

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 1705 of the Regular Session

1 State of Arkansas

As Engrossed: S3/2/05 S3/10/05 H3/25/05

2 85th General Assembly

A Bill

3 Regular Session, 2005

SENATE BILL 380

4
5 By: Senator Steele

6
7
8 **For An Act To Be Entitled**

9 AN ACT TO IMPLEMENT CHANGES IN SCOPE AND FOCUS OF
10 THE ARKANSAS TRANSITIONAL EMPLOYMENT PROGRAM; TO
11 CHANGE THE NAME OF THE ARKANSAS EMPLOYMENT
12 SECURITY DEPARTMENT TO THE DEPARTMENT OF
13 WORKFORCE SERVICES; TO CREATE THE ARKANSAS WORK
14 PAYS PROGRAM; AND FOR OTHER PURPOSES.

15
16 **Subtitle**

17 AN ACT TO IMPLEMENT CHANGES IN SCOPE AND
18 FOCUS OF THE ARKANSAS TRANSITIONAL
19 EMPLOYMENT PROGRAM.

20
21
22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

23
24 SECTION 1. Arkansas Code § 11-10-301(a), pertaining to the creation of
25 the Arkansas Employment Security Department, is amended to read as follows:

26 (a)(1) There is created a department to be known as the ~~Arkansas~~
27 ~~Employment Security Department~~ Department of Workforce Services, ~~which that~~
28 shall be administered by a full-time salaried director who shall be appointed
29 by and serve at the pleasure of the Governor.

30 (2) The Director of the ~~Arkansas Employment Security Department~~
31 Department of Workforce Services shall have resided in the state for at least
32 five (5) years and shall be a qualified elector.

33
34 SECTION 2. The Arkansas Code Revision Commission shall replace
35 "Arkansas Employment Security Department" in all sections of the Arkansas



1 Code with "Department of Workforce Services".

2
3 SECTION 3. Arkansas Code § 20-76-102 is amended to read as follows:

4 20-76-102. Coordination of state agency service delivery.

5 (a)~~(1)~~ ~~To ensure that job finding assistance is being adequately~~
6 ~~provided to food stamp and transitional employment assistance recipients, the~~
7 ~~Arkansas Employment Security Department may periodically station appropriate~~
8 ~~staff for some portion of a workday in any county office of the Department of~~
9 ~~Human Services.~~

10 ~~(2)~~ The Director of the Arkansas Employment Security Department
11 and the Director of the Department of Human Services shall enter into a
12 written agreement regarding the provision of the services to recipients of
13 ~~food stamps and transitional employment assistance.~~

14 (b)(1) The Department of Human Services shall appropriately train and
15 supervise all employees and other persons who are responsible for determining
16 eligibility for cash assistance and diversion payments in the Transitional
17 Employment Assistance Program and the Arkansas Work Pays Program.

18 (2) The Arkansas Employment Security Department shall
19 appropriately train and supervise all employees and other persons who are
20 responsible for developing, evaluating, and managing personal responsibility
21 agreements for transitional employment assistance recipients.

22 (3) The training and supervision shall include, but not be
23 limited to, a competency-based case management program to measure the
24 effectiveness of each plan and to provide appropriate oversight,
25 implementation, and training to identify and assist victims of domestic
26 violence.

27 (c) To ensure that all available state government resources are used
28 to help transitional employment assistance recipients make the transition
29 from welfare to work, each of the following state agencies and organizations
30 shall also be required to work with the ~~Department of Human Services~~ Arkansas
31 Employment Security Department in providing transitional employment
32 assistance services:

33 (1) ~~The Arkansas Employment Security Department~~ Department of
34 Human Services;

35 (2) The Department of Health;

36 (3) The Department of Higher Education, including community

1 colleges and the University of Arkansas Cooperative Extension Service;

2 (4) The Department of Education;

3 (5) The Arkansas Development Finance Authority;

4 (6) The Arkansas Economic Development Commission;

5 (7) The Arkansas State Highway and Transportation Department;

6 (8) The Department of Finance and Administration, including the
7 Office of Child Support Enforcement;

8 (9) The State Child Abuse and Neglect Prevention Board;

9 (10) The Arkansas Literacy Council, Inc.;

10 (11) The Department of Workforce Education; and

11 (12) Other state agencies as directed by the Governor or as
12 directed by the General Assembly.

13 (d) State agencies required under subsection (c) of this section to
14 work with the ~~Department of Human Services~~ Arkansas Employment Security
15 Department in providing transitional employment assistance 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 moneys allocated by the ~~Department of Human~~
19 ~~Services~~ Arkansas Employment Security Department for the Transitional
20 Employment Assistance Program.

21 (e) All agencies of the state and local governments providing program
22 services shall work cooperatively with and provide any necessary assistance
23 to the General Assembly and the Arkansas Transitional Employment Board and
24 shall furnish, in a timely manner, complete and accurate information
25 regarding the program to legislative committees and the board upon request.

26 (f) The Arkansas Employment Security Department and the Department of
27 Human Services are directed to enter into an interagency agreement under
28 which the Department of Human Services shall continue providing cash
29 assistance and diversion assistance to all Transitional Employment Assistance
30 Program clients.

31
32 *SECTION 4. Arkansas Code § 20-76-105(a) through (d), concerning*
33 *creation and membership of the Arkansas Transitional Employment Board, are*
34 *amended to read as follows:*

35 (a) *There is created an Arkansas Transitional Employment Board, which*
36 *shall be composed of the following members:*

- 1 (1) *The Director of the Department of Human Services;*
 2 (2) *The Director of the Arkansas Employment Security Department;*
 3 (3) *The Director of the Department of Health;*
 4 (4) *The Director of the Department of Workforce Education;*
 5 (5) *The Director of the Department of Higher Education;*
 6 (6) *The Director of the Arkansas Economic Development*
 7 *Commission;*
 8 (7) *The Director of the Arkansas Workforce Investment Board;*
 9 (7)(8) *Three (3) members appointed by the Governor; and*
 10 (8)(9) *Six (6) members, at least one (1) of whom shall be a*
 11 *current or former transitional employment assistance or Aid to Families with*
 12 *Dependent Children recipient appointed by the Governor from a list of ten*
 13 *(10) nominees, of whom five (5), at least one (1) of whom shall be a current*
 14 *or former transitional employment assistance or Aid to Families with*
 15 *Dependent Children recipient, shall be submitted by the President Pro Tempore*
 16 *of the Senate and five (5), at least one (1) of whom shall be a current or*
 17 *former transitional employment assistance or Aid to Families with Dependent*
 18 *Children recipient, shall be submitted by the Speaker of the House of*
 19 *Representatives; and*
 20 (10) *Two (2) members of the Workforce Investment Board to be*
 21 *chosen by the chair of the Workforce Investment Board as follows:*
 22 (A) *One (1) member for a two-year term; and*
 23 (B) *One (1) member for a four-year term.*
 24 (b) *The appointed members shall be employed in the private sector, and*
 25 *a majority of those members shall have managerial experience.*
 26 (c)(1) *The appointed members of the Arkansas Transitional Employment*
 27 *Board shall serve four-year staggered terms.*
 28 ~~(2) *Initial appointed members of the Arkansas Transitional*~~
 29 ~~*Employment Board shall draw lots to determine the length of their terms.*~~
 30 ~~(3) *The Director of the Department of Human Services shall call*~~
 31 ~~*the first meeting of the Arkansas Transitional Employment Board within thirty*~~
 32 ~~*(30) calendar days of their appointments, and the Governor, in consultation*~~
 33 ~~*with the chairs of the House Committee on Public Health, Welfare, and Labor*~~
 34 ~~*and the Senate Committee on Public Health, Welfare, and Labor, shall select a*~~
 35 ~~*chairperson from among the appointed members.*~~
 36 ~~(4)(2) *Five (5) members of the Arkansas Transitional Employment*~~

1 Board shall constitute a quorum.

2 ~~(5)~~(3) Only the nine (9) appointed members shall serve as voting
3 members.

