

ARKANSAS SENATE
85th General Assembly - Regular Session, 2005
Amendment Form

Subtitle of Senate Bill No. 380

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

Amendment No. 1 to Senate Bill No. 380.

Amend Senate Bill No. 380 as originally introduced:

Page 1, delete lines 9 through 11 and substitute the following:

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

AND

Page 1, delete line 21 and substitute the following:

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

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

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

SECTION 2. The Arkansas Code Revision Commission shall replace
"Arkansas Employment Security Department" in all sections of the Arkansas
Code with "Department of Workforce Services".

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

AND

Page 3, delete lines 14 through 17 and substitute the following:

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



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

- (1) The Director of the Department of Human Services;
- (2) The Director of the Arkansas Employment Security Department;
- (3) The Director of the Department of Health;
- (4) The Director of the Department of Workforce Education;
- (5) The Director of the Department of Higher Education;
- (6) The Director of the Arkansas Economic Development

Commission;

(7) The Director of the Arkansas Workforce Investment Board;

(7)(8) Three (3) members appointed by the Governor; and

(8)(9) Six (6) members, at least one (1) of whom shall be a current or former transitional employment assistance or Aid to Families with Dependent Children recipient appointed by the Governor from a list of ten (10) nominees, of whom five (5), at least one (1) of whom shall be a current or former transitional employment assistance or Aid to Families with Dependent Children recipient, shall be submitted by the President Pro Tempore of the Senate and five (5), at least one (1) of whom shall be a current or former transitional employment assistance or Aid to Families with Dependent Children recipient, shall be submitted by the Speaker of the House of Representatives; and

(10) Two (2) members of the Workforce Investment Board to be chosen by the chair of the Workforce Investment Board as follows:

(A) One (1) member for a two-year term; and

(B) One (1) member for a four-year term.

(b) The appointed members shall be employed in the private sector, and a majority of those members shall have managerial experience.

(c)(1) The appointed members of the Arkansas Transitional Employment"

AND

Page 3, line 36, delete "(6)(A)" and substitute "(6)"

AND

Page 4, delete lines 5 through 8

AND

Page 8, delete lines 19 through 24 and substitute the following:

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

AND

Page 8, line 26, delete "SECTION 3." and substitute "SECTION 5."

AND

Page 9, line 12, delete "SECTION 4." and substitute "SECTION 6."

AND

Page 9, delete lines 30 through 36 and substitute the following:

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

AND

Page 10, delete lines 2 and 3 and substitute the following:

"(o)(1) ~~The Department of Human Services~~ Arkansas Employment Security Department shall develop proper targets for each program outcome by"

AND

Page 10, line 19, delete "SECTION 5." and substitute "SECTION 7."

AND

Page 13, line 13, delete "SECTION 6." and substitute "SECTION 8."

AND

Page 16, line 14, delete "SECTION 7." and substitute "SECTION 9."

AND

Page 17, line 11, delete "SECTION 8." and substitute "SECTION 10."

AND

Page 17, delete lines 22 through 29 and substitute the following:

"(4) The Director of the Arkansas Workforce Investment Board;
(5) One (1) senior staff member from the Department of Human
Services appointed by the Director of the Department of Human Services;
(6) Four (4) members to be appointed by the Governor, as
follows:

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

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

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

(7) Two (2) members, one (1) to be appointed by the Chair of
the"

AND

Page 18, delete line 20 and substitute the following:

"Department with the consent of the Governor, the Chair of the House Committee on Public"

AND

Page 19, delete line 5 and substitute the following:

"the Arkansas Transitional Employment Board, and the Workforce Investment Board proposing improvements;"

AND

Page 19, delete lines 8 and 9 and substitute the following:

"and the Arkansas Transitional Employment Board;

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

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

(6) Submit reports to the Governor and to the Chair of the House"

AND

Page 19, line 32, delete "SECTION 9." and substitute "SECTION 11."

AND

Page 20, line 7, delete "SECTION 10." and substitute "SECTION 12."

AND

Page 23, line 21, delete "SECTION 11." and substitute "SECTION 13."

AND

Page 23, delete lines 30 through 32 and substitute the following:

"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 § 20-76-410(c)(1)(B), concerning administrative sanctions under the Transitional Employment Assistance Program, is amended to read as follows:

(B) If the parent fails to come into compliance in thirty

(30) days, the family's financial assistance may be reduced:

- (i) By up to twenty-five percent (25%) for the second ~~and third~~ through sixth months of noncompliance;
- (ii) By up to fifty percent (50%) ~~in the fourth through sixth months of noncompliance; and~~
- ~~(iii) By up to one hundred percent (100%) after the sixth month of noncompliance.~~

SECTION 16. Arkansas Code § 20-76-438 is amended to read as follows:"

AND

Page 25, line 13, delete "SECTION 13." and substitute "SECTION 17."

AND

Page 25, line 29, delete "SECTION 14." and substitute "SECTION 18."

