

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.

1 State of Arkansas  
2 83rd General Assembly  
3 Regular Session, 2001

# A Bill

HOUSE BILL 1036

4  
5 By: Representative Minton  
6  
7

## For An Act To Be Entitled

8  
9 AN ACT TO AMEND THE ARKANSAS WORKFORCE INVESTMENT ACT;  
10 AND FOR OTHER PURPOSES.  
11

### Subtitle

12  
13 TO AMEND THE ARKANSAS WORKFORCE  
14 INVESTMENT ACT.  
15  
16

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
18

19 SECTION 1. Arkansas Code 15-4-2203 is amended to read as follows:  
20 15-4-2203. Definitions. For purposes of this subchapter:

21 (1) "Chief elected official" means:

22 (A) The chief elected executive officer of a unit of general  
23 local government in a local area; or

24 (B) In a case in which a local area includes more than one (1)  
25 unit of general local government, the chief elected officials ~~shall~~ may  
26 include the county judge(s) and the mayor(s) of the first-class city(ies).  
27 These officials may include other mayors, in accordance with the agreement  
28 cited in subdivision (C) below;

29 (C) In a case in which a local area includes more than one (1)  
30 unit of general local government, the chief elected officials of each unit  
31 ~~shall~~ may execute an agreement specifying the respective roles of the  
32 individual chief elected officials;

33 (2) "General local government" means any general purpose political  
34 subdivision of Arkansas that has the power to levy taxes and spend funds, as  
35 well as general corporate and police powers; and

36 (3) "Local educational agency" has the meaning given the term in

1 section 14101 of the Elementary and Secondary Education Act of 1965.

2

3 SECTION 2. Arkansas Code 15-4-2204 is amended to read as follows:

4 15-4-2204. Arkansas Workforce Investment Board established.

5 (a) There is created the Arkansas Workforce Investment Board.

6 (b) The Board ~~shall~~ may consist of:

7 (1) The Governor;

8 (2) One (1) member of the House of Representatives to be  
9 appointed by the Speaker of the House;

10 (3) One (1) member of the Senate to be appointed by the President  
11 Pro Tempore;

12 (4) One (1) member ~~shall~~ may be a member of the Women's Caucus of  
13 the House of Representatives to be appointed by the chairperson of the Women's  
14 Caucus;

15 (5) One (1) member ~~shall~~ may be a member of the Black Caucus of  
16 the General Assembly to be appointed by the chairperson of the Black Caucus;

17 (6) The following members to be appointed by the Governor,  
18 subject to confirmation by the Senate:

19 (A) Representatives of business in Arkansas who:

20 (i) Are owners of businesses, chief executive or  
21 operating officers of businesses, and other business executives or employers  
22 with policymaking or hiring authority, including members of the local  
23 workforce investment boards;

24 (ii) Represent businesses with employment  
25 opportunities reflecting the employment opportunities of Arkansas;

26 (iii) Are appointed from individuals nominated by  
27 Arkansas business organizations and business trade associations; and

28 (iv) At least one (1) of whom serves on a local  
29 workforce investment board;

30 (B) One chief elected official nominated by the Arkansas  
31 Municipal League and one chief elected official nominated by the Association  
32 of Arkansas Counties;

33 (C) No less than three (3) representatives of labor  
34 organizations who are to be nominated by the Arkansas Labor Federation;

35 (D) No less than two (2) representatives of individuals and  
36 organizations who have experience with respect to youth activities and

1 programs;

2 (E) No less than three (3) representatives of individuals  
3 and organizations who have experience and expertise in the delivery of  
4 workforce investment activities of which at least one (1) person ~~shall~~ may be  
5 a chief executive officer of a two (2) year college nominated by the  
6 Association of two-year colleges, one (1) member ~~shall~~ may be a director of an  
7 agency responsible to a local work force investment board for administrative  
8 workforce investment programs, nominated by the Career Development Network  
9 Associations, and one (1) member representing community-based organizations;  
10 and

11 (F) One (1) member who is a person with a disability who is  
12 familiar with vocational rehabilitation and:

13 (i) Represents an organization(s) of Arkansans with  
14 disabilities or;

15 (ii) Complies with subdivision (b)(6)(A) of this  
16 section.

17 (7) The Director of the Department of Workforce Education;

18 (8) The Director of the Arkansas Employment Security Department;

19 (9) The Director of the Department of Human Services;

20 (10) The Director of the Arkansas Economic Development

21 Commission;

22 (11) A representative of employment and training activities  
23 carried out by the Department of Housing and Urban Development;

24 (12) The Director of the Department of Higher Education; and

25 (13) The Director of the Arkansas Rehabilitative Services.

26 (c) In no event ~~shall~~ may the Board consist of more than forty-eight  
27 (48) members. A person may serve in dual capacity as a member of the Board.

28 (d) The Governor may select one (1) person from any of the following to  
29 serve in dual capacity as a member of the Board:

30 (1) Arkansas Development Finance Authority;

31 (2) Arkansas Economic Development Commission;

32 (3) State Board of Education;

33 (4) State Board of Workforce Education;

34 (5) Arkansas Department of Higher Education Coordinating Board;

35 or

36 (6) Transitional Employment Assistance Program Advisory Council

1 or their successors.

