
31 follows:

32 "20-76-412. Abandonment - Duties of Department of Human Services.

33 Whenever any person makes an application for ~~Aid to Families with~~
34 ~~Dependent Children assistance~~ TEA benefits from the ~~appropriate division of~~
35 ~~the Department of Human Services~~ department and the application reveals that
36 the applicant or child or children was or were put in such needy circumstances

1 as to require public assistance by reason of the fact that the spouse or child
2 or the illegitimate child was deserted or abandoned or left in destitute or
3 necessitant circumstances by willful neglect or refusal to provide for the
4 support or maintenance of the spouse or child by the child's parents, then it
5 shall be the duty of the department to refer that applicant or child or
6 children to the Office of Child Support Enforcement of the Revenue Division of
7 the Department of Finance and Administration, to attempt to establish the
8 paternity of the child or children, if necessary, and secure support therefor
9 from any person who might owe the child or children a duty of support."

10

11 SECTION 20. Arkansas Code § 20-76-429 is amended to read as follows:

12 "20-76-429. Receipt of additional property or income by assistance
13 recipient.

14 (a) If at any time during the continuance of assistance ~~grants~~ the
15 recipient thereof becomes possessed of any property or income in excess of the
16 amount stated in the application for ~~the~~ assistance ~~grant~~, it shall be the
17 duty of the recipient immediately to notify the county office of the receipt
18 or possession of the property or income. ~~The county office, after~~
19 ~~investigation, shall notify the appropriate division of the Department of~~
20 ~~Human Services, which~~ The department may either cancel the assistance ~~grant~~ or
21 alter the amount thereof in accordance with the circumstances.

22 (b) Any assistance ~~grant~~ paid after the recipient has come into the
23 possession of the property or income and in excess of his need shall be
24 recoverable by the state as a debt due the state."

25

26 SECTION 21. Arkansas Code Annotated § 20-76-432 is amended to read as
27 follows:

28 "20-76-432. Removal to another county.

29 (a) Any recipient of ~~an~~ assistance ~~grant~~ who is moved, moves, or is
30 taken to another county in this state shall be required to notify the
31 appropriate division of the Department of Human Services of the removal and
32 ~~shall be entitled to~~ may, if otherwise eligible, receive assistance ~~grants~~ in
33 the county to which he has moved.

34 (b) The office of the county from which he has moved shall transfer all
35 necessary records relating to the recipient to the office of the county to
36 which he has moved."

1

2 SECTION 22. Arkansas Code Annotated § 20-76-433 is amended to read as
3 follows:

4 "20-76-433. Records - Confidentiality.

5 (a)(1) Records identifying persons participating in programs
6 administered by the department may be disclosed only as expressly authorized
7 by law or regulation creating or implementing such programs. The rule-making
8 power of the ~~appropriate division of the Department of Human Services~~
9 department shall include the power to establish and enforce reasonable rules
10 and regulations governing the custody, use, and preservation of the records,
11 papers, files, and departmental communications of the state division and
12 ~~county offices. The use of the records, papers, files, and communications by~~
13 ~~any other agency or department of government to which they may be furnished~~
14 ~~shall be limited to the purpose for which they are furnished.~~

15 (2) The various executive departments and agencies of the state
16 shall exchange information as necessary for each department and agency to
17 accomplish objectives and fulfill obligations created or imposed by federal or
18 state law. Information received pursuant to this chapter shall be maintained
19 by persons with a business need to access such information and shall be
20 further disclosed only in accordance with any confidentiality provisions
21 applicable to the department or agency originating the information. The
22 various executive departments and agencies of the state shall execute
23 operating agreements to facilitate the exchanges of information authorized by
24 this chapter.

25 (b) It shall be unlawful, except for purposes directly connected with
26 the administration of ~~general public assistance, aid to the blind, or aid to~~
27 ~~dependent children~~ and in accordance with the rules and regulations of the
28 ~~division~~ department, for any person or persons to solicit, disclose, receive,
29 make use of, or to authorize, knowingly permit, participate in, or acquiesce
30 in the use of any list of or names of or any information concerning persons
31 applying for or receiving assistance directly or indirectly derived from the
32 records, papers, files, or communications of the ~~state or county or~~
33 ~~subdivisions or agencies thereof~~ department, or acquired in the course of the
34 performance of official duties.

