1		A Bill	
2	<b>,</b>		SENATE BILL 380
3			SENATE DILL 300
4 5			
6	•		
7			
8	<b>T</b>	Act To Be Entitled	
9		CHANGES IN SCOPE AND FOCU	S OF
10		TIONAL EMPLOYMENT PROGRAM;	
11		,	
12			
13		Subtitle	
14	AN ACT TO IMPLEME	ENT CHANGES IN SCOPE AND	
15	FOCUS OF THE ARKA	ANSAS TRANSITIONAL	
16	EMPLOYMENT PROGRA	AM.	
17			
18			
19	BE IT ENACTED BY THE GENERAL ASSEM	BLY OF THE STATE OF ARKANS	SAS:
20			
21	SECTION 1. Arkansas Code §	20-76-102 is amended to re	ead as follows:
22	20-76-102. Coordination of	state agency service deliv	very.
23	(a) <del>(l) To ensure that job-f</del>	inding assistance is being	<del>g adequately</del>
24	provided to food stamp and transit	ional employment assistan	ce recipients, the
25	Arkansas Employment Security Depar	tment may periodically sta	ation appropriate
26	staff for some portion of a workda	y in any county office of	the Department of
27	Human Services.		
28	<del>(2)</del> The Director of t	he Arkansas Employment Sec	curity Department
29	and the Director of the Department	of Human Services shall	enter into a
30	written agreement regarding the pr	ovision of the services to	o recipients of
31			
32	· · · · · · · · · · · · · · · · · · ·		-
33	1 ,	-	<del></del>
34			
35			
36	(2) The Arkansas Empl	oyment Security Department	t shall

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1
     appropriately train and supervise all employees and other persons who are
 2
     responsible for developing, evaluating, and managing personal responsibility
     agreements for transitional employment assistance recipients.
 3
 4
                 (3) The training and supervision shall include, but not be
 5
     limited to, a competency-based case management program to measure the
 6
     effectiveness of each plan and to provide appropriate oversight,
 7
     implementation, and training to identify and assist victims of domestic
 8
     violence.
 9
           (c) To ensure that all available state government resources are used
10
     to help transitional employment assistance recipients make the transition
11
     from welfare to work, each of the following state agencies and organizations
12
     shall also be required to work with the Department of Human Services Arkansas
13
     Employment Security Department in providing transitional employment
14
     assistance services:
15
                 (1)
                      The Arkansas Employment Security Department Department of
16
     Human Services;
17
                 (2)
                      The Department of Health;
                      The Department of Higher Education, including community
18
                 (3)
19
     colleges and the University of Arkansas Cooperative Extension Service;
20
                 (4)
                      The Department of Education;
21
                 (5)
                      The Arkansas Development Finance Authority;
22
                 (6)
                      The Arkansas Economic Development Commission;
23
                 (7)
                      The Arkansas State Highway and Transportation Department;
                 (8)
24
                      The Department of Finance and Administration, including the
25
     Office of Child Support Enforcement;
26
                 (9) The State Child Abuse and Neglect Prevention Board;
27
                 (10)
                       The Arkansas Literacy Council, Inc.;
28
                       The Department of Workforce Education; and
                 (11)
29
                       Other state agencies as directed by the Governor or as
                 (12)
30
     directed by the General Assembly.
31
           (d) State agencies required under subsection (c) of this section to
32
     work with the Department of Human Services Arkansas Employment Security
33
     Department in providing transitional employment assistance services to
34
     recipients shall make every effort to use financial resources in their
35
     respective budgets and to seek additional funding sources, whether private or
36
     federal, to supplement the moneys allocated by the Department of Human
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- $1 \hspace{0.5cm} \underline{\textbf{Services}} \hspace{0.1cm} \underline{\textbf{Arkansas}} \hspace{0.1cm} \underline{\textbf{Employment Security Department}} \hspace{0.1cm} \textbf{for the Transitional}$
- 2 Employment Assistance Program.
- 3 (e) All agencies of the state and local governments providing program
- 4 services shall work cooperatively with and provide any necessary assistance
- 5 to the General Assembly and the Arkansas Transitional Employment Board and
- 6 shall furnish, in a timely manner, complete and accurate information
- 7 regarding the program to legislative committees and the board upon request.
- 8 (f) The Arkansas Employment Security Department and the Department of
- 9 Human Services are directed to enter into an interagency agreement under
- 10 which the Department of Human Services shall continue providing cash
- 11 assistance and diversion assistance to all Transitional Employment Assistance
- 12 Program clients.