2 (e) In appointing the members, the Governor ~~shall~~ may take into  
3 consideration that the Board represents the diverse regions of Arkansas,  
4 including but not limited to the urban, rural and suburban areas, and that the  
5 boards or commissions, or both, of the state educational and economic  
6 development agencies are represented.

7 (f) Non-legislative members ~~shall~~ may be appointed for four (4) year  
8 staggered terms. The staggered terms ~~shall~~ may be assigned by lot. The terms  
9 ~~shall~~ may commence on June 1 of each year.

10 (g) A majority of the members ~~shall~~ may be representatives of  
11 businesses.

12 (h) The Governor ~~shall~~ may annually select on June 1 a chairperson for  
13 the Board among the representatives of businesses described in subdivision  
14 (b)(6) of this section.

15 (i) In the event of a vacancy on the Board in one of the nonlegislative  
16 positions, the vacancy ~~shall~~ may be filled for the unexpired portion of the  
17 term by appointment of the designated representative in subsection (b)(6) of  
18 this section of a person meeting the same qualifications required for initial  
19 appointment.

20 (j) The Board may, by a majority vote of the total membership of the  
21 board cast during its first regularly scheduled meeting of each calendar year,  
22 authorize payment to its members of a stipend not to exceed one hundred  
23 dollars (\$100) per meeting attended, and the board members ~~shall~~ may receive  
24 no other compensation, expense reimbursement, or in-lieu-of payments as  
25 provided in § 25-16-902. The stipend ~~shall~~ may be paid from the Arkansas  
26 Workforce Investment Fund.

27 (k) The legislative members ~~shall~~ may receive, in lieu of reimbursement  
28 for meals, lodging and travel, the same per diem and mileage allowance for  
29 each day of attending meetings of the Board as is authorized by law for  
30 attending meetings of the interim committees of the General Assembly and ~~shall~~  
31 may be paid from the Arkansas Workforce Investment Fund.

32 (l) A member of the Board ~~shall~~ may not:

- 33 (1) Vote on a matter under consideration by the Board:
  - 34 (A) Regarding the provision of services by the member or by
  - 35 an entity that such member represents; or
  - 36 (B) That would provide direct financial benefit to the

1 member or the immediate family of the member; or

2 (2) Engage in any other activity determined by the Governor or by  
3 law to constitute a conflict of interest.

4 (m) The Board ~~shall~~ may hold its first meeting by July 15, 1999 at a  
5 place and time designated by the Governor. Subsequent meetings ~~shall~~ may be  
6 held at least quarterly or at the call of the chairperson or upon the written  
7 request of a majority of the members of the Board.

8 (n) For purposes of complying with this section, the Governor may use  
9 any state entity that:

10 (1) Was in existence on December 31, 1997, and

11 (2) Was established pursuant to section 122 or title VII of the  
12 Job Training Partnership Act, as in effect on December 31, 1997; or

13 (3) Is substantially similar to the Board described in subsection  
14 (a) of this section.

15  
16 SECTION 3. Arkansas Code 15-4-2205 is amended to read as follows:  
17 15-4-2205. Arkansas Workforce Investment Board Executive Committee.

18 (a) In order to comply with the requirements and responsibilities  
19 assigned within this subchapter, the Board ~~shall~~ may select from its  
20 membership an Executive Committee to be composed of at least eleven (11)  
21 members but no more than fifteen (15) members.

22 (b) The chair and vice-chair of the Board ~~shall~~ may serve as the chair  
23 and vice-chair of the Executive Committee, respectively;

24 (c) The membership of the Executive Committee ~~shall~~ may include:

25 (1) At least seven (7) business members, with at least one (1) of  
26 whom serves on a local workforce investment board;

27 (2) At least two (2) Arkansas labor federation representatives;

28 (3) At least two (2) members of the General Assembly;

29 (4) At least one (1) Community College Representative; and

30 (5) At least one (1) Chief Elected Official.

31 (d) The Board ~~shall~~ may form such other committees as needed.

32 (e) Membership on any committee ~~shall~~ may not extend beyond the term of  
33 service on the Board.

34 (f) The executive board ~~shall~~ may, beginning in August of 1999, meet  
35 monthly and ~~shall~~ may report to the Board at the quarterly meetings.

36 (g) Expense reimbursement and per diem allowance for the members ~~shall~~

1 may be as provided in §§ 15-4-2204(j) and 15-4-2204(k).

2

3 SECTION 4. Arkansas Code 15-4-2206 is amended to read as follows:

4 15-4-2206. Powers and duties of Arkansas Workforce Investment Board.