35 (c) Any person violating the provisions of this section, or any rules
36 promulgated under the power hereof, shall, upon conviction, be deemed guilty

1 of a misdemeanor and subject to a fine of not less than twenty-five dollars
2 (\$25.00) nor more than one hundred dollars (\$100) or confined in the county
3 jail for not less than ten (10) nor more than sixty (60) days, or subjected to
4 both a fine and jail sentence."

5

6 SECTION 23. Arkansas Code Annotated § 20-76-434 is amended to read as
7 follows:

8 "20-76-434. Maintenance of list of recipients.

9 (a)~~(1)~~ In order to ensure that the needy citizens of the State of
10 Arkansas are receiving all benefits to which they may be entitled, the
11 ~~appropriate division of the Department of Human Services~~ department shall
12 maintain a list of all recipients of state assistance reflecting each
13 recipient's income, social security number, and the programs in which the
14 recipient is participating.

15 ~~————(2)(b)~~ The information required for the list shall be obtained from the
16 recipient's records and such other sources necessary to ensure accuracy and
17 completeness.

18 ~~————(3)(c)~~ The recipient shall be provided a release form to sign in order
19 to obtain the required information. Failure to sign the release form shall
20 result in termination of the recipient from the program of assistance until a
21 review can be made of the eligibility of the recipient by the ~~appropriate~~
22 ~~division of the Department of Human Services~~ department from public records.

23 ~~————(b) No person in the State of Arkansas shall, on the ground of race,~~
24 ~~color, sex, handicap, religion, or national origin, be excluded from~~
25 ~~participation in or be subjected to discrimination under any program or~~
26 ~~activity enumerated in this section."~~

27

28 SECTION 24. Arkansas Code Annotated § 20-76-435 is amended to read as
29 follows:

30 "20-76-435. ~~Right of amendment or repeal.~~ No Entitlement to Assistance.

31 (a) This chapter shall not be interpreted to entitle any individual or
32 family to assistance under any program created, implemented, or funded under
33 or pursuant to this chapter.

34 (b) All assistance ~~granted~~ provided under this ~~act~~ chapter shall be
35 ~~deemed to be granted and to be held~~ subject to the provisions of any amending
36 or repealing act that may hereafter be passed, and no recipient shall have any

1 claim for compensation, or otherwise, by reason of his assistance being
2 affected in any way by any amending or repealing act."

3

4 SECTION 25. Arkansas Code Annotated § 20-76-436 is amended to read as
5 follows:

6 "20-76-436. Recovery of benefits from recipients' estates.

7 Federal or state benefits in cash or in kind, including, but not limited
8 to, Medicaid, Aid to Families with Dependent Children, Transitional Employment
9 Assistance, and food stamps distributed or paid by the Department of Human
10 Services, as well as charges levied by the Department of Human Services for
11 services rendered, shall, upon the death of the recipient, constitute a debt
12 to be paid. The Department of Human Services may make a claim against the
13 estate of a deceased recipient for the amount of any benefits distributed or
14 paid, or charges levied, by the Department of Human Services."

15

16 SECTION 26. Subchapter 4 of Chapter 76 of Title 20 is amended by adding
17 the following new sections:

18 "20-76-437. Reporting - TEA.

19 The Department of Human Services, the Employment Security Division, the
20 Department of Health, the Department of Education, the Department of Higher
21 Education, the Arkansas Development Finance Authority, the Arkansas Industrial
22 Development Commission, the Arkansas Highway and Transportation Department
23 shall report quarterly to the House and Senate Committees on Public Health,
24 Welfare and Labor regarding the provision of services to TEA recipients."

25

26 SECTION 27. Arkansas Code Annotated § 5-55-204 is amended to read as
27 follows:

28 "5-55-204. Penalties for food stamp trafficking.