4 ~~(6)~~(4) No member may authorize a designee to vote in his or her
5 behalf.

6 ~~(7)~~(5) The Arkansas Transitional Employment Board shall meet
7 with the Governor every six (6) months or as frequently as it deems
8 necessary, upon request of the chairperson.

9 ~~(8)~~(6) A majority of the appointed members shall be citizens
10 with no direct fiduciary interest in programs involved with or funded by the
11 Transitional Employment Assistance Program or Temporary Assistance for Needy
12 Families funds except for current or former participants in the Transitional
13 Employment Assistance Program.

14 ~~(9)~~(7)(A) The Governor may remove an appointed member for cause.

15 (B) An absence from three (3) consecutive meetings shall
16 result in automatic removal unless the member is excused by the chair.

17 ~~(10)~~(8)(A) Vacancies on the Arkansas Transitional Employment
18 Board shall be filled in the same manner as the original appointment for the
19 unexpired portion of the term.

20 (B) If a vacancy occurs in a position filled by nominees
21 from either the President Pro Tempore of the Senate or the Speaker of the
22 House of Representatives, the member shall be appointed by the Governor from
23 a list of at least four (4) nominees, of whom at least two (2) shall be
24 submitted by the President Pro Tempore of the Senate and at least two (2)
25 shall be submitted by the Speaker of the House of Representatives.

26 (d)(1) The Arkansas Transitional Employment Board shall:

27 ~~(1)~~(A) Review, recommend, and approve transitional
28 employment assistance regulations developed by the Department of Human
29 Services and the Arkansas Employment Security Department;

30 ~~(2)~~(A)(B) Oversee the operation of the program and
31 progress toward the program outcomes;

32 ~~(B)~~(C) Develop a performance management plan for
33 achievement of the transitional employment assistance outcomes that includes:

34 (i) Performance measures for each of the outcomes
35 and federal performance requirements;

36 (ii) Setting targets for each of the outcomes and

1 requirements;

2 (iii) Reporting requirements for the department and
3 each county on their progress toward outcome targets;

4 (iv) Measures for accountability for county and
5 state offices for progress in meeting the targets, which include increased
6 flexibility and funding for offices meeting the targets and corrective action
7 for offices not meeting the targets; and

8 (v) Reporting on the operation of the performance
9 management plan to the Governor and the cochairs of the House Interim
10 Committee on Public Health, Welfare, and Labor and the Senate Interim
11 Committee on Public Health, Welfare, and Labor;

12 ~~(3)(D)~~ Coordinate the activities of all state agencies
13 involved in the program, including moderating disagreements among those state
14 agencies about their respective responsibilities in the program and
15 facilitating their active collaboration;

16 ~~(4)(E)~~ Employ necessary staff to assist with the range and
17 diversity of its charge;

18 ~~(5)(F)~~ Review, recommend, and approve annually updates of
19 the state's transitional employment assistance plan by December 1 of each
20 year for the next year and report on the updated plan to the Governor and the
21 House Committee on Public Health, Welfare, and Labor and the Senate Committee
22 on Public Health, Welfare, and Labor;

23 ~~(6)~~ Review, recommend, and approve charters, rechararters,
24 or dissolutions of local coalitions recommended by the Department of Human
25 Services;

26 ~~(7)~~ Review, recommend, and approve Department of Human
27 Services guidelines to local coalitions regarding annual plan development;

28 ~~(8)~~ Review, recommend, and approve guidelines for the
29 funding of local coalitions;

30 ~~(9)(G)~~ Review, recommend, and approve all requests for
31 proposals using program moneys and state-controlled welfare-to-work moneys
32 subject to the restriction that the board shall not approve any award or
33 contract involving Temporary Employment Assistance Program or Temporary
34 Assistance to Needy Families funds directly to an appointed member of the
35 board or to an organization in which one (1) of the appointed members of the
36 board has a fiduciary interest;

1 ~~(10) Initiate activities to foster multicounty~~
2 ~~collaboration, including establishing incentives for local coalitions with~~
3 ~~small caseloads to combine and become multicounty coalitions;~~

4 ~~(11)~~(H) Respond to and report on citizens' concerns about
5 the implementation and administration of the program;

6 ~~(12)~~(I) Review, recommend, and approve standards of
7 eligibility for assistance developed by the Department of Human Services;

8 ~~(13)~~(J) Review the Department of Human Services' and the
9 Arkansas Employment Security Department's plan plans for bonus awards and
10 employee incentives focused on achieving program outcomes;

11 ~~(14)~~(K) Submit biannual reports to the House Committee on
12 Public Health, Welfare, and Labor and the Senate Committee on Public Health,
13 Welfare, and Labor and to the Governor;

14 ~~(15) Require that, prior to approval, each local~~
15 ~~transitional employment assistance implementation plan describe a method by~~
16 ~~which the corresponding regional workforce investment board will support the~~
17 ~~local transitional employment assistance implementation plan;~~

18 ~~(16)~~(L) Contract for an independent evaluation of the
19 program;

20 ~~(17) Review, recommend, and approve a plan developed by~~
21 ~~the Department of Human Services for home visits to check on the safety and~~
22 ~~well-being of children in families that have lost transitional employment~~
23 ~~assistance cash assistance for any reason other than employment;~~

24 ~~(18) Provide guidance and oversight to the Governor's~~
25 ~~Partnership Council on Children and Families, which is a collaborative~~
26 ~~partnership with the Department of Health, the Department of Education, and~~
27 ~~the Department of Human Services;~~

28 ~~(19)~~(M) Review, recommend, and approve a plan developed by
29 the ~~Department of Human Services~~ Arkansas Employment Security Department to
30 provide services and information to former program recipients to help them
31 stay employed and to achieve progressively higher wages and earnings;

32 ~~(20)~~(N) Review, recommend, and approve a plan developed by
33 the ~~Department of Human Services~~ Arkansas Employment Security Department for
34 pilot projects to provide employment training, job search services, and
35 parenting education to noncustodial parents of children in transitional
36 employment assistance families that cannot pay child support because of

1 unemployment or low earnings;

2 ~~(21)(O)(i)~~ ~~The Arkansas Transitional Employment Board~~
3 ~~shall utilize~~ Utilize the expertise of the Arkansas Workforce Investment
4 Board, the Arkansas Transitional Employment Board, and the Department of
5 Higher Education to jointly ~~(A) Develop~~ develop a plan for contracting with
6 state agencies, two-year technical ~~institutions~~ colleges, technical
7 institutions, local governments, or private or community organizations to
8 establish, using available Temporary Assistance for Needy Families funds, at
9 least three (3) demonstration projects, to develop job training certificate
10 programs.

11 ~~(B)(ii)~~ The job training certificate programs shall
12 provide short-term training designed to prepare low-income parents and others
13 for jobs that pay significantly more than minimum wage and that are available
14 in the area.

15 ~~(C)(iii)~~ The projects shall be designed in
16 consultation with local employers, ~~temporary employment assistance~~
17 ~~coalitions~~, and workforce investment boards to identify appropriate job
18 opportunities and needed skills and training.

19 ~~(D)(iv)~~ Contracts shall include performance-based
20 payments keyed to enrollments, completion, job placement, and job retention.

21 ~~(E)(v)~~ Temporary Assistance for Needy Families may
22 be combined with other state and federal funds in ways consistent with
23 federal laws and rules; and

24 ~~(22)(A)(W)(i)~~ Oversee the operation of transitional
25 employment assistance child care and transitional child care with the goals
26 of maintaining the current provision of child care to families receiving
27 transitional employment assistance and families who have left transitional
28 employment assistance, to maximize child care available to low-income
29 families and to avoid overspending the biennial budget for child care.