5 (a) The Board ~~shall~~ may advise and assist the Governor and the General  
6 Assembly in the:

- 7 (1) Development of a state workforce development plan;
- 8 (2) Development and continuous improvement of a statewide system  
9 of activities that are funded under this Act or carried out through a one-stop  
10 delivery system which receives funds under this Act including:
  - 11 (A) Development of linkages in order to assure coordination  
12 and nonduplication among the programs and activities; and
  - 13 (B) Review of local plans;
- 14 (3) Commenting on an annual basis on the measures taken pursuant  
15 to section 113(b)(14) of the Carl D. Perkins Vocational and Applied Technology  
16 Education Act;
- 17 (4) Designation of local workforce investment areas;
- 18 (5) Development of an allocation formula for the distribution of  
19 funds for adult employment and training activities and youth activities to  
20 local areas;
- 21 (6) Development and continuous improvement of comprehensive state  
22 performance measures, including state adjusted levels of performance, to  
23 assess the effectiveness of the workforce investment activities in the state;
- 24 (7) Preparation of the annual report to the United States  
25 Secretary of Labor;
- 26 (8) Development of a statewide employment statistics system as  
27 described in section 15(e) of the Wagner-Peyser Act;
- 28 (9) Development of an application for an incentive grant;
- 29 (10) Recommendation of the programs identified in Section  
30 7(b)(8)(A) which may be consolidated or realigned;
- 31 (11) Creation of workforce investment program accountability  
32 measures and standards;
- 33 (12) Development of workforce training standards;
- 34 (13) Evaluation of the entire Arkansas workforce investment  
35 system, including but not limited to the education system, the Career  
36 Development system and the youth programs, to determine if it is meeting the

1 goals of the Arkansas Workforce Investment Act;

2 (14) Re-evaluation of the Arkansas Workforce Investment Act;

3 (15) Coordination of state agencies to assist in the development  
4 of the state workforce development plan;

5 (16) Development of additional state workforce development plans  
6 every three (3) years;

7 (17) Use of federal, state or private funds, donations, and  
8 grants made available for the development of the Arkansas Workforce  
9 Development Plan;

10 (18) Establishing procedures that ~~will~~ may be taken by the State  
11 to assure coordination of and avoid duplication among Workforce Investment  
12 Programs; and

13 (19) Provide a report prior to each regular session to the  
14 General Assembly with recommendations for appropriate statutory changes which  
15 may enhance the delivery of Workforce Investment in and for Arkansas.

16 (b) The Executive board may recommend to the Governor the resolution of  
17 any disagreements between or among state agencies pertaining to their duties  
18 and responsibilities in the state workforce investment plan. The executive  
19 board ~~shall~~ may notify the agencies involved of the recommendation in writing.

20 (c) The board may recommend to the Governor that he require state  
21 agencies to cooperate with the board in implementing the state workforce  
22 investment plan, including but not limited to providing information to the  
23 board and providing staff assistance.

24 (d) The Workforce Investment Board ~~shall~~ may ~~have the authority to~~  
25 promulgate any rules or regulations necessary to carry out the provisions of  
26 this Act and to comply with the Federal Workforce Investment Act of 1998.

27 (e) The Board ~~shall~~ may present a report quarterly to the Legislative  
28 Council concerning the progress, performance and compliance with the Federal  
29 Workforce Investment Act of 1998, and the Arkansas Workforce Investment Act of  
30 1999 and ~~shall~~ may provide to the Legislative Council any information  
31 requested of it.

32 (f) Based upon measures established through subdivision (a)(11) of this  
33 section, the Board ~~shall~~ may recommend performance incentives and ~~shall~~ may  
34 recommend sanctions for failure to achieve such measures.

35 (g)(1) The Director of the Board ~~shall~~ may be appointed by the Governor  
36 with the consent of the Board and be subject to confirmation by the Senate.

1 (2) The director ~~shall~~ may hire the necessary staff to carry out  
2 the provisions of this subchapter.

3  
4 SECTION 5. Arkansas Code 15-4-2207 is amended to read as follows:  
5 15-4-2207. State plan for workforce investment system strategy.

6 (a) The Governor, by April 1, 2000, ~~shall~~ may submit to the United  
7 States Secretary of Labor and other approval authorities, as appropriate, a  
8 state plan outlining the state's five (5) year strategy for the statewide  
9 workforce investment system of the state.

10 (b) The state plan ~~shall~~ may include:

11 (1) A description of the state board, including a description of  
12 the manner in which the Board collaborated in the development of the state  
13 plan and a description of how the board ~~will~~ may continue to collaborate in  
14 carrying out the functions described in this section;

15 (2) A description of state-imposed requirements for the statewide  
16 workforce investment system;

17 (3) A description of the state performance accountability system  
18 developed for the workforce investment activities to be carried out through  
19 the statewide workforce investment system, including but not limited to  
20 information identifying state performance measures;

21 (4) Information describing:

22 (A) The needs of the state with regard to current and  
23 projected employment opportunities, by occupation;

24 (B) The job skills necessary to obtain employment  
25 opportunities;

26 (C) The skills and economic development needs of the state;  
27 and

28 (D) The type and availability of workforce investment  
29 activities in the state;

30 (5) An identification of local areas designated in the state,  
31 including a description of the process used for the designation of the areas;

32 (6) An identification of criteria to be used by chief elected  
33 officials for the appointment of members of local boards;

34 (7) The detailed plans required under section 8 of the Wagner-  
35 Peyser Act (29 U.S.C. §49g);

36 (8)(A) A description of the procedures that ~~will~~ may be taken by



1 the state to assure coordination of and avoid duplication among:

2 (i) Workforce investment activities authorized under  
3 this subchapter;