29 In addition to the penalties set forth in this chapter, any recipient of
30 food stamps found guilty of a violation set forth in this chapter shall be
31 ineligible for further participation in the food stamp program, as follows:

32 (1) For a period of ~~six (6) months~~ one (1) year, upon the first
33 occasion of any offense;

34 (2) For a period of ~~one (1) year~~ two (2) years, upon the second
35 occasion of any offense; and

36 (3) Permanently, upon the third occasion of any offense."

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SECTION 28. Arkansas Code Annotated § 5-36-205 is amended to read as follows:

"5-36-205. Ineligibility for programs.

In addition to the penalties set forth in this chapter:

(1) Except as set forth in (5) below, any ~~Any~~ recipient of food stamps who pleads guilty or nolo contendere to, or is found guilty of, a violation set forth in this subchapter shall be ineligible for further participation in the food stamp program, as follows:

(A) For a period of ~~six (6) months~~ one (1) year upon the first occasion of an offense pertaining to the receipt of food stamps;

(B) For a period of ~~one (1) year~~ two (2) years upon the second occasion of an offense pertaining to the receipt of food stamps; and

(C) Permanently upon the third occasion of an offense pertaining to the receipt of food stamps;

(2) Any recipient of ~~Aid to Families with Dependent Children~~ Transitional Employment Assistance who pleads guilty or nolo contendere to, or is found guilty of, a violation set forth in this subchapter shall be ineligible for further participation in the ~~Aid to Families with Dependent Children~~ Transitional Employment Assistance program, as follows:

(A) For a period of ~~six (6) months~~ one (1) year upon the first occasion of an offense pertaining to the receipt of ~~Aid to Families with Dependent Children~~ Transitional Employment Assistance;

(B) For a period of ~~one (1) year~~ two (2) years upon the second occasion of an offense pertaining to the receipt of ~~Aid to Families with Dependent Children~~ Transitional Employment Assistance; and

(C) Permanently upon the third occasion of an offense pertaining to the receipt of ~~Aid to Families with Dependent Children~~ Transitional Employment Assistance;

(3) Any recipient of benefits under the Special Supplemental Food Program for Women, Infants and Children who pleads guilty or nolo contendere to, or is found guilty of, a violation set forth in this subchapter may be ineligible for further participation in the Special Supplemental Food Program for Women, Infants and Children for up to three (3) months; and

(4) Any recipient of Supplemental Security Income who pleads guilty or nolo contendere to, or is found guilty of, a violation set forth in this

1 subchapter shall be ineligible for further participation in the Supplemental
2 Security Income program, as follows:

3 (A) For a period of ~~six (6) months~~ one (1) year upon the first
4 occasion of an offense pertaining to the receipt of Supplemental Security
5 Income;

6 (B) For a period of ~~one (1) year~~ two (2) years upon the second
7 occasion of an offense pertaining to the receipt of Supplemental Security
8 Income; and

9 (C) Permanently upon the third occasion of an offense pertaining
10 to the receipt of Supplemental Security Income.

11 (5) An individual shall be ineligible to participate in the food stamp
12 program as a member of any household for a ten (10) year period if the
13 individual is found by the department to have made, or is found guilty of or
14 pleads guilty or nolo contendere to having made, a fraudulent statement or
15 representation with respect to the identity or place of residence of the
16 individual in order to receive multiple benefits simultaneously."

17

18 SECTION 29. All provisions of this act of a general and permanent
19 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
20 Code Revision Commission shall incorporate the same in the Code.

21

22 SECTION 30. If any provision of this act or the application thereof to
23 any person or circumstance is held invalid, such invalidity shall not affect
24 other provisions or applications of the act which can be given effect without
25 the invalid provision or application, and to this end the provisions of this
26 act are declared to be severable.

27

28 SECTION 31. Arkansas Code Annotated §§ 20-76-203; 20-76-413; 20-76-414;
29 20-76-415; 20-76-416; 20-76-417; 20-76-424; 20-76-425; 20-76-426; 20-76-427;
30 20-76-428; and 20-76-430; are repealed.

