

State of Arkansas

90th General Assembly

First Extraordinary Session, 2015

# A Bill

DRAFT JMB/JMB

SENATE BILL

By: Senator B. King

Filed with: Arkansas Legislative Council

pursuant to A.C.A. §10-3-217.

## For An Act To Be Entitled

AN ACT TO TRANSFER THE DIVISION OF COUNTY OPERATIONS  
FROM THE DEPARTMENT OF HUMAN SERVICES; AND FOR OTHER  
PURPOSES.

## Subtitle

TO TRANSFER THE DIVISION OF COUNTY  
OPERATIONS FROM THE DEPARTMENT OF HUMAN  
SERVICES.

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

SECTION 1. DO NOT CODIFY. TRANSFER OF DIVISION OF COUNTY OPERATIONS  
OF THE DEPARTMENT OF HUMAN SERVICES.

(a)(1) The Division of County Operations of the Department of Human  
Services is transferred to the Department of County Operations by a type 2  
transfer under § 25-2-105.

(2) For the purposes of this act, the Department of County  
Operations shall be considered a principal department established by Acts  
1971, No. 38.

(b)(1) All authority, powers, duties, and functions as established by  
law for the Division of County Operations of the Department of Human  
Services, including all purchasing, budgeting, fiscal, accounting, human  
resources, payroll, legal, information systems, maintenance, program support,  
administrative support, and other management functions are transferred to the  
Department of County Operations, except as specified in this act.

1           (2)(A) All records, personnel, property, unexpended balances of  
 2 appropriations, allocations, or other funds are transferred to the Department  
 3 of County Operations.

4           (B) All funds shall be deposited into the Department of  
 5 County Operations Fund.

6           (3) All powers, duties, and functions, including without  
 7 limitation rulemaking, licensing, promulgation of rules, rates, and  
 8 standards, and the rendering of findings, orders, and adjudications, as  
 9 established by law for the Division of County Operations of the Department of  
 10 Human Services, are transferred to the Department of County Operations,  
 11 except as specified by this act.

12           (c) The Arkansas Code Revision Commission shall make appropriate name  
 13 changes in the Arkansas Code to implement this act.

15           SECTION 2. Arkansas Code § 11-10-111(c), concerning the protection of  
 16 rights and benefits and the exception for withholding food stamp overages, is  
 17 amended to read as follows:

18           (c) Any amount deducted and withheld under this section shall be paid  
 19 by the director to the food stamp program administered by the ~~Division~~  
 20 Department of County Operations ~~of the Department of Human Services.~~

22           SECTION 3. Arkansas Code § 19-5-306(9), concerning the County  
 23 Operations Fund Account of the Department of Human Services Fund, is  
 24 repealed.

25           ~~(9)(A) County Operations Fund Account. The County Operations Fund~~  
 26 ~~Account shall be used for the maintenance, operation, and improvement~~  
 27 ~~required by the Division of County Operations of the Department of Human~~  
 28 ~~Services in carrying out the powers, functions, and duties as set out in §~~  
 29 ~~25-10-102.~~

30           ~~(B) The County Operations Fund Account shall consist of:~~  
 31                   ~~(i) Those general revenues as may be provided by~~  
 32 ~~law;~~

33                   ~~(ii) Nonrevenue income derived from services~~  
 34 ~~provided by the various programs of the Division of County Operations of the~~  
 35 ~~Department of Human Services;~~

~~(iii) Any other nonfederal grants in aids funds provided by law;~~  
~~(iv) Funds received from the Department of Education for surplus commodities; and~~  
~~(v) Federal reimbursement received on account of eligible expenditures of the Division of County Operations of the Department of Human Services;~~  
~~(C) Other federal reimbursement funds received by the Division of County Operations of the Department of Human Services shall be deposited into a separate federal reimbursement fund on the books of the Treasurer of State;~~

SECTION 4. Arkansas Code Title 19, Chapter 5, Subchapter 12, is amended to add an additional section to read as follows:

19-5-1258. Department of County Operations Fund.

(a) There is created on the books of the Treasurer of State, the Auditor of State, and the Chief Fiscal Officer of the State a miscellaneous fund to be known as the "Department of County Operations Fund".

(b) The fund shall consist of:

- (1) General revenues as may be provided by law;
- (2) Nonrevenue income derived from services provided by the various programs of the Department of County Operations;
- (3) Any other nonfederal grants-in-aid funds provided by law;
- (4) Funds received from the Department of Education for surplus commodities; and
- (5) Federal reimbursement received on account of eligible expenditures of the Department of County Operations.

(c) Other federal reimbursement funds received by the Department of County Operations shall be deposited into a separate federal reimbursement fund on the books of the Treasurer of State.

(d) The fund shall be used for maintenance, operations, and improvements required by the Department of County Operations in carrying out its powers, functions, and duties.

SECTION 5. Arkansas Code § 20-77-1103 is amended to read as follows:  
 20-77-1103. Definitions.