4 (ii) Other activities authorized under this  
5 subchapter;

6 (iii) Programs authorized under the Wagner-Peyser Act  
7 (29 U.S.C. §49 et seq.), title I of the Rehabilitation Act of 1973 (29 U.S.C.  
8 §720 et seq.), part A of title IV of the Social Security Act (42 U.S.C. §601  
9 et seq.), and section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C.  
10 §2015(d)(4)), activities authorized under title V of the Older Americans Act  
11 of 1965 (42 U.S.C. §3056 et seq.), and postsecondary vocational education  
12 activities authorized under the Carl D. Perkins Vocational and Applied  
13 Technology Education Act (20 U.S.C. §2301 et seq.);

14 (iv) Work programs authorized under section 6(o) of  
15 the Food Stamp Act of 1977 (7 U.S.C. §2015(o));

16 (v) Activities authorized under chapter 2 of title II  
17 of the Trade Act of 1974 (19 U.S.C. §2271 et seq.);

18 (vi) Activities authorized under chapter 41 of title  
19 38, United States Code;

20 (vii) Employment and training activities carried out  
21 under the Community Services Block Grant Act (42 U.S.C. §9901 et seq.);

22 (viii) Activities authorized under the National and  
23 Community Service Act of 1990 (42 U.S.C. §12501 et seq.);

24 (ix) Employment and training activities carried out  
25 by the Department of Housing and Urban Development; and

26 (x) Programs authorized under state unemployment  
27 compensation laws; and

28 (B) A description of the common data collection and  
29 reporting processes used for the programs and activities;

30 (9) A description of the process used by the state to provide an  
31 opportunity for public comment, including comment by representatives of  
32 businesses and representatives of labor organizations, and input into  
33 development of the plan, prior to submission of the plan;

34 (10) Information identifying how the state ~~will~~ may use funds the  
35 state receives under this subchapter to leverage other federal, state, local,  
36 and private resources, in order to maximize the effectiveness of the

1 resources, and to expand the participation of business, employees, and  
2 individuals in the statewide workforce investment system;

3 (11) Assurances that the state ~~will~~ may provide for fiscal  
4 control and fund accounting procedures that may be necessary to ensure the  
5 proper disbursement of, and accounting for, funds paid to the state;

6 (12)(A) A description of the methods and factors the state ~~will~~  
7 may use in distributing funds to local areas for youth activities and adult  
8 employment and training activities, including:

9 (i) A description of how the individuals and entities  
10 represented on the state board were involved in determining the methods and  
11 factors of distribution; and

12 (ii) A description of how the state consulted with  
13 chief elected officials in local areas throughout the state in determining the  
14 distribution;

15 (B) Assurances that the funds ~~will~~ may be distributed  
16 equitably throughout the state, and that no local areas ~~will~~ may suffer  
17 significant shifts in funding from year to year; and

18 (C) A description of the formula prescribed by the Governor  
19 for the allocation of funds to local areas for dislocated worker employment  
20 and training activities;

21 (13) Information specifying the actions that constitute a  
22 conflict of interest;

23 (14) With respect to the one-stop delivery systems, a description  
24 of the strategy of the state for assisting local areas in development and  
25 implementation of fully operational one-stop delivery systems in the state;

26 (15) A description of the appeals process;

27 (16) A description of the competitive process to be used by the  
28 state to award grants and contracts in the state for activities carried out  
29 under this Act;

30 (17) With respect to the employment and training activities for  
31 adults:

32 (A) A description of:

33 (i) The employment and training activities that ~~will~~  
34 may be carried out with the funds received by the state through the allotment;

35 (ii) How the state ~~will~~ may provide rapid response  
36

1 activities to dislocated workers from funds reserved for the purposes,  
2 including the designation of an identifiable state rapid response dislocated  
3 worker unit to carry out statewide rapid response activities;

4 (iii) The procedures the local boards in the state  
5 ~~will~~ may use to identify eligible providers of training services; and

6 (iv) How the state ~~will~~ may serve the employment and  
7 training needs of dislocated workers, low-income individuals, individuals  
8 training for nontraditional employment, and other individuals with multiple  
9 barriers to employment; and

10 (B) An assurance that veterans ~~will~~ may be afforded the  
11 employment and training activities by the state, to the extent practicable;

12 (18) With respect to youth activities, information:

13 (A) Describing the state strategy for providing  
14 comprehensive services to eligible youth, particularly those eligible youth  
15 who are recognized as having significant barriers to employment;

16 (B) Identifying the criteria to be used by local boards in  
17 awarding grants for youth activities, including criteria that the Governor and  
18 local boards ~~will~~ may use to identify effective and ineffective youth  
19 activities and providers of the activities;

20 (C) Describing how the state ~~will~~ may coordinate the youth  
21 activities carried out in the state with the services provided by Job Corps  
22 centers in the state; and

23 (D) Describing how the state ~~will~~ may coordinate youth  
24 activities with activities carried out through the youth opportunity grants;

25 (19) A description of the eligibility criteria set by the state  
26 to certify training providers including post-secondary institutions certified  
27 under the Higher Education Act, apprenticeship programs registered under the  
28 National Apprenticeship Act, and other public or private providers of  
29 training. Criteria ~~shall~~ may be established for both initial and subsequent  
30 eligibility and ~~shall~~ may be applied equitably to all training providers. The  
31 state ~~shall~~ may develop this criteria with input from the public and the  
32 training providers; and

33 (20) A description of how the state ~~will~~ may ensure that local  
34 workforce investment board plans include information as to how they ~~will~~ may  
35 support the Transitional Employment Assistance implementation plans for the  
36 counties in its service areas.