31 ~~20-76-203. Department of Human Services - Public assistance - Legal~~
32 ~~assistants.~~

33 ~~(a) The Department of Human Services, through its appropriate division,~~
34 ~~shall employ legal assistants on a part-time basis for each judicial circuit~~
35 ~~of the State of Arkansas.~~

36 ~~(b) The salaries of the assistants shall be paid by the State of~~

1 ~~Arkansas by warrants drawn by the Auditor of State and paid from the~~
2 ~~Department of Human Services Fund from moneys appropriated biennially. The~~
3 ~~salaries shall be set by the director and shall be dependent upon the number~~
4 ~~of cases handled by the assistants in each judicial district.~~

5 ~~_____ (c)(1) The legal assistants hired by the Department of Human~~
6 ~~Services, through its appropriate division, shall handle all uniform~~
7 ~~reciprocal support actions in the chancery courts where the State of Arkansas~~
8 ~~is either the initiating or the responding state.~~

9 ~~_____ (2) They shall process and handle all illegitimacy proceedings in~~
10 ~~the county courts when the cases have been referred to them by the prosecuting~~
11 ~~attorney's office or the Department of Human Services, through its appropriate~~
12 ~~division.~~

13 ~~_____ (3) The attorneys shall process and handle any and all matters~~
14 ~~pertaining to dependent or neglected children who have become or threaten to~~
15 ~~become a charge upon the State of Arkansas or any county therein by reason of~~
16 ~~abandonment, desertion, neglect, or who have been charged with being~~
17 ~~delinquent.~~

18 ~~_____ (4) The welfare legal assistants shall have the duty and authority~~
19 ~~to handle all reciprocal support cases, illegitimacy cases, and cases~~
20 ~~involving dependent and neglected children in all courts having jurisdiction~~
21 ~~thereof.~~

22 ~~_____ (d) Due to the confidential nature of the information received by~~
23 ~~legal assistants from the Department of Human Services, through its~~
24 ~~appropriate division, the Social Security Administration, and other federal~~
25 ~~and state agencies or offices supplying information and material of a~~
26 ~~confidential nature, no member of any state or federal agency nor any deputy~~
27 ~~prosecuting attorney may act as counsel for any defendant; nor may the~~
28 ~~attorney in any manner assist in the defense of any person pertaining to the~~
29 ~~processing and handling of any support actions or paternity proceedings or~~
30 ~~other proceedings of like nature handled by the legal assistants.~~

31 ~~_____ (e) The Director of the Department of Human Services, through the~~
32 ~~deputy director of the department's appropriate division, is authorized to set~~
33 ~~up standards and qualifications acceptable to the federal government for the~~
34 ~~special legal assistants in order that their salaries may be paid partly by~~
35 ~~funds from the federal government.~~

36 ~~_____ (f) The attorneys shall be selected on the basis of their~~

1 ~~qualifications, experience, and suitability for the work they are to perform.~~

2 ~~———— 20-76-413. Abandonment — Criminal proceedings.~~

3 ~~———— (a) The appropriate division of the Department of Human Services shall~~
4 ~~direct the person to report to the official to execute an affidavit praying~~
5 ~~that a warrant of arrest be issued for the spouse or parents who have~~
6 ~~abandoned the spouse or child.~~

7 ~~———— (b) The official shall institute the necessary criminal proceedings~~
8 ~~against the deserting and abandoning spouse or parent.~~

9 ~~———— (c) The failure of the applicant to report to the official~~
10 ~~designated by the appropriate division and his failure to execute the~~
11 ~~affidavit and to cooperate in good faith as a prosecuting witness with the~~
12 ~~official shall disqualify the applicant for an assistance grant or for general~~
13 ~~relief.~~