30 ~~(B)(ii)~~ The Arkansas Transitional Employment Board
31 may authorize an increase in the spending cap on low-income child care if it
32 certifies to the Governor and the Chief Fiscal Officer of the State that the
33 additional expenditure of funds will not result in shortfalls in the
34 transitional employment assistance child care or transitional child care
35 budgets under existing conditions.

36 ~~(C)(iii)~~ If the Arkansas Transitional Employment

1 Board certifies to the Governor and the Chief Fiscal Officer of the State and
 2 notifies the Legislative Council and the House Interim Committee on Public
 3 Health, Welfare, and Labor and the Senate Interim Committee on Public Health,
 4 Welfare, and Labor that the action is necessary to avoid overspending the
 5 biennial budget for child care, it may authorize one (1) or more of the
 6 following actions:

7 ~~(i)(a)~~ An increase in the copayment schedule
 8 for transitional child care;

9 ~~(ii)(b)~~ An allocation of further Temporary
 10 Assistance to Needy Families funds;

11 ~~(iii)(c)~~ A reduction of a total of twenty-four
 12 (24) months in the transitional child care assistance available to temporary
 13 employment assistance recipients who leave assistance after the reduction; or

14 ~~(iv)(d)~~ A reduction in the spending cap for
 15 low-income child care; ~~and.~~

16 ~~(23)(A) Oversee and coordinate the operation of the local~~
 17 ~~coalitions with the goals of continuing their strong contributions to the~~
 18 ~~success of transitional employment assistance recipients, former transitional~~
 19 ~~employment assistance recipients, and the Arkansas Transitional Employment~~
 20 ~~Assistance Program, including recruiting new members, arranging training so~~
 21 ~~that coalition officers and members can understand the resources and services~~
 22 ~~available to further their mission, fostering collaboration with workforce~~
 23 ~~investment boards, and assisting local coalitions to obtain available funding~~
 24 ~~from state, local, private, and nonprofit sources to support their~~
 25 ~~activities.~~

26 ~~(B) The Arkansas Transitional Employment Board shall~~
 27 ~~distribute any state funds available to the local coalitions on a competitive~~
 28 ~~basis.~~

29 (2) Actions taken by the Arkansas Transitional Employment Board
 30 shall be submitted to the Chair of the House Committee on Public Health,
 31 Welfare, and Labor and the Chair of the Senate Committee on Public Health,
 32 Welfare, and Labor within fifteen (15) days after the action is taken.

33
 34 SECTION 5. Arkansas Code § 20-76-105(g), concerning the Agency
 35 Advisory Council, is repealed:

36 ~~(g) The Agency Advisory Council shall be formed to advise and to meet~~

1 ~~in conjunction with the Arkansas Transitional Employment Board. The council~~
2 ~~shall be composed of the following members or other members as the Arkansas~~
3 ~~Transitional Employment Board may determine;~~

4 ~~(1) The Director of the Division of County Operations of the~~
5 ~~Department of Human Services;~~

6 ~~(2) The Director of the State Child Abuse and Neglect Prevention~~
7 ~~Board;~~

8 ~~(3) The Director of the Division of Child Care and Early~~
9 ~~Childhood Education of the Department of Human Services;~~

10 ~~(4) The Director of the Office of Child Support Enforcement;~~

11 ~~(5) The Director of the Department of Education;~~

12 ~~(6) The Director of the Arkansas Development Finance Authority;~~

13 ~~(7) The Director of the Arkansas State Highway and~~
14 ~~Transportation Department;~~

15 ~~(8) One (1) member of the Arkansas Workforce Investment Board~~
16 ~~Executive Committee; and~~

17 ~~(9) Two (2) members of local coalitions selected by the chair of~~
18 ~~the board.~~

19
20 *SECTION 6.* Arkansas Code § 20-76-105(m) -- (o), concerning the
21 executive committee of the Arkansas Transitional Employment Board, are
22 amended to read as follows:

23 (m)(1) The Arkansas Transitional Employment Board shall select three
24 (3) of its members to form an executive committee.

25 (2) On those rare occasions when it becomes necessary for the
26 Department of Human Services or the Arkansas Employment Security Department
27 to take action on matters regarding the program between meetings of the
28 Arkansas Transitional Employment Board, the director is authorized to contact
29 the executive committee to receive direction on how to proceed.

30 (3) Any decisions or guidance given to the Department of Human
31 Services or the Arkansas Employment Security Department by the executive
32 committee shall be reported to the Arkansas Transitional Employment Board at
33 its next meeting.

34 (4) Other duties may be assigned to the executive committee by a
35 majority vote of the Arkansas Transitional Employment Board.

36 (5) This procedure may be changed by a majority vote of the

1 Arkansas Transitional Employment Board.

2 ~~(n) The Department of Human Services shall develop and maintain the~~
3 ~~indicators for the program outcomes subject to review and approval by the~~
4 ~~Arkansas Transitional Employment Board. The Arkansas Employment Security~~
5 ~~Department shall develop and maintain the indicators for the program outcomes~~
6 ~~listed in subdivisions (1)(1) -- (5) of this section subject to review and~~
7 ~~approval by the Arkansas Transitional Employment Board.~~

8 (o)(1) ~~The Department of Human Services~~ Arkansas Employment Security
9 Department shall develop proper targets for each program outcome by July 1 of
10 each year, ~~beginning with July 1, 2002,~~ subject to review and approval by the
11 Arkansas Transitional Employment Board.

12 (2) The Arkansas Transitional Employment Board shall adopt the
13 targets at the first meeting after July 1 of each year.

14 (3) The Arkansas Transitional Employment Board shall review and
15 report on progress in achieving the targets by December 10 and June 10 of
16 each year.

17 (4)(A) Reports shall be submitted to the Governor and to the
18 House Interim Committee on Public Health, Welfare, and Labor and the Senate
19 Interim Committee on Public Health, Welfare, and Labor.

20 (B) The report shall include comments from the Department
21 of Human Services, the Arkansas Employment Security Department, and other
22 relevant state agencies about their activities and their progress toward the
23 program outcome targets.

24

25 *SECTION 7.* Arkansas Code § 20-76-106(b) and (c), concerning the
26 statewide implementation plan of the Transitional Employment Assistance
27 Program, are amended to read as follows:

28 (b) At a minimum, the transitional employment assistance
29 implementation plan shall include:

30 (1) Performance standards and measurement criteria for state and
31 county offices of the Department of Human Services, the Arkansas Employment
32 Security Department, and all service providers under the program;

33 (2) Contract guidelines for contract service providers under the
34 program;

35 (3) Guidelines for training transitional employment assistance
36 service providers, whether state employees or contract providers;

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

3 (5) Guidelines for clarifying or, if necessary, modifying the
4 rules of the state agencies charged with implementing the program so that all
5 unnecessary duplication is eliminated;

6 (6) Guidelines for modifying compensation and incentive programs
7 for state employees in order to achieve the performance outcomes necessary
8 for successful implementation of the program;

9 (7) Guidelines for timely assessments for each participant which
10 lead to an individual personal responsibility agreement that identifies the
11 strengths of the participant and the barriers faced in obtaining a job and
12 reaching self-sufficiency and the services to be provided to assist the
13 participant in finding and keeping work and in moving toward self-
14 sufficiency;

15 (8) Guidelines for timely provision of needed support services
16 as specified in the individual personal responsibility agreement. These
17 guidelines shall include procedures for evaluating the quality and value of
18 assessments and the provision of support services;

19 (9) Guidelines governing job search requirements for
20 transitional employment assistance applicants;

21 (10) Guidelines governing the provision of support services to
22 transitional employment assistance participants and former transitional
23 employment assistance participants to assist them in retaining employment and
24 earning higher wages and career advancement;

25 (11) Guidelines governing the combining of work with education
26 and training;

27 (12) Guidelines for the independent evaluation of all cases
28 closed due to sanctions or time limits;

29 (13) A micro-lending program and an individual development trust
30 account demonstration project for program recipients;