1 (c) The state plan submitted to the United States Secretary of Labor  
2 ~~shall~~ may be ~~considered to be~~ approved by the United States Secretary of Labor  
3 at the end of the ninety (90) day period beginning on the day the United  
4 States Secretary of Labor receives the plan, unless the United States  
5 Secretary of Labor makes a written determination, during the ninety (90) day  
6 period, that:

7 (1) The plan is inconsistent with the provisions of this  
8 subchapter; and

9 (2) In the case of the portion of the plan described in section  
10 8(a) of the Wagner-Peyser Act (29 U.S.C. §49g(a)), the portion does not  
11 satisfy the criteria for approval.

12 (d) The state may submit modifications to a state plan in accordance  
13 with the requirements of this section as necessary during the five (5) year  
14 period covered by the plan.

15 (e) The General Assembly authorizes for inclusion in the state plan  
16 those programs referenced in Section 501(b)(2)(A) of Public Law 105-220. Such  
17 inclusion ~~shall~~ may have the concurrence of the State Board of Workforce  
18 Education and Career Opportunities.

19  
20 SECTION 6. Arkansas Code 15-4-2208 is amended to read as follows:  
21 15-4-2208. Local workforce investment areas.

22 (a) The Governor ~~shall~~ may, no later than September 30, 1999, designate  
23 local workforce investment areas within the State:

24 (1) Through consultation with the Board; and

25 (2) After consultation with chief elected officials and after  
26 consideration of comments received through the public comment process, as  
27 described in the Federal Workforce Investment Act, Section 112(b)(9).

28 (b) In making the designation of local areas, the Governor ~~shall~~ may  
29 take into consideration the following:

30 (1) Geographic areas served by local educational agencies and  
31 intermediate educational agencies;

32 (2) Geographic areas served by postsecondary educational  
33 institutions and area vocational education schools;

34 (3) The extent to which the local areas are consistent with labor  
35 market areas;

36 (4) The distance that individuals ~~will~~ may need to travel to

1 receive services provided in the local areas; and

2 (5) The resources of the local areas that are available to  
3 effectively administer the activities carried out under this subchapter.

4 (c) The Governor ~~shall~~ may approve any request for designation as a  
5 local area:

6 (1) From any unit of general local government with a population  
7 of five hundred thousand (500,000) or more;

8 (2) Of the area served by a rural concentrated employment program  
9 grant recipient of demonstrated effectiveness that served as a service  
10 delivery area or substate area under the Job Training Partnership Act, if the  
11 grant recipient has submitted the request; and

12 (3) Of an area that served as a service delivery area under  
13 section 101(a)(4)(A)(ii) of the Job Training Partnership Act as effective on  
14 September 1, 1999, in a state that has a population of not more than one  
15 million, one hundred thousand (1,100,000) and a population density greater  
16 than nine hundred (900) persons per square mile.

17 (d)(1) The Governor ~~shall~~ may approve any request, made not later than  
18 the date of submission of the initial state plan under this subchapter, for  
19 temporary designation as a local area from any unit of general local  
20 government (including a combination of the units) with a population of two  
21 hundred thousand (200,000) or more that was a service delivery area under the  
22 Job Training Partnership Act as effective on September 1, 1999, if the  
23 Governor determines that the area:

24 (A) Performed successfully, in each of the last two (2)  
25 years prior to the request for which data are available, in the delivery of  
26 services to participants under part A of title II and title III of the Job  
27 Training Partnership Act as effective on September 1, 1999; and

28 (B) Has sustained the fiscal integrity of the funds used by  
29 the area to carry out the activities.

30 (2) A temporary designation ~~shall~~ may be for a period of not more  
31 than two (2) years, after which the designation ~~shall~~ may be extended until  
32 the end of the period covered by the state plan if the Governor determines  
33 that, during the temporary designation period, the area substantially met the  
34 local performance measures for the local area and sustained the fiscal  
35 integrity of the funds used by the area to carry out activities under this  
36 subchapter.

1 (e) The Governor may approve a request from any unit of general local  
2 government for designation as a local area if the Board, after consultation  
3 with and agreement of the local chief elected officials, recommends to the  
4 Governor, that the area should be so designated. Arkansas labor federations,  
5 or other representatives of employees if no employees are represented by labor  
6 organizations;

7 (f) A unit of general local government or grant recipient that requests  
8 but is not granted designation of an area as a local area may submit an appeal  
9 to the Board under an appeal process established in the state plan. If the  
10 appeal does not result in the designation, the United States Secretary of  
11 Labor, after receiving a request for review from the unit or grant recipient  
12 and on determining that the unit or grant recipient was not accorded  
13 procedural rights under the appeal process established in the state plan or  
14 that the area meets the requirements of this section, may require that the  
15 area be designated as a local area.