For purposes of this subchapter:

(1) "Family" means a family as defined in the Medical Services Policy Manual ~~of published by the Division~~ Department of County Operations ~~of the Department of Human Services~~; and

(2) "Healthcare coverage" means healthcare insurance as defined by rules promulgated by the Department of Human Services for the ARKids First Program.

SECTION 6. Arkansas Code § 25-10-102(a), concerning the organization of the Department of Human Services, is amended to read as follows:

(a) The Department of Human Services shall consist of and be operated under an integrated service system consisting of the following divisions with responsibilities and programs assigned to them as determined by the Director of the Department of Human Services:

(1) A The Division of Aging and Adult Services;

(2) A The Division of Medical Services;

(3) A The Division of Behavioral Health Services, which shall include community mental health centers and state hospitals;

(4) A The Division of Developmental Disabilities Services, which shall include both community programs and human development centers;

~~(5) A Division of County Operations;~~

~~(6)~~ A The Division of Administrative Services;

~~(7)-(6)~~ A The Division of Youth Services, which shall include serious offender and community-based programs and the youth service centers;

~~(8)-(7)~~ A The Division of Community Service and Nonprofit Support;

~~(9)-(8)~~ A The Division of State Services for the Blind;

~~(10)-(9)~~ A The Division of Children and Family Services; and

~~(11)-(10)~~ A The Division of Child Care and Early Childhood Education.

SECTION 7. Arkansas Code § 25-10-132 is amended to read as follows:

25-10-132. Medical services and county operations – Use of local funds.

To the extent allowed by federal requirements, including waiver, demonstration, and pilot project options, the Division of Medical Services of

1 the Department of Human Services and the ~~Division~~ Department of County  
 2 Operations ~~of the Department of Human Services~~ shall use local and donated  
 3 funds to obtain federal matching funds to enhance federal agency programs.  
 4

5 SECTION 8. Arkansas Code § 25-11-103 is amended to read as follows to  
 6 repeal obsolete language:

7 25-11-103. ~~Transfer of the Weatherization Assistance Program~~ Low-  
 8 Income Home Energy Assistance Program – Annual transfer of percentage of  
 9 allocation from Department of Human Services to Arkansas Economic Development  
 10 Commission.

11 ~~(a)(1) The Weatherization Assistance Program, a federally funded~~  
 12 ~~program under 42 U.S.C. § 6861 et seq., operated by the Division of County~~  
 13 ~~Operations of the Department of Human Services is abolished and all the~~  
 14 ~~powers, duties and functions, records, property, personnel, unexpended~~  
 15 ~~balances of appropriations, allocations, or other funds are transferred by a~~  
 16 ~~type 3 transfer to the Arkansas Energy Office of the Arkansas Economic~~  
 17 ~~Development Commission.~~

18 ~~(2) This transfer does not conflict with any duties,~~  
 19 ~~responsibilities, or powers of the office.~~

20 ~~(b) Unspent funds associated with the Weatherization Assistance~~  
 21 ~~Program shall be transferred from the Department of Human Services to the~~  
 22 ~~commission within thirty (30) days of the effective date of this act.~~

23 ~~(c)~~ The ~~department~~ Department of Human Services annually shall  
 24 transfer to the ~~commission~~ Arkansas Economic Development Commission a minimum  
 25 of fifteen percent (15%) up to a maximum of twenty-five percent (25%), as  
 26 allowed by federal law or regulation, of the annual allocation for the ~~Low~~  
 27 ~~Income~~ Low-Income Home Energy Assistance Program to the commission to be used  
 28 by the ~~Low Income~~ Low-Income Home Energy Assistance Program.  
 29

30 SECTION 9. Arkansas Code Title 25 is amended to add an additional  
 31 chapter to read as follows:

32 Chapter 43 – Department of County Operations  
 33

34 25-43-101. Purpose.

35 The purpose of this chapter is to establish the Department of County  
 36 Operations.

25-43-102. Creation – Director.

(a) There is created the Department of County Operations.

(b) The executive head of the department shall be the Director of the Department of County Operations to be appointed by the Governor with consent of the Senate to serve at the pleasure of the Governor.

25-43-103. Duties and responsibilities.

(a) The Department of County Operations shall:

(1) Determine the eligibility of individuals applying for benefits in the Arkansas Medicaid Program, the Supplemental Nutrition Assistance Program under 7 U.S.C. § 2011 et seq., and the Transitional Employment Assistance Program under §§ 20-76-401 and 20-76-402;

(2) Redetermine the eligibility of individuals renewing benefits in the Arkansas Medicaid Program, the Supplemental Nutrition Assistance Program under 7 U.S.C. § 2011 et seq., and the Transitional Employment Assistance Program under §§ 20-76-401 and 20-76-402; and

(3) Fulfill other duties and responsibilities previously held by the Division of County Operations of the Department of Human Services, including without limitation rulemaking, licensing, promulgation of rules, rates, and standards, and the rendering of findings, orders, and adjudications.

(b) The Director of the Department of County Operations shall report quarterly to the Governor and the General Assembly regarding the results of the eligibility determinations.

Referral requested by: Senator Bryan King

Prepared by: JMB