31 ~~(14) Application guidelines and requirements for chartering~~
32 ~~local coalitions to plan and coordinate the delivery of services under the~~
33 ~~program at the local level;~~

34 ~~(15)~~(14) Criteria for relocation of program recipients which
35 take into account factors, including, but not limited to, job availability,
36 availability of support services, and proximity of relocation area to current

1 residence;

2 ~~(16) Criteria for the approval of the implementation plans~~
3 ~~submitted by local coalitions;~~

4 ~~(17) Criteria for allocating program resources to local~~
5 ~~coalitions;~~

6 ~~(18)~~(15) Criteria for prioritizing work activities of program
7 recipients in the event that funds are projected to be insufficient to
8 support full-time work activities of program recipients. The criteria may
9 include, but not be limited to, priorities based on the following:

10 (A) At least one (1) adult in each two-parent family shall
11 be assigned priority for full-time work activities;

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

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

17 (D) Priority may be assigned based on the amount of time
18 remaining until the recipient reaches the applicable time limit for program
19 participation or may be based on requirements of a personal responsibility
20 agreement; and

21 ~~(19)~~(16) The development of a performance-based payment
22 structure to be used for all program services which takes into account the
23 degree of difficulty associated with placing a program recipient in a job,
24 the quality of placement with regard to salary, benefits, and opportunities
25 for advancement, and the recipient's retention of the placement. The payment
26 structure should provide, if appropriate, bonus payments to providers that
27 experience notable success in achieving long-term job retention with program
28 recipients.

29 (c)(1)(A) ~~The Department of Human Services~~ Arkansas Employment
30 Security Department shall prepare an annual transitional employment
31 assistance implementation plan.

32 (B) The plan shall be subject to review, recommendation,
33 and approval by the Arkansas Transitional Employment Board.

34 (2) The Arkansas Transitional Employment Board shall submit
35 quarterly progress reports to the Governor, the House Committee on Public
36 Health, Welfare, and Labor, and the Senate Committee on Public Health,

1 Welfare, and Labor.

2 (3) The annual updated plan shall contain proposals for
3 measuring and making progress toward the transitional employment assistance
4 outcomes during the succeeding three-year period.

5 (4) The quarterly progress reports to the Governor, the House
6 Committee on Public Health, Welfare, and Labor, and the Senate Committee on
7 Public Health, Welfare, and Labor shall include all information ~~which~~ that
8 the Arkansas Transitional Employment Board deems necessary for determining
9 progress in achieving the outcomes.

10 (5) Information shall be provided for the state, each employment
11 opportunity district, and each county.

12 (6) The report shall also include all information requested by
13 resolution of the House Committee on Public Health, Welfare, and Labor and
14 the Senate Committee on Public Health, Welfare, and Labor.

15 (7) This report shall include a copy of all federal monthly,
16 quarterly, and annual reports submitted by the Department of Human Services
17 regarding the Temporary Assistance for Needy Families program.

18

19 SECTION 8. Arkansas Code § 20-76-108 is repealed:

20 ~~20-76-108. Local transitional employment assistance coalitions.~~

21 ~~(a)(1) Each local transitional employment assistance coalition may~~
22 ~~select from its existing membership a local board to consist of at least~~
23 ~~eleven (11) members, or the coalition may choose to retain its existing board~~
24 ~~or have the entire coalition serve as the board. Each local coalition shall~~
25 ~~designate an interim chair who shall call the first meeting of the local~~
26 ~~board not more than thirty (30) days after selection of the board members.~~

27 ~~(2) The membership of each coalition may include:~~

28 ~~(A) Representatives of the principal entities that provide~~
29 ~~funding for the employment, education, training, and social service programs~~
30 ~~that are operated in the area;~~

31 ~~(B) A representative of the chamber of commerce;~~

32 ~~(C) A representative of the Department of Human Services;~~

33 ~~(D) A representative of a community development~~
34 ~~organization;~~

35 ~~(E) Representatives of the business community who~~
36 ~~represent a diversity of sizes of business;~~

1 ~~(F) Representatives of other local planning, coordinating,~~
2 ~~or service delivery entities; and~~

3 ~~(G) A representative of a grassroots community or economic~~
4 ~~development organization that serves the poor of the community.~~

5 ~~(3)(A) In selecting new or replacement members for the local~~
6 ~~board, the local coalition shall:~~

7 ~~(i) Seek to select a majority of business persons;~~

8 ~~(ii) Seek to select individuals who represent local~~
9 ~~government, program recipients, and organizations interested in providing~~
10 ~~employment, job training, social services, and community and economic~~
11 ~~development programs;~~

12 ~~(iii) Seek a membership which reflects the gender~~
13 ~~and ethnic character of the local community; and~~

14 ~~(iv) Seek to appoint a member of the local workforce~~
15 ~~investment board.~~

16 ~~(B) A majority of the board shall be citizens with no~~
17 ~~direct fiduciary interest in programs involved with the Transitional~~
18 ~~Employment Assistance Program.~~

19 ~~(4) No member of the local board shall:~~

20 ~~(A) Vote on a matter under consideration by the board~~
21 ~~regarding the provision of services by the member that would provide direct~~
22 ~~financial benefit to the member, the immediate family of the member, or an~~
23 ~~organization that employs the member; or~~

24 ~~(B) Engage in any other activity determined by law to~~
25 ~~constitute a conflict of interest.~~

26 ~~(5)(A) Members of each local board shall serve three year terms.~~
27 ~~The members at their first meeting shall draw lots to determine their~~
28 ~~respective lengths of term; and~~

29 ~~(B) The members shall elect a chair to serve a one year~~
30 ~~term.~~

31 ~~(b)(1) The local board shall:~~

32 ~~(A) Plan and coordinate the delivery of program services~~
33 ~~in its area;~~

34 ~~(B) Replace vacancies in membership with the goal of~~
35 ~~establishing or retaining a majority of business persons;~~

36 ~~(C) Moderate and propose solutions to disagreements~~

1 ~~between or among local offices of state agencies regarding their duties and~~
2 ~~responsibilities in the local program;~~

3 ~~(D) Report on the participation of state agencies in local~~
4 ~~programs and periodically report its findings to the Arkansas Transitional~~
5 ~~Employment Board;~~

6 ~~(E) Annually update the local coalition's implementation~~
7 ~~plan;~~

8 ~~(F) Apply to the Arkansas Transitional Employment Board~~
9 ~~for any changes in the local transitional employment assistance coalition's~~
10 ~~charter;~~

11 ~~(G) Receive funding via the fiscal agent approved in the~~
12 ~~local implementation plan;~~

13 ~~(H) Employ necessary staff to assist with the range and~~
14 ~~diversity of its charge;~~

15 ~~(I) Coordinate with local offices of state agencies in~~
16 ~~implementing state and local implementation plans and regulations;~~

17 ~~(J) Contract for services to be provided to program~~
18 ~~recipients; and~~

19 ~~(K) Develop a local transportation plan that emphasizes~~
20 ~~cost-effective, long-term solutions for the transportation challenges that~~
21 ~~face program recipients, former program recipients, and other poor Arkansas~~
22 ~~families in their areas.~~

23 ~~(2)(A) Transportation services under this policy may include~~
24 ~~subsidized public transit, van pooling, and subsidized vehicle purchase and~~
25 ~~maintenance plans.~~

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

30 ~~(C) The department shall not approve the local~~
31 ~~implementation plan of a local coalition unless the local implementation plan~~
32 ~~includes a teen pregnancy prevention program within each county of the~~
33 ~~service area in which the teen fertility rate is higher than the state~~
34 ~~average, based on the most recent five-year data available from the~~
35 ~~Department of Health.~~

36 ~~(D) The department shall not approve the local~~

1 ~~implementation plan of a local coalition unless the local implementation plan~~
2 ~~includes a teen pregnancy prevention program within each county of the~~
3 ~~service area that ranks among the five (5) counties in the state with the~~
4 ~~highest number of births to teens, based on the most recent five year data~~
5 ~~available from the Department of Health.~~

6 ~~(E) The effective date of subdivisions (b)(2) and~~
7 ~~(b)(1)(K) of this section shall be July 1, 1999.~~

8 ~~(c) Each local coalition shall establish a business registry for~~
9 ~~business firms committed to assist in the effort of finding jobs for program~~
10 ~~recipients. Registered businesses agree to work with the coalition and to~~
11 ~~hire program recipients to the maximum extent possible consistent with the~~
12 ~~nature of their business. Each quarter, the coalition shall publish a list of~~
13 ~~the businesses registered, the number of jobs each has provided for program~~
14 ~~recipients, and the current job openings with each registered business.~~

15 ~~(d) There shall be no liability on the part of and no cause of action~~
16 ~~of any nature shall arise against any member of the coalition board or its~~
17 ~~agents or employees for any action or omission by them in the performance of~~
18 ~~their powers and duties under this chapter.~~

19
20 *SECTION 9.* Arkansas Code § 20-76-109 is amended to read as follows:

21 20-76-109. Use of contracts.