16  
17 SECTION 7. Arkansas Code 15-4-2209 is amended to read as follows:

18 15-4-2209. Local workforce investment boards to be established.

19 (a) There ~~shall~~ may be established by January 15, 2000, in each local  
20 area of the state, and certified by the Governor, a local workforce investment  
21 board to set policy for the portion of the statewide workforce investment  
22 system within the local area.

23 (b) The Governor in partnership with the Board, ~~shall~~ may establish  
24 criteria for use by chief elected officials in the local areas for appointment  
25 of members of the local boards.

26 (c) The criteria ~~shall~~ may require, at a minimum, that the membership  
27 of each local board:

28 (1) Include:

29 (A) Representatives of business in the local area, who:

30 (i) Are owners of businesses, chief executives or  
31 operating officers of businesses, and other business executives or employers  
32 with policymaking or hiring authority;

33 (ii) Represent businesses with employment  
34 opportunities that reflect the employment opportunities of the local area; and

35  
36 (iii) Are appointed from among individuals nominated

1 by local business organizations and business trade associations;

2 (B) Representatives of local educational entities,  
3 including representatives of local educational agencies, local school boards,  
4 two (2) year colleges and universities, entities providing adult education and  
5 literacy activities, and postsecondary educational institutions, selected from  
6 among individuals nominated by regional or local educational agencies,  
7 institutions, or organizations representing the local educational entities;

8 (C) Representatives of labor organizations, nominated by  
9 Arkansas local labor federations, or other representatives of employees if no  
10 employees are represented by labor organizations;

11 (D) Representatives of community-based organizations;

12 (E) Representatives of economic development agencies,  
13 including private sector economic development entities;

14 (F) Representatives of each of the one-stop partners; and

15 (G) One (1) member who is a person with a disability who is  
16 familiar with vocational rehabilitation and represents an organization of  
17 Arkansans with disabilities and:

18 (i) Represents an organization(s) of Arkansans with  
19 disabilities; or

20 (ii) Complies with subdivision (c)(1)(A) of this  
21 section; and

22 (H) One (1) member who represents veterans organizations;  
23 and

24 (2) May include other individuals or representatives of entities  
25 as the chief elected official in the local area may determine to be  
26 appropriate.

27 (d) Members of the board that represent organizations, agencies, or  
28 other entities ~~shall~~ may be individuals with policymaking authority within the  
29 organizations, agencies, or entities.

30 (e) A majority of the members of the local board ~~shall~~ may be  
31 representatives described in subdivision (c)(1)(A) of this section.

32 (f) The chief elected official ~~shall~~ may ensure that minority groups  
33 are represented on the local board.

34 (g) The local board ~~shall~~ may elect a chairperson for the local board  
35 from among the representatives described in subdivision (c)(1)(A) of this  
36 section.

1 (h) The chief elected official in a local area is authorized to appoint  
2 the members of the local board for the area, in accordance with the state  
3 criteria.

4 (1) In the event a local area includes more than one (1) unit of  
5 general local government, the chief elected officials of the units ~~shall~~ may  
6 execute an agreement that specifies the respective roles of the individual  
7 chief elected officials:

8 (A) In the appointment of the members of the local board  
9 from the individuals nominated or recommended to be the members in accordance  
10 with the criteria; and

11 (B) In carrying out any other responsibilities assigned to  
12 the officials under this section.

13 (2) If, after a reasonable effort, the chief elected officials  
14 are unable to reach agreement, the Governor may appoint the members of the  
15 local board from individuals so nominated or recommended.

16  
17 SECTION 8. Arkansas Code 15-4-2210 is amended to read as follows:

18 5-4-2210. Certification of local workforce investment boards.

19 (a) The Governor ~~shall~~ may, once every two (2) years, certify one (1)  
20 local board for each local area in the state.

21 (b) The certification ~~shall~~ may be based on criteria established under  
22 § 15-4-2209 and, for a second or subsequent certification, the extent to which  
23 the local board has ensured that workforce investment activities carried out  
24 in the local area have enabled the local area to meet the local performance  
25 measures.

26 (c) Failure of a local board to achieve certification ~~shall~~ may result  
27 in reappointment and certification of another local board.

28 (d) The Governor may decertify a local board, at any time after  
29 providing notice and an opportunity for comment, for:

- 30 (1) Fraud or abuse; or
- 31 (2) Failure to carry out the functions specified for the local  
32 board.

33 (e) The Governor may decertify a local board if a local area fails to  
34 meet the local performance measures for the local area for two (2) consecutive  
35 years.

36 (f) If the Governor decertifies a local board for a local area, the



1 Governor may require that a new local board be appointed and certified for the  
2 local area pursuant to a reorganization plan developed by the Governor, in  
3 consultation with the chief elected official in the local area.

4

5 SECTION 9. Arkansas Code 15-4-2211 is amended to read as follows:  
6 15-4-2211. Powers and duties of local workforce investment board.