AND

Page 26, line 1, delete "SECTION 15." and substitute "SECTION 19."

AND

Page 26, delete line 7 and substitute the following:

"pay wages allowing them to be economically self-sufficient.

SECTION 20. 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.

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

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

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

(A) Cash assistance;

(B) Support services;

(C) Medical assistance; and

(D) Employment assistance.

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

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

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

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

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

(5) Were engaged:

(A) In paid work activities for a minimum of twenty-four (24) hours per week and met the federal work participation requirement for

the past month; or

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

(6) Are:

(A) Citizens of the United States;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(2) Arkansas Work Pays Program participants to stay employed for at least twenty-four (24) hours a week; and

(3) Arkansas Work Pays Program participants to leave the Arkansas Work Pays Program and continue employment for at least twenty-four

(24) hours per week.

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

(2) These services may include:

- (A) Employment exchanges;
- (B) Education and training;
- (C) Work supports; and
- (D) Other services designed to help Arkansas Work Pays

Program participants increase their earnings and develop careers.

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

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

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

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

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

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

(a) The General Assembly finds that:

(1) Higher education credentials are:

- (A) Becoming increasingly important for the state of Arkansas to maintain a competitive workforce; and
- (B) Critical for adults to qualify and obtain high wage employment; and

(2) It is in the public interest that:

- (A) Individuals improve their education credentials in order to qualify for higher wage jobs;
- (B) Eligible persons have access to postsecondary education programs that meet the specific needs of working adults;
- (C) Institutions of higher education offer programs targeted to the specific workforce needs of the their area within the state; and

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

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

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

- (A) Increase the access of low-income parents and other individuals to education credentials that qualify them for higher-paying jobs in their local areas;
- (B) Improve the preparedness of the Arkansas workforce for high skill and high wage jobs;

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

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

(i) Enrolled;

(ii) Completing the courses;

(iii) Obtaining jobs in the targeted job categories;

and

(iv) Staying employed in the targeted job

categories;

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

(F) Incorporate the existing Career Pathways Program.

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

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

(1) State agencies;

(2) Two-year colleges;

(3) Local governments; or

(4) Private or community organizations.

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

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

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

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

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

20-76-446. Community Investment Initiative.

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

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

(b) The Community Investment Initiative shall contract with private or community organizations, including faith-based organizations, to offer services and support to parents, children, and youth in their communities.

(c) The Community Investment Initiative may fund programs for the

following purposes:

- (1) Improving outcomes for youth, including, but not limited to:
 - (A) Academic achievement;
 - (B) Job skills;
 - (C) Civic participation and community involvement; and
 - (D) Reducing risky behaviors such as sexual activities, drug use, and criminal behavior;
- (2) Improving parenting and family functioning through services and support to parents, children, and to families;
- (3) Improving marriage and relationship skills among youth and engaged and married couples;
- (4) Improving the financial and emotional connections of non-custodial parents to their children through fatherhood programs;
- (5) Improving the employment skills and family connections of parents who leave state jails and prisons;
- (6) Providing supportive services to child-only cases in the Transitional Employment Assistance Program; and
- (7) Other purposes allowable under the federal Temporary Assistance for Needy Families program.

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

- (2) Contracts may be let for the following purposes:
 - (A) Assisting in the development of proposals to the Community Investment Initiative Fund;
 - (B) Preparing organizations for the fiscal responsibilities involved in receiving and spending state and federal funds; and
 - (C) Improving the provision of services by contractors receiving funds from the Community Investment Initiative Fund.

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

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

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

20-46-447. Community Investment Initiative Fund.

(a) There is created on the books of the Treasurer of State, Auditor of State, and Chief Fiscal Officer of the State a special revenue fund to be known as the "Community Investment Initiative Fund".

(b)(1) All moneys collected under the Community Investment Initiative Fund shall be deposited into the State Treasury to the credit of the fund as special revenues.

(2) The fund shall also consist of any other revenues as may be authorized by law.

(c) The fund shall be used by the Community Investment Initiative for the purposes set out in §20-76-446.

SECTION 21. EFFECTIVE DATES.

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

(b) Sections 3, 6, 7, 9, 11, 12 and 14 through 20 shall become effective upon certification from the Directors of the Employment Security Department and the Department of Human Services with consent from the Governor and the Chair of the Senate Committee on Public Health, Welfare and Labor and the Chair of the House Committee on Public Health, Welfare and Labor.

(c)(1) Section 21 shall become effective on January 1, 2006.

(2) Within Section 21 of this act:

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

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

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

SECTION 22. EMERGENCY CLAUSE. It is found and determined by the General Assembly of the State of Arkansas that due to increasing requirements in the Transitional Employment Assistance Program amendments made in sections 4, 5, 8, 12, and 13 of this act are necessary for continued effectiveness of the program and provision of services to families. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety, section 10 will be in full force and effect immediately and sections 4, 5, 8, and 13 shall be in full force and effect on and after July 1, 2005."

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Steele

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Secretary