22 The ~~Department of Human Services~~ Arkansas Employment Security
23 Department should, as appropriate, provide work activities, training, and
24 other services through contracts. In contracting for work activities,
25 training, or services, the following apply:

26 (1)(A) A contract shall be performance-based.

27 (B) Whenever possible, payment shall be tied to
28 performance outcomes that include factors such as, but not limited to, job
29 entry, job entry at a target wage, and job retention, rather than tied to
30 completion of training or education or any other phase of the program
31 participation process.;

32 (2)(A) A contract may include performance-based incentive
33 payments that may vary according to the extent to which the recipient is more
34 difficult to place.

35 (B)(i) Contract payments may be weighted proportionally to
36 reflect the extent to which the recipient has limitations associated with the

1 long-term receipt of welfare and difficulty in sustaining employment.

2 (ii) The factors may include the extent of the
3 recipient's prior receipt of welfare, lack of employment experience, lack of
4 education, lack of job skills, and other factors determined appropriate by
5 the department;

6 (3) Each contract awarded under the Arkansas Transitional
7 Employment Program shall be awarded in accordance with state procurement and
8 contract laws; and

9 (4)(A) The department may contract with commercial, charitable,
10 or ~~religious~~ faith-based organizations.

11 (B) A contract must comply with federal requirements with
12 respect to nondiscrimination and other requirements that safeguard the rights
13 of participants.

14 (C) Services may be provided under contract, certificate,
15 voucher, or other form of disbursement.

16
17 *SECTION 10.* Arkansas Code Title 20, Chapter 76, Subchapter 1 is
18 amended to add additional sections to read as follows:

19 20-76-110. Arkansas Transitional Employment Assistance Transition
20 Workgroup.

21 (a) There is created an Arkansas Transitional Employment Assistance
22 Transition Workgroup that shall be composed of the following members:

23 (1) The Director of the Arkansas Employment Security Department;

24 (2) The Executive Director of the Arkansas Transitional
25 Employment Board;

26 (3) The Director of the Division of County Operations of the
27 Department of Human Services;

28 (4) The Director of the Arkansas Workforce Investment Board;

29 (5) One (1) senior staff member from the Department of Human
30 Services appointed by the Director of the Department of Human Services;

31 (6) Four (4) members to be appointed by the Governor, as
32 follows:

33 (A) Two (2) with direct administrative experience in
34 transitions of welfare programs to workforce agencies;

35 (B) One (1) of whom shall represent a local workforce
36 board; and

1 (C) One (1) of whom shall be a current or former
2 transitional employment assistance or Aid to Families with Dependent Children
3 recipient; and

4 (7) Two (2) members, one (1) to be appointed by the Chair of the
5 House Committee on Public Health, Welfare, and Labor and one (1) to be
6 appointed by the Chair of the Senate Committee on Public Health, Welfare, and
7 Labor.

8 (b) The members appointed by the Governor and the committee chairs
9 shall not be Arkansas state employees.

10 (c)(1) The appointed members of the Arkansas Transitional Employment
11 Assistance Transition Workgroup shall serve through the full period of
12 operation of the workgroup.

13 (2)(A) The Director of the Arkansas Employment Security
14 Department shall call the first meeting of the Arkansas Transitional
15 Employment Assistance Transition Workgroup within thirty (30) calendar days
16 of the appointments of the members.

17 (B) The Director of the Arkansas Employment Security
18 Department shall serve as chair for the workgroup.

19 (3) Five (5) members of the Arkansas Transitional Employment
20 Assistance Transition Workgroup shall constitute a quorum.

21 (4)(A) The Arkansas Transitional Employment Assistance
22 Transition Workgroup shall meet at least two (2) times before July 1, 2005,
23 or the effective date of the transfer of the Transitional Employment
24 Assistance Program responsibilities to the Arkansas Employment Security
25 Department.

26 (B) The workgroup shall meet as often as necessary to
27 complete its statutory responsibilities.

28 (5) The Arkansas Transitional Employment Assistance Transition
29 Workgroup shall be dissolved after completing its statutory responsibilities
30 at the decision of the Director of the Arkansas Employment Security
31 Department with the consent of the Governor, the Chair of the House Committee
32 on Public Health, Welfare, and Labor and the Chair of the Senate Committee on
33 Public Health, Welfare, and Labor.

34 (6) The Governor may remove an appointed member for cause.

35 (7) Vacancies on the Arkansas Transitional Employment Assistance
36 Transition Workgroup shall be filled in the same manner as the original

1 appointment for the unexpired portion of the term.

2 (d) The Arkansas Transitional Employment Assistance Transition
3 Workgroup shall:

4 (1) Develop recommendations to the Directors of the Arkansas
5 Employment Security Department, the Department of Human Services, and the
6 Arkansas Transitional Employment Board to guide the implementation of the
7 transfer of the Transitional Employment Assistance Program responsibilities
8 from the Department of Human Services to the Arkansas Employment Security
9 Department, the efficient operation of the Transitional Employment Assistance
10 Program, and use of Temporary Assistance for Needy Families funds;

11 (2) Develop measures and benchmarks to gauge the progress of
12 implementation;

13 (3) Review the progress of implementation at six-month and
14 twelve-month intervals and make recommendations to the Directors of the
15 Arkansas Employment Security Department, the Department of Human Services,
16 the Arkansas Transitional Employment Board, and the Workforce Investment
17 Board proposing improvements;

18 (4) Request reports or information from the Directors of the
19 Arkansas Employment Security Department, the Department of Human Services,
20 and the Arkansas Transitional Employment Board;

21 (5)(A) Make a study of the feasibility of combining the
22 Transitional Employment Board with the Workforce Investment Board; and

23 (B) Report the findings to the Governor, the Chair of the
24 House Committee on Public Health, Welfare, and Labor, and the Chair of the
25 Senate Committee on Public Health, Welfare, and Labor; and

26 (6) Submit reports to the Governor and to the Chair of the House
27 Committee on Public Health, Welfare, and Labor and the Chair of the Senate
28 Committee on Public Health, Welfare, and Labor about the guidelines and the
29 progress in implementation.

30 (e) Staff support to the Arkansas Transitional Employment Assistance
31 Transition Workgroup shall be provided by the Arkansas Employment Security
32 Department, the Department of Human Services, the Arkansas Transitional
33 Employment Board, and the Bureau of Legislative Research.

34
35 20-76-111. Transfers of powers, duties, and personnel

36 (a) The Arkansas Employment Security Department and the Department of

1 Human Services shall enter into an interagency agreement transferring
2 responsibility for the Transitional Employment Assistance Program block grant
3 and for the administration of the Transitional Employment Assistance Program
4 in accordance with this subchapter.