14 ~~———— 20-76-414. Abandonment — Conviction — Costs.~~

15 ~~———— (a)(1) In any criminal proceeding instituted by a deputy prosecuting~~
16 ~~attorney, or by a justice of the peace in a county where at the time there is~~
17 ~~no deputy prosecuting attorney, which results in the conviction of the~~
18 ~~defendant of a felony by trial, or by plea of guilty, whether sentence is~~
19 ~~actually pronounced or not or in the court in a felony case where the court~~
20 ~~has entered an order for the support of the deserted, abandoned, or neglected~~
21 ~~wife, or child or children, a fee of twenty-five dollars (\$25.00) shall be~~
22 ~~taxed as costs for the official instituting the criminal proceeding, to be~~
23 ~~paid by the defendant.~~

24 ~~———— (2) The official instituting criminal proceeding shall be paid only from~~
25 ~~costs collected from the defendants, provided that only one (1) item of costs~~
26 ~~against the defendant shall in any one (1) county be allowable during the~~
27 ~~pendency of that particular criminal proceeding.~~

28 ~~———— (b)(1) In any criminal proceeding instituted by a deputy prosecuting~~
29 ~~attorney, or a justice of the peace in a county where at the time there is no~~
30 ~~deputy prosecuting attorney and no city attorney within the municipality, if~~
31 ~~the offense is committed within the municipality, or by a city attorney that~~
32 ~~results in the conviction of the defendant of a misdemeanor case entering an~~
33 ~~order for the support of the deserted or abandoned spouse or child or~~
34 ~~children, a fee of ten dollars (\$10.00) shall be taxed as costs for the~~
35 ~~official instituting the criminal proceeding to be paid by the defendant.~~

36 ~~———— (2) The official instituting the criminal proceedings shall be paid only~~

1 ~~from costs collected from the defendants, provided that only one (1) item of~~
2 ~~costs against the defendant shall be allowable in any one (1) county or city~~
3 ~~during the pendency of that particular criminal proceeding.~~

4 ~~—— 20-76-415. Abandonment - Grand jury.~~

5 ~~—— Once each year at the regular session of the grand jury, the appropriate~~
6 ~~division of the Department of Human Services shall refer to the grand jury all~~
7 ~~cases for which no action has been taken of desertion and abandonment which~~
8 ~~have been referred to the prosecuting attorney.~~

9 ~~—— 20-76-416. Abandonment - Recovery of payments.~~

10 ~~—— (a) All payments made by the appropriate division of the Department of~~
11 ~~Human Services to a spouse with a dependent child shall be recoverable against~~
12 ~~the spouse or parent or illegitimate child's parent by the state as a debt due~~
13 ~~to the state. Any recovered payments shall be deposited in the State Treasury~~
14 ~~to the credit of the Department of Human Services Fund. The suit may be~~
15 ~~brought by the welfare attorney.~~

16 ~~—— (b) In the event the spouse or parent has left the state, the Secretary~~
17 ~~of State shall be the lawful attorney or agent for the spouse or parent,~~
18 ~~service of process shall be made by serving a copy of the process on the~~
19 ~~Secretary of State, and the service shall be sufficient notice upon spouse or~~
20 ~~parent providing that notice of the service and a copy of the process are~~
21 ~~forthwith sent by registered mail by the attorney for the appropriate division~~
22 ~~of the Department of Human Services to the last known out-of-state address of~~
23 ~~the spouse or parent.~~

24 ~~—— (c) The property of the spouse or parent in the State of Arkansas shall~~
25 ~~be subject to execution for payment of any judgment taken against him.~~

26 ~~—— 20-76-417. Abandonment - Location of parents, etc. through state~~
27 ~~records.~~

28 ~~—— (a) To assist in locating parents who have deserted their children and~~
29 ~~other persons liable for support of dependents, the appropriate division of~~
30 ~~the Department of Human Services or any prosecuting attorney may request and~~
31 ~~shall receive information from the records of all departments, boards,~~
32 ~~bureaus, or other agencies of this state, and they are authorized and directed~~
33 ~~to provide such information as is necessary for this purpose.~~

34 ~~—— (b) Only information directly bearing on the identity and whereabouts of~~
35 ~~a person owing or asserted to be owing an obligation of support shall be~~
36 ~~requested and used or transmitted by the appropriate division of the~~