7 (a) The functions of the local board ~~shall~~ may include the following:

8 (1) Development of a local plan in accordance with § 15-4-2212;

9 (2) The local board, with the agreement of the chief elected  
10 official:

11 (A) ~~shall~~ May designate or certify one-stop operators; and

12 (B) May terminate for cause the eligibility of the  
13 operators;

14 (3) The local board ~~shall~~ may identify eligible providers of  
15 youth activities in the local area by awarding grants or contracts on a  
16 competitive basis, based on the recommendations of the youth council;

17 (4) The local board ~~shall~~ may identify eligible providers of  
18 training services using criteria established by the state.

19 (5) If the one-stop operator does not provide intensive services  
20 in a local area, the local board ~~shall~~ may identify eligible providers of  
21 intensive services in the local area;

22 (6) The local board ~~shall~~ may develop a budget for the purpose of  
23 carrying out the duties of the local board under this section, subject to the  
24 approval of the chief elected official; and

25 (7) The local board ~~shall~~ may annually provide a progress report  
26 to the Board.

27 (b) The chief elected official in a local area ~~shall~~ may serve as the  
28 local grant recipient for, and ~~shall~~ may be liable for any misuse of, the  
29 grant funds allocated to the local area, unless the chief elected official  
30 reaches an agreement with the Governor for the Governor to act as the local  
31 grant recipient and bear the liability.

32 (c) In order to assist in the administration of the grant funds, the  
33 chief elected official or the Governor, where the Governor serves as the local  
34 grant recipient for a local area, may designate an entity to serve as a local  
35 grant subrecipient for the funds or as a local fiscal agent. The designation  
36 ~~shall~~ may not relieve the chief elected official or the Governor of the

1 liability for any misuse of grant funds.

2 (d) The local grant recipient or an entity ~~shall~~ may disburse the funds  
3 for workforce investment activities at the direction of the local board,  
4 pursuant to the requirements of this subchapter. The local grant recipient or  
5 entity ~~shall~~ may disburse the funds immediately on receiving the direction  
6 from the local board.

7 (e) The local board may contract for some or all of its administrative  
8 services in an amount consistent with the grant but in no case ~~shall~~ may the  
9 cost of administrative services exceed fifteen percent (15%) of the total cost  
10 of the program.

11 (f) The local board may solicit and accept grants and donations from  
12 sources other than federal funds.

13 (g) The local board, in partnership with the chief elected official,  
14 ~~shall~~ may conduct oversight with respect to local programs of youth  
15 activities, local adult employment and training, and the one-stop delivery  
16 system in the local area.

17 (h) The local board, the chief elected official, and the Governor ~~shall~~  
18 may negotiate and reach an agreement on local performance measures.

19 (i) The local board ~~shall~~ may assist the Governor in developing the  
20 statewide employment statistics system described in section 15(e) of the  
21 Wagner-Peyser Act as effective on September 1, 1999.

22 (j) The local board ~~shall~~ may coordinate the workforce investment  
23 activities carried out in the local area with economic development strategies  
24 and develop other employer linkages with the activities.

25 (k) The local board ~~shall~~ may promote the participation of private  
26 sector employers in the statewide workforce investment system and ensure the  
27 effective provision, through the system, of connecting, brokering, and  
28 coaching activities, through intermediaries like the one-stop operator in the  
29 local area or through other organizations, to assist the employers in meeting  
30 hiring needs.

31 (l) No local board may provide training services unless the Governor,  
32 pursuant to a request from the local board, grants a written waiver of the  
33 prohibition for a program of training services, if the local board:

34 (1) Submits to the Governor a proposed request for the waiver  
35 that includes:

36 (A) Satisfactory evidence that there is an insufficient

1 number of eligible providers of the program of training services to meet local  
2 demand in the local area;

3 (B) Information demonstrating that the board meets the  
4 requirements for an eligible provider of training services; and

5 (C) Information demonstrating that the program of training  
6 services prepares participants for an occupation that is in demand in the  
7 local area.

8 (2) Makes the proposed request available to eligible providers of  
9 training services and other interested members of the public for a public  
10 comment period of not less than thirty (30) calendar days.

11 (3) Includes, in final request for waiver, the evidence and  
12 information described in subdivisions (1)(1) and (1)(2) of this section.

13 (4) A waiver granted to a local board ~~shall~~ may apply for a  
14 period not to exceed one (1) year. The waiver may be renewed for additional  
15 periods not to exceed one (1) year, pursuant to requests from the local board.

16 (5) The Governor may revoke a waiver granted if the state  
17 determines that the local board involved has engaged in a pattern of  
18 inappropriate referrals to training services operated by the local board.

19 (m) Nothing in this section ~~shall~~ may be construed to provide a local  
20 board with the authority to mandate curricula for schools.

21 (n) A member of a local board may not:

22 (1) Vote on a matter under consideration by the local board:

23 (A) Regarding the provision of services by the member or by  
24 an entity that such member represents; or

25 (B) That would provide direct financial benefit to the  
26 member or the immediate family of the member; or

27 (2) Engage in any other activity determined by the Governor or by  
28 law to constitute a conflict of interest as specified in the state plan.

29 (o) There ~~shall~~ may be established, as a subgroup within each local  
30 board, a youth council appointed by the local board, in cooperation with the  
31 chief elected official for the local area.

