## SENATE AMENDMENT 3 TO hb1295.

deleting lines 3 through 23 of page 4 and substituting the following:

"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;

(3) the Department of Higher Education, including community colleges and the Cooperative Extension Service;

(4) the Department of Education, including the General Education Division and the Vocational Education Division;

(5) the Arkansas Development Finance Authority;

(6) Arkansas Industrial Development Commission;

(7) Arkansas Highway and Transportation Department;

(8) the Department of Finance and Administration, including the Child Support Enforcement Unit;

(9) the State Child Abuse and Neglect Prevention Board;

(10) the Arkansas Adult Literacy Council; and

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

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

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

AND

by inserting on line 25 of page 4 the following new section of the bill:

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

20-76-105. TEA Program Advisory Council.

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

(1) the director of the Department of Human Services;

(2) the director of the Employment Security Department;

(3) the director of the Department of Health;

(4) the director of the Department of Education;

(5) the director of the Department of Higher Education;

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

(7) the director of the Arkansas Industrial Development Commission;

(8) the director of the Arkansas Highway and Transportation Department;

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

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

Education;

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

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

(13) three (3) members shall be appointed by the Senate Chairperson of the Public Health, Welfare and Labor Committee.

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

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

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

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

(d) The advisory council shall:

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

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

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

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

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

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

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

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

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

(a) The department shall:

(1) Develop a statewide implementation plan for ensuring the cooperation of state agencies and local agencies and encouraging the cooperation of private entities,

especially those receiving state funds, in the coordination and implementation of the TEA Program;

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

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

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

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

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

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

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

(3) Recommendations for training TEA service providers, whether State employees or contract providers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(1) Total number of cases;

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

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

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

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

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

(7) Number of births to TEA recipients;

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

(9) Percentage of TEA children immunized;

(10) Number of cases of reported child abuse and neglect cases among TEA recipients and TEA Program dropouts;

(11) Number of cases deferred from TEA work requirements and time limitations because of domestic violence;

(12) Types and percentages of child care placements;

(13) Percentage of TEA recipients in allowable work activities;

(14) Number of TEA recipients in each allowable work activity;

(15) Length of time TEA recipients have spent in each allowable work

<u>activity;</u>

(16) Number of TEA recipients employed by State agencies and contract service providers compared to the ten percent (10%) target goal;

(17) Occupation types of TEA recipients;

(18) Estimated earnings for employed TEA recipients;

(19) Number of hours worked by TEA recipients;

(20) Percent of TEA employed persons with continued employment continuing into the next quarter; and

(21) Any other data agreed to by the department and the House and Senate Committees on Public Health, Welfare, and Labor.

(e) The Department of Human Services shall submit bi-annual reports on the impact of welfare reform on child welfare issues to the Senate Committee on Children and Youth and the House Subcommittee on Children and Youth of the House Committee on Aging, Children and Youth, and Legislative and Military Affairs.

(f) The House and Senate Committees on Public Health, Welfare, and Labor the Senate Committee on Children and Youth and the House Subcommittee on Children and Youth of the House Committee on Aging, Children and Youth, and Legislative and Military Affairs shall report annually to the General Assembly their findings and recommendations regarding the TEA Program.

20-76-107. Independent Evaluator.

(a) By July 1, 1997 the Governor shall contract with a professional consultant for an ongoing independent evaluation of the TEA Program and TEA Program development. The independent evaluator shall submit bi-annual reports to the Governor and the House and Senate Committees on Public Health, Welfare, and Labor, which assess:

(1) How effectively performance standards and measurement criteria in the statewide implementation plan are being met;

(2) How effectively State agencies are cooperating in the implementation of the TEA Program;

(3) How effectively various funding sources are being integrated into the support of the TEA Program;

(4) How effectively local TEA coalitions are serving the needs of their local TEA population;

(5) The effects of the TEA program on recipients and their children;

(6) Effectiveness of training received by TEA recipients based upon the number of individuals placed in employment;

(7) Outcomes of incentive programs for State employees charged with implementing the TEA Program;

(8) Outcomes of bonus programs for TEA service providers who experience success in achieving long-term job retention with TEA recipients;

(9) Effectiveness of incentives designed to promote business participation in the TEA Program; and

(10) Any other information deemed by the independent evaluator to be helpful in assisting the Governor and the General Assembly in evaluating the impact and effectiveness of the TEA Program.

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

20-76-108. Local TEA coalitions.

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

(2) The membership of each coalition may include:

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

(B) A representative of the Chamber of Commerce;

(C) A representative of the department;

(D) A representative of a community development organization;

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

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

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

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

(A) Developing a local implementation plan to be approved by the department to achieve the performance outcomes of the TEA Program for current and

potential program recipients in the local area, which reflects the needs of the service area for seed money to create programs that assist children of TEA recipients;

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

(C) Identifying employment, service, and support resources in the
community which may be used to fulfill the performance outcomes of the TEA Program; and
(D) Advising the Department of Human Services and other agencies

involved in the delivery of services under the TEA Program with respect to the competitive procurement of services under the TEA Program.

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

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

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 recipient s 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."

AND

by appropriately renumbering subsequent sections of the bill.

AND

by deleting lines 9 through 12 on page 23 and substituting the following:

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