- SECTION 2. Arkansas Code § 20-76-105(c) and (d), concerning membership
- 15 of the Arkansas Transitional Employment Board, are amended to read as
- 16 follows:
- 17 (c)(1) The appointed members of the Arkansas Transitional Employment
- 18 Board shall serve four-year staggered terms.
- 19 (2) Initial appointed members of the Arkansas Transitional
- 20 Employment Board shall draw lots to determine the length of their terms.
- 21 (3) The Director of the Department of Human Services shall call
- 22 the first meeting of the Arkansas Transitional Employment Board within thirty
- 23 (30) calendar days of their appointments, and the Governor, in consultation
- 24 with the chairs of the House Committee on Public Health, Welfare, and Labor
- 25 and the Senate Committee on Public Health, Welfare, and Labor, shall select a
- 26 chairperson from among the appointed members.
- 27 (4)(2) Five (5) members of the Arkansas Transitional Employment
- 28 Board shall constitute a quorum.
- 29 (5)(3) Only the nine (9) appointed members shall serve as voting
- 30 members.
- 31  $\frac{(6)}{(4)}$  No member may authorize a designee to vote in his or her
- 32 behalf.
- 33 (7)(5) The Arkansas Transitional Employment Board shall meet
- 34 with the Governor every six (6) months or as frequently as it deems
- 35 necessary, upon request of the chairperson.
- 36  $\frac{(8)(6)(A)}{(8)(8)}$  A majority of the All appointed members shall be

1 citizens with no direct fiduciary interest in programs involved with or 2 funded by the Transitional Employment Assistance Program or Temporary Assistance for Needy Families funds except for current or former 3 4 participants in the Transitional Employment Assistance Program. 5 (B) If an organization receives Transitional Employment 6 Assistance Program funds or Temporary Assistance for Needy Families funds, no 7 member of the senior management of the organization may be a member of the 8 board. 9 (9)(7)(A) The Governor may remove an appointed member for cause. 10 (B) An absence from three (3) consecutive meetings shall 11 result in automatic removal unless the member is excused by the chair. 12 (10)(8)(A) Vacancies on the Arkansas Transitional Employment 13 Board shall be filled in the same manner as the original appointment for the 14 unexpired portion of the term. 15 (B) If a vacancy occurs in a position filled by nominees 16 from either the President Pro Tempore of the Senate or the Speaker of the 17 House of Representatives, the member shall be appointed by the Governor from a list of at least four (4) nominees, of whom at least two (2) shall be 18 19 submitted by the President Pro Tempore of the Senate and at least two (2) shall be submitted by the Speaker of the House of Representatives. 20 21 (d)(1) The Arkansas Transitional Employment Board shall: 22 (1)(A) Review, recommend, and approve transitional 23 employment assistance regulations developed by the Department of Human 24 Services and the Arkansas Employment Security Department; 25  $\frac{(2)(A)}{(B)}$  (B) Oversee the operation of the program and 26 progress toward the program outcomes.; 27 (B)(C) Develop a performance management plan for 28 achievement of the transitional employment assistance outcomes that includes: 29 (i) Performance measures for each of the outcomes 30 and federal performance requirements; 31 (ii) Setting targets for each of the outcomes and 32 requirements; 33 (iii) Reporting requirements for the department and 34 each county on their progress toward outcome targets; 35 (iv) Measures for accountability for county and 36 state offices for progress in meeting the targets, which include increased