32 (1)(A) The membership of each youth council ~~shall~~ may include:

33 (i) Members of the local board with special interest  
34 or expertise in youth policy;

35 (ii) Representatives of youth service agencies,  
36 including juvenile justice and local law enforcement agencies;

1 (iii) Representatives of local public housing  
2 authorities;

3 (iv) Parents of eligible youth seeking assistance  
4 under this Act;

5 (v) Individuals, including former participants, and  
6 representatives of organizations, that have experience relating to youth  
7 activities; and

8 (vi) Representatives of the Job Corps, as  
9 appropriate; and

10 (B) The membership of each youth council may include other  
11 individuals as the chairperson of the local board, in cooperation with the  
12 chief elected official, determines to be appropriate.

13 (2) Members of the youth council who are not members of the local  
14 board ~~shall~~ may be voting members of the youth council and nonvoting members  
15 of the board.

16 (3) The duties of the youth council include:

17 (A) Developing the portions of the local plan relating to  
18 eligible youth, as determined by the chairperson of the local board;

19 (B) Subject to the approval of the local board:

20 (i) Recommending eligible providers of youth  
21 activities, to be awarded grants or contracts on a competitive basis by the  
22 local board to carry out the youth activities; and

23 (ii) Conducting oversight with respect to the  
24 eligible providers of youth activities, in the local area;

25 (C) Coordinating youth activities in the local area; and

26 (D) Other duties determined to be appropriate by the  
27 chairperson of the local board.

28 (p) A local board may provide core services and/or intensive services,  
29 as defined in the Federal Workforce Investment Act of 1998, or may be  
30 designated or certified as a One-Stop Operator, only with the agreement of the  
31 chief elected official(s) and the Governor.

32

33 SECTION 10. Arkansas Code 15-4-2212 is amended to read as follows:

34 15-4-2212. Local plan for workforce investment system strategy.

35 (a) Each local board ~~shall~~ may develop and submit to the Governor a  
36 comprehensive five (5) year local plan in partnership with the appropriate

1 chief elected official. The plan ~~shall~~ may be consistent with the state plan  
2 and ~~shall~~ may be updated every three (3) years thereafter.

3 (b) The local plan ~~shall~~ may include:

4 (1) An identification of:

5 (A) The workforce investment needs of businesses, job  
6 seekers, and workers in the local area;

7 (B) The current and projected employment opportunities in  
8 the local area; and

9 (C) The job skills necessary to obtain the employment  
10 opportunities;

11 (2) A description of the one-stop delivery system to be  
12 established or designated in the local area, including:

13 (A) A description of how the local board ~~will~~ may ensure  
14 the continuous improvement of eligible providers of services through the  
15 system and ensure that the providers meet the employment needs of local  
16 employers and participants; and

17 (B) A copy of each memorandum of understanding concerning  
18 the operation of the one-stop delivery system in the local area;

19 (3) A description of the local levels of performance negotiated  
20 with the Governor and chief elected official to be used to measure the  
21 performance of the local area and to be used by the local board for measuring  
22 the performance of the local fiscal agent, eligible providers, and the one-  
23 stop delivery system, in the local area;

24 (4) A description and assessment of the type and availability of  
25 adult and dislocated worker employment and training activities in the local  
26 area;

27 (5) A description of how the local board ~~will~~ may coordinate  
28 workforce investment activities carried out in the local area with statewide  
29 rapid response activities, as appropriate;

30 (6) A description and assessment of the type and availability of  
31 youth activities in the local area, including an identification of successful  
32 providers of the activities;

33 (7) A description of the process used by the local board to  
34 provide an opportunity for public comment, including comment by  
35 representatives of businesses and comment by representatives of labor  
36 organizations, and input into the development of the local plan, prior to

1 submission of the plan;

2 (8) An identification of the entity responsible for the disbursement  
3 of grant funds as determined by the chief elected official or the Governor;

4 (9) A description of the competitive process to be used to award  
5 the grants and contracts in the local area for activities carried out under  
6 this Act; and

7 (10) Other information as the Governor may require.

8 (c) Prior to the date on which the local board submits a local plan  
9 under this section, the local board ~~shall~~ may:

10 (1) Make available copies of a proposed local plan to the public  
11 through public hearings and local news media;

12 (2) Allow members of the local board and members of the public,  
13 including representatives of business and representatives of labor  
14 organizations, to submit comments on the proposed local plan to the local  
15 board, not later than the end of the thirty (30) calendar day period beginning  
16 on the date on which the proposed local plan is made available; and

17 (3) Include with the local plan submitted to the Governor under  
18 this section any comments that represent a disagreement with the plan.

19 (d) The local plan submitted to the Governor under this section ~~shall~~  
20 may be considered to be approved by the Governor at the end of the ninety (90)  
21 day period beginning on the day the Governor receives the plan, unless the  
22 Governor makes a written determination during the ninety (90) day period that:

23 (1) Deficiencies in activities carried out under this Act have  
24 been identified, through audits or otherwise, and the local area has not made  
25 acceptable progress in implementing corrective measures to address the  
26 deficiencies; or

27 (2) The plan does not comply with this subchapter.

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