

DEPARTMENT OF WORKFORCE SERVICES (0810)
FISCAL YEAR 2019
AS ENACTED BY ACT 91 OF 2018

I) AGENCY SUMMARY & REVENUE SOURCES

MISSION

The primary responsibilities of the Department of Workforce Services (DWS) are to promote employment security by increasing opportunities for placement through the maintenance of a system of public employment offices and to provide through the accumulation of funds from employer contribution taxes for the payment of benefits to individuals who are involuntarily unemployed. In addition to these responsibilities, the Department serves as the Governor's Administrative Entity for the Arkansas programs funded by Title I of the Workforce Investment Act, the lead agency for the Governor's Task Force on Dislocated Workers, and provides overall administration and case management services for the Temporary Assistance for Needy Families Program.

TOTAL APPROPRIATION

The total appropriation is \$823,787,386 for FY2019.

FUNDING SOURCES

The appropriations for DWS are funded primarily with federal funds with less than .5% of their funding coming from general revenue. The general revenues are used for the state match for the TANF Block Grant Paying appropriation and to provide the state portion of the New Hire Registry Program.

II) CHANGE LEVEL REQUESTS

No Change Level Requests

III) ADDITIONAL POSITIONS

Total Positions FY2019: 958

Total Positions FY2018: 958

Increase / (Decrease): 0

Extra Help Positions FY2019: 380 (Total FY2018 Authorized Extra Help:380)

IV) SPECIAL LANGUAGE

CARRY FORWARD - NEW HIRE REGISTRY: Authorizes the Department to carry forward unexpended balances funds made available for the New Hire Registry Program into the next fiscal year. Requires prior statement of need, report to ALC or Joint Budget Committee (JBC) of all carried forward amounts, report of status of funds carried forward to ALC/JBC, and finally include all of the above information in the biennial budget manuals or a statement of non-compliance.

EXTRA HELP: Authorizes 380 extra help positions and exempts any of these positions funded by federal funds from statutory or regulatory hour limitations; includes a provision that allows the Chairman of the Board of Review to use part-time or temporary employees from the pool of positions provided to the Department of Workforce Services in any occurrence where the number of appeals to the Board of Review or Appeal Tribunal increases above a level that can be resolved by the permanent staff in a timely manner. The Department will determine the appropriate funding source within the Department for said positions.

REED ACT FUNDS: Provides that funds received by the State may be used as specified in Section 903 of the Social Security Act and for the specific purposes of construction, and improvement of buildings, rent/lease costs, acquisition of land, payment of salaries and benefits of central and local

office staff, maintenance and operations expenses of central and local offices, and payment of Unemployment Insurance benefits. It further restricts the use of these funds so that they cannot obligate more than they receive under Section 903 of the Social Security Act.

ADDITIONAL POSITIONS: Authorizes a maximum of 200 federally funded pool positions to carry out program objectives and meet program requirements, with prior Office of Personnel Management approval and prior Arkansas Legislative Council or Joint Budget Committee review. If Department wishes to continue the pool positions in the next biennium they must be requested as new positions in the agency's biennial budget request.

TRANSFER OF APPROPRIATION: Authorizes transfer of appropriation between all Department appropriations except the Department's "Reed Act Funds" appropriation, Regular Salaries and Maintenance and General Operations Appropriations subject to Chief Fiscal Officer rules, regulations and approval, and prior approval by the Arkansas Legislative Council or Joint Budget Committee. Also provides that the Legislative approval provision is non-severable, if the approval provision is found to be unconstitutional then the entire section is void.

INTERAGENCY TRANSFER OF STATE GENERAL REVENUE FOR THE TANF PROGRAMS:

Authorizes the transfer of up to \$3,640,650 in general revenue to the Department of Human Services - Division of County Operations from the Department of Workforce Services in support of the TANF or related State Programs upon request of the Directors of DHS and DWS and Chief Fiscal Officer approval. The Director of DWS must report all transfers to the ALC PEER Committee.

TRANSFER OF TANF BLOCK GRANT FUNDS:

Requires the transfer of \$7.5 million each year of the biennium from the TANF block grant to the Arkansas Better Chance Program to provide quality childcare and preschool education to transitional employment assistance (TEA) qualifying families and other low income families. Provides for reductions to these transfers if state match is reduced, or new TANF program cost requirements are imposed.

TRAINING TRUST FUND TRANSFER:

Immediately upon the effective date of this act - the Chief Fiscal Officer shall transfer \$2,500,000 from the Department of Workforce Services Training Trust Fund to the Skills Development Fund.

RESTRICTIONS ON FINANCIAL ASSISTANCE UNDER THE TEMPORARY ASSISTANCE FOR NEEDY

FAMILIES PROGRAM: Requires DWS to apply for a waiver at the request of the Governor of the General Assembly from the Federal government to allow Arkansas to restrict financial assistance for TANF grant recipients to 6 categories of expenses (food, clothing, housing, utilities, child care, and incidentals) and further restricts cash withdrawals from electronic benefit transfer cards.