5 (b) Personnel identified by contract or interagency agreement as
6 performing duties that are transferred from the Department of Human Services
7 to the Arkansas Employment Security Department shall be transferred to the
8 Arkansas Employment Security Department where they shall continue serving the
9 needs of Transitional Employment Assistance Program recipients, subject to
10 the standard personnel policies of the Arkansas Employment Security
11 Department.

12
13 *SECTION 11.* Arkansas Code § 20-76-401(a), concerning eligibility for
14 the Transitional Employment Assistance Program, is amended to read as
15 follows:

16 (a)(1) The Transitional Employment Assistance Program is created.

17 (2) The program shall be administered by the Department of Human
18 Services and the Arkansas Employment Security Department.

19 (3) Eligible applicants shall receive one (1) or more of the
20 following: assessment services, employment assistance, support services,
21 medical assistance, a positive reinforcement outcome bonus, relocation
22 assistance, and extended support services.

23
24 *SECTION 12.* Arkansas Code § 20-76-402(a), concerning work activities
25 in the Transitional Employment Assistance Program, is amended to read as
26 follows:

27 (a) ~~The Department of Human Services~~ Arkansas Employment Security
28 Department shall develop and describe categories of approved work activities
29 for transitional employment assistance recipients in accordance with this
30 section. The regulations shall be subject to review, recommendation, and
31 approval by the Arkansas Transitional Employment Board. Approved work
32 activities may include unsubsidized employment, subsidized private sector
33 employment, subsidized public sector employment, education or training,
34 vocational educational training, skills training, job search and job
35 readiness assistance, on-the-job training, micro enterprise, community
36 service, and work experience. For purposes of this section:

1 (1) "Unsubsidized employment" is full-time employment or part-
2 time employment that is not directly supplemented by federal or state funds;

3 (2)(A) "Subsidized private sector employment" is employment in a
4 private for-profit enterprise or a private not-for-profit enterprise which is
5 directly supplemented by federal or state funds. A program recipient in
6 subsidized private sector employment shall be eligible for the same benefits
7 as a nonsubsidized employee who performs similar work. Prior to receiving any
8 subsidy or incentive, an employer shall enter into a written contract with
9 the department which may include, but not be limited to, provisions
10 addressing any of the following:

11 (i) Payment schedules for any subsidy or incentive
12 such as deferred payments based on retention of the recipient in employment;

13 (ii) Durational requirements for the employer to
14 retain the recipient in employment;

15 (iii) Training to be provided to the recipient by
16 the employer;

17 (iv) Contributions, if any, made to the recipient's
18 individual development account; and

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

25 (B) The department may require an employer to repay some
26 or all of a subsidy or incentive previously paid to an employer under the
27 program unless the recipient is terminated for cause;

28 (3)(A) "Subsidized public sector employment" is employment by an
29 agency of the federal, state, or local government which is directly
30 supplemented by federal or state funds. A program recipient in subsidized
31 public sector employment shall be eligible for the same benefits as a
32 nonsubsidized employee who performs similar work. Prior to receiving any
33 subsidy or incentive, an employer shall enter into a written contract with
34 the department which may include, but not be limited to, provisions
35 addressing any of the following:

36 (i) Payment schedules for any subsidy or incentive

1 such as deferred payments based on retention of the recipient in employment;

2 (ii) Durational requirements for the employer to
3 retain the recipient in employment;

4 (iii) Training to be provided to the recipient by
5 the employer;

6 (iv) Contributions, if any, made to the recipient's
7 individual development account; and

8 (v) Weighting of incentive payments proportionally
9 to the extent to which the recipient has limitations associated with the
10 long-term receipt of welfare and difficulty in sustaining employment. In
11 establishing incentive payments, the department shall consider the extent of
12 the recipient's prior receipt of welfare, lack of employment experience, lack
13 of education, lack of job skills, and other appropriate factors.

14 (B) The department may require an employer to repay some
15 or all of a subsidy and incentive previously paid to an employer under the
16 program unless the recipient is terminated for cause;

17 (4) "Work experience" is job-training experience at a supervised
18 public or private not-for-profit agency or organization or with a private
19 for-profit employer which is linked to education or training and
20 substantially enhances a recipient's employability. Work experience may
21 include work study, training-related practicums, and internships;

22 (5)(A) "Job search assistance" may include supervised or
23 unsupervised job-seeking activities. Job readiness assistance provides
24 support for job-seeking activities, which may include:

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

27 (ii) Instruction in completing an application for
28 employment and writing a resume;

29 (iii) Instruction in conducting oneself during a job
30 interview, including appropriate dress; and

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

34 (B) Job search and job readiness activities may be used in
35 conjunction with other program activities such as community service work
36 experience but may not be the primary work activity and may not continue

1 longer than the length of time permitted under federal law;

2 (6) "Education" includes elementary and secondary education,
3 education to obtain the equivalent of a high school diploma, and education to
4 learn English as a second language. In consultation with adult education or
5 rehabilitative services, a person with a high school diploma or the
6 equivalent who tests at less than a working functioning level shall be
7 eligible to participate in basic remedial or adult education. If an
8 individual does not have a high school diploma or equivalency, "education"
9 also includes basic remedial education and adult education;

10 (7) "Vocational educational training" is postsecondary
11 education, including, at least, programs at two-year or four-year colleges,
12 universities, technical institutes, and vocational schools or training in a
13 field directly related to a specific occupation;

14 (8) Job skills training directly related to employment provides
15 job skills training in a specific occupation. Job skills training may include
16 customized training designed to meet the needs of a specific employer or a
17 specific industry;

18 (9) "On-the-job training" means training and work experience at
19 a public or private not-for-profit agency or organization or with a private
20 for-profit employer which provides an opportunity to obtain training and job
21 supervision and provides employment upon satisfactory completion of training;

22 (10) School attendance at a high school or attendance at a
23 program designed to prepare the recipient to receive a high school
24 equivalency diploma is a required program activity for each recipient
25 eighteen (18) years of age or younger who:

26 (A) Has not completed high school or obtained a high
27 school equivalency diploma;

28 (B) Is a dependent child or a head of household; and

29 (C) For whom it has not been determined that another
30 program activity is more appropriate;

31 (11) Participation in medical, educational, counseling, and
32 other services that are part of the recipient's personal responsibility
33 agreement is a required activity for each teen parent who participates in the
34 Transitional Employment Assistance Program; and

35 (12) "Community service" is time spent engaged in an approved
36 activity at a government entity or community-based, charitable organization.

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SECTION 13. Arkansas Code § 20-76-406(a), concerning alternative benefits in the Transitional Employment Assistance Program, is amended to read as follows:

*(a) The Department of Human Services may establish and maintain a program of public assistance as an alternative for individuals otherwise eligible for transitional employment assistance who, having ~~engaged~~ engaged in transitional employment assistance work activities for at least six (6) weeks, have fully complied with all provisions in the individual's personal responsibility agreement but who are not engaged in work as defined in *transitional employment assistance laws or regulations.**

SECTION 14. Arkansas Code § 20-76-410(b), concerning administrative sanctions under the Transitional Employment Assistance Program, is amended to read as follows:

(b) ~~The Department of Human Services~~ Arkansas Employment Security Department may by regulation define additional situations that require sanction, establish additional sanctions, and provide for administrative disqualification.

*SECTION 15. Arkansas Code § 20-76-438 is amended to read as follows:
20-76-438. Purpose.*

~~(1)(a)(1)~~ *The General Assembly finds that it is important that all families in this state be strong and economically self-sufficient, and that it is in the public interest that:*

~~(2)(A)~~ *~~It is in the public interest that eligible~~ Eligible persons and families of lesser means be given time-limited cash assistance along with an opportunity to obtain and retain employment that is sufficient to sustain their families;*

~~(3)(B)~~ *As a part of this transition from welfare to work, it is in the public's interest that various supportive services and, in some cases, education and training be offered to these families to enable them to make this transition;*

~~(4)(C)~~ *~~The General Assembly finds that education~~ Education and training are essential to long-term career development and self-sufficiency; and*

1 ~~(5)(D)~~ ~~The General Assembly further finds that employment~~
2 Employment improves the quality of life for parents and children by
3 increasing family income and assets and by improving self-esteem.