1 Department of Human Services, pursuant to the authority conferred by this
2 section.

3 ~~— (c) The appropriate division of the Department of Human Services may make
4 the information available only to public officials and agencies of this state,
5 other states, and the political subdivisions of this state and other states
6 seeking to locate parents who have deserted their children and other persons
7 liable for support of dependents for the purpose of enforcing their liability
8 for support.~~

9 ~~— 20-76-424. Aged persons.~~

10 ~~— (a) Assistance grants shall be given under this act to any needy person
11 who, in addition to qualifications set forth in [§] 20-76-401, is sixty-five
12 (65) years of age or over.~~

13 ~~— (b) The amount of the assistance grant shall be determined in accordance
14 with the provisions of [§] 20-76-407 and shall be in the form of money payments
15 to aged persons in need, provided that the appropriate division of the
16 Department of Human Services is authorized to increase the monetary benefits
17 payable to each person qualified under this act to one hundred twenty-five
18 dollars (\$125) each month in keeping with the federal Social Security Act, as
19 amended.~~

20 ~~— 20-76-425. Long-term care facilities having welfare recipients.~~

21 ~~— (a) Upon the adoption by the appropriate division of the Department of
22 Human Services of rules classifying recipients, the deputy director of the
23 division is authorized to determine appropriate sums to be paid as assistance
24 grants for the maintenance of the various classes of recipients.~~

25 ~~— (b) The sum to be paid for the maintenance of recipients who are
26 classified as skilled care patients under Title XIX of the Social Security Act
27 can only be paid to a long-term care facility which has been certified as a
28 skilled care facility under the provisions of Title XIX of the Social Security
29 Act.~~

30 ~~— (c) The sum to be paid for the maintenance of recipients who have been
31 classified as Intermediate I care patients can only be paid to a long-term
32 care facility which has been certified as a skilled care facility under the
33 provisions of Title XIX of the Social Security Act or a long-term care
34 facility which has been licensed by the State Board of Health as an
35 Intermediate I care facility.~~

36 ~~— (d) The sum to be paid for the maintenance of recipients who have been~~

1 ~~classified as Intermediate II care patients can only be paid to a long-term~~
2 ~~care facility which has been certified as a skilled care facility under the~~
3 ~~provisions of Title XIX of the Social Security Act or has been licensed by the~~
4 ~~State Board of Health as an Intermediate I or an Intermediate II care~~
5 ~~facility.~~

6 ~~— (e) The sum to be paid for the maintenance of recipients who have been~~
7 ~~classified as Intermediate III care patients can be paid to any long-term care~~
8 ~~facility which has been certified as a skilled care facility under the~~
9 ~~provisions of Title XIX of the Social Security Act, or as an Intermediate I,~~
10 ~~Intermediate II, or Intermediate III care facility.~~

11 ~~— (f) In the event that federal law or federally promulgated rules fix~~
12 ~~minimum standards higher than the minimum standards presently required for~~
13 ~~Intermediate III care facilities, then the commissioner may discontinue the~~
14 ~~classification of recipients as Intermediate III care patients and the State~~
15 ~~Board of Health may discontinue the classification of long-term care~~
16 ~~facilities as Intermediate III facilities.~~

17 ~~— 20-76-426. Provision of medical services, drugs, etc., to patients in~~
18 ~~long-term care facilities.~~

19 ~~— (a) The appropriate division of the Department of Human Services is~~
20 ~~authorized and directed to amend the state medical assistance plan to provide~~
21 ~~payment to state operated long term care facilities and to provide medical~~
22 ~~services and patient drugs for patients within these institutions in keeping~~
23 ~~with authority granted by the federal government under their rules and~~
24 ~~regulations and the federal Social Security Act.~~

25 ~~— (b) The appropriate division of the Department of Human Services is~~
26 ~~authorized and directed to enter into contracts with all state institutions~~
27 ~~providing long-term care facilities, medical or psychiatric services, or~~
28 ~~medication or drugs whenever the institutions can furnish funds to the~~
29 ~~appropriate division of the Department of Human Services to be matched with~~
30 ~~the federal moneys in keeping with federal regulations for medical services.~~