4 ~~(6)(2)~~ Therefore, it is in the public interest that our state
5 provide time-limited cash assistance and supportive services to our most
6 vulnerable citizens and their children.

7 (b)(1) The General Assembly also finds that:

8 (A) Currently there is duplication of effort on the part
9 of the Department of Human Services and the Arkansas Employment Security
10 Department in providing services to needy families qualifying for assistance
11 under the Temporary Assistance for Needy Families Program;

12 (B) The Arkansas Employment Security Department is better
13 able to assist individuals in preparing for and finding employment and
14 staying in jobs and increasing their earnings;

15 (C) The Department of Human Services is better able to
16 determine eligibility for benefits under the Temporary Assistance for Needy
17 Families; and

18 (D) Consideration shall be given to the fact that persons
19 and families accessing these services are of lesser means and as a result
20 these services will be conveniently made available to the public;

21 (2) Therefore, it is in the public interest that the General
22 Assembly authorize the Arkansas Employment Security Department to:

23 (A) Receive the Temporary Assistance for Needy Families
24 block grant from the United States Department of Health and Human Services
25 for the administration of all Temporary Assistance for Needy Families funded
26 programs in Arkansas;

27 (B) Expend the Temporary Assistance for Needy Families
28 block grant funds subject to the appropriations of the General Assembly;

29 (C) Provide all employment-related services for time-
30 limited Transitional Employment Assistance Program clients;

31 (D) Contract with other state agencies or other providers
32 to deliver services in Temporary Assistance for Needy Families -funded
33 programs; and

34 (E) Prepare and submit any Temporary Assistance for Needy
35 Families renewal plans that are required in § 402 of the Social Security Act,
36 42 U.S.C. § 651 et seq.

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SECTION 16. Arkansas Code § 20-76-441 is amended to read as follows:

20-76-441. Transitional employment assistance postemployment information and referral program.

The ~~Department of Human Services~~ Arkansas Employment Security Department shall establish a transitional employment assistance postemployment information and referral program to:

(1) Contact all employed program participants and former program participants whose cases have been closed due to employment; and

(2) Inform respondents about the availability of transitional supportive services such as child care, transportation, ARKids First, federal and state earned income tax retention, mentoring, financial credit counseling, individual development accounts, any other supportive services offered by the department, and information about education and training opportunities designed to increase participants' future earning and employment prospects.

SECTION 17. Arkansas Code § 20-76-442(a), concerning the transitional employment assistance customer service review program, is amended to read as follows:

(a) The Department of Human Services and the Arkansas Employment Security Department shall establish a process to review a statistically valid sample of transitional employment assistance case closures due to noncompliance with program regulations.

SECTION 18. Arkansas Code § 20-76-443(a), concerning education and training in the Transitional Employment Assistance Program, is amended to read as follows:

(a)(1) The Department of Human Services and the Arkansas Employment Security Department shall permit Transitional Employment Assistance Program recipients to obtain the education and training they need to obtain jobs that *pay wages allowing them to be economically self-sufficient.*

SECTION 19. Arkansas Code Title 20, Chapter 76, Subchapter 4 is amended to add additional sections to read as follows:

20-76-444. Arkansas Work Pays Program -- Created -- Duties.

1 (a)(1) There is created the Arkansas Work Pays Program.

2 (2) The Arkansas Work Pays Program shall be administered by the
3 Arkansas Employment Security Department.

4 (3) Eligible applicants to the program shall receive one (1) or
5 more of the following:

6 (A) Cash assistance;

7 (B) Support services;

8 (C) Medical assistance; and

9 (D) Employment assistance.

10 (b) Eligibility for assistance under the Arkansas Work Pays Program is
11 limited to applicants or participants who:

12 (1) Have care and custody of a related minor child;

13 (2) Reside in the State of Arkansas at the time of application
14 for assistance and during the period of assistance;

15 (3) Apply for program assistance within six (6) months of
16 leaving the Transitional Employment Assistance Program after at least three
17 (3) months of Transitional Employment Assistance Program assistance;

18 (4) Have not received more than twenty-four (24) months of
19 Arkansas Work Pays Program benefits;

20 (5) Were engaged:

21 (A) In paid work activities for a minimum of twenty-four
22 (24) hours per week and met the federal work participation requirement for
23 the past month; or

24 (B) In the case of continuing eligibility, in paid work
25 activities for a minimum of twenty-four (24) hours per week and met the
26 federal work participation requirement for one (1) of the past three (3)
27 months and for at least three (3) of the past six (6) months;

28 (6) Are:

29 (A) Citizens of the United States;

30 (B) Qualified aliens lawfully present in the United States
31 before August 22, 1996;

32 (C) Qualified aliens who physically entered the United
33 States on or after August 22, 1996, and have been in qualified immigrant
34 status for at least five (5) years; or

35 (D) Aliens to whom benefits under Temporary Assistance for
36 Needy Families must be provided under federal law;

1 (7) Have income below the federal poverty level; and

2 (8) Sign and comply with a personal responsibility agreement.

3 (c) Families participating in the Arkansas Work Pays Program shall
4 receive monthly cash assistance equal to the maximum monthly Transitional
5 Employment Assistance Program benefit for a family of three (3) with no
6 earned income.

7 (d)(1) Enrollment in Work Pays cash assistance is limited to three
8 thousand (3,000) participants.

9 (2) If the Transitional Employment Board certifies to the
10 Governor and the Chief Fiscal Officer of the State and notifies the
11 Legislative Council and the Senate and House Public Health, Welfare, and
12 Labor Committees that the action is necessary to avoid the number of families
13 receiving Work Pays cash assistance going over three thousand (3,000), it may
14 authorize a reduction of the months for which families may receive cash
15 assistance or other supportive services.

16 (3) The number of months for which families are eligible for
17 cash assistance may be reduced in three-month increments from the statutory
18 provision of twenty-four (24) months.

19 (4) Families who lose eligibility for cash assistance due to the
20 reduction in the number of months of eligibility shall qualify for financial
21 incentives offered to families leaving the Work Pays program.

22 (5) The Transitional Employment Board shall withdraw its
23 reduction of the months for which families are eligible for cash assistance
24 if the reduction is no longer necessary to maintain enrollments below three
25 thousand (3,000) families.

26 (e) Families participating in the Arkansas Work Pays Program shall be
27 eligible for the same support services and assistance as families enrolled in
28 the Transitional Employment Assistance Program.

29 (f) The Arkansas Employment Security Department shall administer a
30 work incentive program that includes cash bonuses and other financial
31 incentives to encourage:

32 (1) Transitional Employment Assistance Program recipients to
33 leave the Transitional Employment Assistance Program and move into the
34 Arkansas Work Pays Program;

35 (2) Arkansas Work Pays Program participants to stay employed for
36 at least twenty-four (24) hours a week and meet the federal work

1 participation rate; and

2 (3) Arkansas Work Pays Program participants to leave the
3 Arkansas Work Pays Program and continue employment for at least twenty-four
4 (24) hours per week.

5 (h)(1) The Arkansas Employment Security Department shall work with
6 local workforce offices to develop and administer services to Arkansas Work
7 Pays Program participants designed to help them move into higher-paying jobs
8 available in their regions.

9 (2) These services may include:

10 (A) Employment exchanges;

11 (B) Education and training;

12 (C) Work supports; and

13 (D) Other services designed to help Arkansas Work Pays
14 Program participants increase their earnings and develop careers.

15 (3) The Arkansas Employment Security Department may make these
16 services available to low-income workers who are not participating in the
17 Arkansas Work Pays Program.