31 ~~— (c)(1) The appropriate division of the Department of Human Services may~~
32 ~~pay state institutions individually on a reasonable cost basis and pay private~~
33 ~~long-term care facilities on a negotiable set rate basis.~~

34 ~~— (2) Vendor payments shall be made from long-term care facility~~
35 ~~appropriations.~~

36 ~~— (3) All public institutions furnishing medical or psychiatric services,~~

1 ~~therapy, laboratory services, or drugs may enter into a contract with the~~
2 ~~division under a plan approved by the federal government for the payment of~~
3 ~~services rendered.~~

4 ~~— (d) The service shall be paid upon a reasonable cost from medical~~
5 ~~assistance appropriations only when the state's share of the cost of the~~
6 ~~additional services has been provided by contract to the division so that the~~
7 ~~funds may be matched by federal funds.~~

8 ~~— 20-76-427. Permanently and totally disabled persons.~~

9 ~~— (a) Assistance grants shall be given under this section and ~~§ 20-76-409~~~~
10 ~~to any needy person who, in addition to qualifications set forth in~~
11 ~~§ 20-76-401:~~

12 ~~— (1) Is eighteen (18) years of age or over;~~

13 ~~— (2) Is not eligible to receive old age assistance or aid to the needy~~
14 ~~blind.~~

15 ~~— (b) The amount of the assistance grant shall be determined in accordance~~
16 ~~with the provisions of ~~§ 20-76-407.~~~~

17 ~~— (c) The assistance grant shall be in the form of money payments to~~
18 ~~permanently and totally disabled persons in need.~~

19 ~~— 20-76-428. Periodic reconsideration.~~

20 ~~— (a) All assistance grants made under this act shall be reconsidered by~~
21 ~~the appropriate division of the Department of Human Services as frequently as~~
22 ~~the division may deem necessary. After such further investigation as the~~
23 ~~division may deem necessary, the amount of assistance grant may be entirely~~
24 ~~withdrawn by the division if the division is advised that the recipient's~~
25 ~~circumstances have altered sufficiently to warrant such action.~~

26 ~~— (b) Whoever shall withhold information in a periodic reconsideration that~~
27 ~~may result in a recipient's grant being changed or withdrawn shall be guilty~~
28 ~~of fraud against the state, and any money paid after information has been~~
29 ~~withheld shall be recoverable as a debt due the state.~~

30 ~~— 20-76-430. Assignment prohibited - Garnishment, attachment, etc.~~
31 ~~prohibited.~~

32 ~~— (a) It shall be unlawful for any person entitled to any benefits under~~
33 ~~the laws of this state such as a police officer's pension, fire fighter's~~
34 ~~pension, old age benefits, or unemployment benefits to assign, sell, or pledge~~
35 ~~any of the benefits. Any contract in violation of this section shall be void.~~

36 ~~— (b) Assistance grants given under this act shall not be~~

1 ~~transferable or assignable, at law or in equity, and none of the money paid or~~
2 ~~payable under this act shall be subject to execution, levy, attachment,~~
3 ~~garnishment, or other legal process or to the operation of any bankruptcy or~~
4 ~~insolvency law.~~

5

6 SECTION 32. All other laws and parts of laws in conflict with this act
7 are hereby repealed.

8

9 SECTION 33. EMERGENCY. It is found and determined by the General
10 Assembly of the State of Arkansas that the United States Congress has amended
11 the laws pertaining to certain federally funded public assistance programs;
12 that these programs are crucial to the life and health of many needy citizens
13 of the State of Arkansas who otherwise will be unable to obtain food,
14 clothing, shelter, or medical care; that federal law mandates participating
15 states to implement new public assistance programs on or before July 1, 1997,
16 or forfeit federal funding necessary for such programs; that this act so
17 provides. Therefore, an emergency is declared to exist and this act being
18 necessary for the preservation of the public peace, health, and safety, shall
19 be in full force and effect on July 1, 1997.

20

/s/Rep. Flanigan, et al

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APPROVED:4-03-97

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