18 (g) The Arkansas Employment Security Department may contract with the
19 Department of Human Services for administrative services related to
20 eligibility and payments.

21 (i) The Arkansas Employment Security Department shall make
22 arrangements with the Department of Human Services to facilitate
23 participants' enrollment in the Arkansas Work Pays Program after they leave
24 the Transitional Employment Assistance Program.

25 (j)(1) The Arkansas Employment Security Department shall promulgate
26 regulations establishing the Arkansas Work Pays Program.

27 (2) The regulations shall be subject to review, recommendation,
28 and approval by the Arkansas Transitional Employment Board.

29
30 20-76-445. High Wage Education and Training Initiative.

31 (a) The General Assembly finds that:

32 (1) Higher education credentials are:

33 (A) Becoming increasingly important for the state of
34 Arkansas to maintain a competitive workforce; and

35 (B) Critical for adults to qualify and obtain high wage
36 employment; and

1 (2) It is in the public interest that:

2 (A) Individuals improve their education credentials in
3 order to qualify for higher wage jobs;

4 (B) Eligible persons have access to postsecondary
5 education programs that meet the specific needs of working adults;

6 (C) Institutions of higher education offer programs
7 targeted to the specific workforce needs of the their area within the state;
8 and

9 (D) Our state provide services aimed at improving
10 employment prospects for low income adults.

11 (b)(1) The Employment Security Department, the Department of Higher
12 Education and the Workforce Investment Board shall work jointly to develop a
13 plan for the High Wage Education and Training Initiative.

14 (2) The High Wage Education and Training Initiative shall:

15 (A) Increase the access of low-income parents and other
16 individuals to education credentials that qualify them for higher-paying jobs
17 in their local areas;

18 (B) Improve the preparedness of the Arkansas workforce for
19 high skill and high wage jobs;

20 (C) Develop training courses and educational credentials
21 after consulting local employers and local workforce boards to identify
22 appropriate job opportunities and needed skills and training to meet
23 employers' needs;

24 (D) Provide resources on the basis of performance
25 incentives, including participants:

26 (i) Enrolled;

27 (ii) Completing the courses;

28 (iii) Obtaining jobs in the targeted job categories;

29 and

30 (iv) Staying employed in the targeted job
31 categories;

32 (E) Use available Temporary Assistance for Needy Families
33 funds for participants who have custody or legal responsibility for a child
34 under twenty-one (21) years of age and whose family income is less than two-
35 hundred and fifty percent (250%) of the federal poverty level; and

36 (F) Incorporate the existing Career Pathways Program.

1 (c) The High Wage Education and Training Initiative Plan shall be
2 subject to review, recommendation, and approval by the Transitional
3 Employment Board.

4 (d) Under the High Wage Education and Training Initiative, the
5 Department of Higher Education shall contract to provide education and
6 training that will result in job training certificates or higher education
7 degrees for Transitional Employment Assistance Program participants and other
8 low-income adults with:

9 (1) State agencies;

10 (2) Two-year colleges;

11 (3) Local governments; or

12 (4) Private or community organizations.

13 (e)(1) The High Wage Education and Training Initiative Plan shall
14 specify procedures and requirements for applications for entry into programs
15 under subsection (d) of this section.

16 (2) Applications shall be made to the Department of Higher
17 Education.

18 (3) For each application period, the Department of Higher
19 Education shall make a recommendation to the Transitional Employment Board
20 concerning funded programs.

21 (f) The Transitional Employment Board shall determine which two-year
22 college proposals are funded under the High Wage Education and Training
23 Initiative.

24 (g) Temporary Assistance for Needy Families funds may be combined with
25 other federal, state, and local funds in ways consistent with federal laws
26 and regulations.

27
28 20-76-446. Community Investment Initiative.

29 (a)(1) There is created the Community Investment Initiative.

30 (2) The Arkansas Transitional Employment Board shall develop the
31 Community Investment Initiative.

32 (b) The Arkansas Transitional Employment Board shall authorize the
33 Employment Security Department to contract with private or community
34 organizations, including faith-based organizations, to offer services and
35 support to parents, children, and youth in their communities subject to the
36 restriction that the board shall not authorize any award or contract

1 involving Temporary Employment Assistance Program or Temporary Assistance to
2 Needy Families funds directly to an appointed member of the board or to an
3 organization in which one (1) of the appointed members of the board has a
4 fiduciary interest.

5 (c) The Community Investment Initiative may fund programs for the
6 following purposes:

7 (1) Improving outcomes for youth, including, but not limited to:

8 (A) Academic achievement;

9 (B) Job skills;

10 (C) Civic participation and community involvement; and

11 (D) Reducing risky behaviors such as sexual activities,
12 drug use, and criminal behavior;

13 (2) Improving parenting and family functioning through services
14 and support to parents, children, and to families;

15 (3) Improving marriage and relationship skills among youth and
16 engaged and married couples;

17 (4) Improving the financial and emotional connections of non-
18 custodial parents to their children through fatherhood programs;

19 (5) Improving the employment skills and family connections of
20 parents who leave state jails and prisons;

21 (6) Providing supportive services to child-only cases in the
22 Transitional Employment Assistance Program; and

23 (7) Other purposes allowable under the federal Temporary
24 Assistance for Needy Families program.

25 (d)(1) The Arkansas Transitional Employment Board shall authorize
26 contracts with state agencies or community organizations to provide training
27 and capacity building services to organizations eligible to apply for
28 Community Investment Initiative funds.

29 (2) Contracts may be let for the following purposes:

30 (A) Assisting in the development of proposals to be funded
31 through the Community Investment Initiative;

32 (B) Preparing organizations for the fiscal
33 responsibilities involved in receiving and spending state and federal funds;
34 and

35 (C) Improving the provision of services by contractors
36 receiving funds from the Community Investment Initiative.

1 (e) Use of Temporary Assistance for Needy Families funds shall be
2 subject to appropriations by the General Assembly for the Community
3 Investment Initiative.

4 (f) Contracts shall include performance-based payments keyed to
5 participation in services and specified outcomes.

6 (g) Temporary Assistance for Needy Families may be combined with other
7 state, federal, and other funds in ways consistent with federal laws and
8 rules.

9
10 SECTION 20. EFFECTIVE DATES.

11 (a) Section 10 of this act shall become effective immediately upon
12 enactment.

13 (b) Sections 3, 6, 7, 9, 11, 12 and 14 through 18 shall become
14 effective upon certification from the Directors of the Employment Security
15 Department and the Department of Human Services with consent from the
16 Governor and the Chair of the Senate Committee on Public Health, Welfare and
17 Labor and the Chair of the House Committee on Public Health, Welfare and
18 Labor.

19 (c)(1) Section 19 shall become effective on January 1, 2006.

20 (2) Within Section 19 of this act:

21 (A) The effective date for the Arkansas Work Pays Program,
22 Arkansas Code § 20-76-444, may be delayed up to July 1, 2006 if the
23 Transitional Employment Board certifies to the Governor that the transfer of
24 Transitional Employment Assistance Program will not take place until January
25 1, 2006 or later and that it is in the public interest that the effective
26 date of Work Pays be delayed.

27 (B) Arkansas Code § 20-76-445 shall become effective July
28 1, 2005.

29 (C) Arkansas Code § 20-76-446 shall become effective on
30 January 1, 2006.

31
32 SECTION 21. EMERGENCY CLAUSE. It is found and determined by the
33 General Assembly of the State of Arkansas that due to increasing requirements
34 in the Transitional Employment Assistance Program amendments made in sections
35 4, 5, 8, 12, and 13 of this act are necessary for continued effectiveness of
36 the program and provision of services to families. Therefore, an emergency

1 is declared to exist and this act being necessary for the preservation of the
2 public peace, health, and safety, section 10 will be in full force and effect
3 immediately and sections 4, 5, 8, and 13 shall be in full force and effect on
4 and after July 1, 2005.

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/s/ Steele

APPROVED: 4/05/2005

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