1 flexibility and funding for offices meeting the targets and corrective action for offices not meeting the targets; and 2 3 (v) Reporting on the operation of the performance 4 management plan to the Governor and the cochairs of the House Interim 5 Committee on Public Health, Welfare, and Labor and the Senate Interim 6 Committee on Public Health, Welfare, and Labor; 7 (3)(D) Coordinate the activities of all state agencies 8 involved in the program, including moderating disagreements among those state 9 agencies about their respective responsibilities in the program and 10 facilitating their active collaboration; 11 (4)(E) Employ necessary staff to assist with the range and 12 diversity of its charge; (5)(F) Review, recommend, and approve annually updates of 13 14 the state's transitional employment assistance plan by December 1 of each 15 year for the next year and report on the updated plan to the Governor and the 16 House Committee on Public Health, Welfare, and Labor and the Senate Committee 17 on Public Health, Welfare, and Labor; 18 (6) Review, recommend, and approve charters, recharters, 19 or dissolutions of local coalitions recommended by the Department of Human 20 Services; 21 (7) Review, recommend, and approve Department of Human 22 Services guidelines to local coalitions regarding annual plan development; 23 (8) Review, recommend, and approve guidelines for the 24 funding of local coalitions; 25 (9)(G) Review, recommend, and approve all requests for 26 proposals using program moneys and state-controlled welfare-to-work moneys; 27 (10) Initiate activities to foster multicounty 28 collaboration, including establishing incentives for local coalitions with 29 small caseloads to combine and become multicounty coalitions; (11)(H) Respond to and report on citizens' concerns about 30 31 the implementation and administration of the program; 32 (12)(I) Review, recommend, and approve standards of 33 eligibility for assistance developed by the Department of Human Services; 34 (13)(J) Review the Department of Human Services' and the 35 Arkansas Employment Security Department's plans for bonus awards and 36 employee incentives focused on achieving program outcomes;

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1
                       (14)(K) Submit biannual reports to the House Committee on
 2
     Public Health, Welfare, and Labor and the Senate Committee on Public Health,
 3
     Welfare, and Labor and to the Governor;
 4
                       (15) Require that, prior to approval, each local
 5
     transitional employment assistance implementation plan describe a method by
 6
     which the corresponding regional workforce investment board will support the
 7
     local transitional employment assistance implementation plan;
 8
                       (16)(L) Contract for an independent evaluation of the
9
     program;
10
                       (17) Review, recommend, and approve a plan developed by
11
     the Department of Human Services for home visits to check on the safety and
12
     well-being of children in families that have lost transitional employment
13
     assistance cash assistance for any reason other than employment;
14
                       (18) Provide guidance and oversight to the Governor's
15
     Partnership Council on Children and Families, which is a collaborative
16
     partnership with the Department of Health, the Department of Education, and
17
     the Department of Human Services;
18
                       (19)(M) Review, recommend, and approve a plan developed by
19
     the Department of Human Services Arkansas Employment Security Department to
20
     provide services and information to former program recipients to help them
21
     stay employed and to achieve progressively higher wages and earnings;
22
                       (20)(N) Review, recommend, and approve a plan developed by
23
     the Department of Human Services Arkansas Employment Security Department for
24
     pilot projects to provide employment training, job search services, and
     parenting education to noncustodial parents of children in transitional
25
26
     employment assistance families that cannot pay child support because of
     unemployment or low earnings;
27
28
                       (21)(0)(i) The Arkansas Transitional Employment Board
29
     shall utilize Utilize the expertise of the Arkansas Workforce Investment
30
     Board, the Arkansas Transitional Employment Board, and the Department of
31
     Higher Education to jointly: (A) Develop develop a plan for contracting with
32
     state agencies, two-year technical institutions colleges, technical
33
     institutions, local governments, or private or community organizations to
34
     establish, using available Temporary Assistance for Needy Families funds, at
35
     least three (3) demonstration projects, to develop job training certificate
36
     programs.
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1
                             (B)(ii) The job training certificate programs shall
 2
     provide short-term training designed to prepare low-income parents and others
 3
     for jobs that pay significantly more than minimum wage and that are available
 4
     in the area.
 5
                             (C)(iii) The projects shall be designed in
 6
     consultation with local employers, temporary employment assistance
 7
     coalitions, and workforce investment boards to identify appropriate job
8
     opportunities and needed skills and training.
9
                             (D)(iv) Contracts shall include performance-based
10
     payments keyed to enrollments, completion, job placement, and job retention.
11
                             (E)(v) Temporary Assistance for Needy Families may
12
     be combined with other state and federal funds in ways consistent with
     federal laws and rules; and
13
14
                       \frac{(22)(A)}{(W)(i)} Oversee the operation of transitional
15
     employment assistance child care and transitional child care with the goals
16
     of maintaining the current provision of child care to families receiving
     transitional employment assistance and families who have left transitional
17
18
     employment assistance, to maximize child care available to low-income
19
     families and to avoid overspending the biennial budget for child care.
20
                             (B)(ii) The Arkansas Transitional Employment Board
21
     may authorize an increase in the spending cap on low-income child care if it
22
     certifies to the Governor and the Chief Fiscal Officer of the State that the
23
     additional expenditure of funds will not result in shortfalls in the
24
     transitional employment assistance child care or transitional child care
25
     budgets under existing conditions.
26
                             (C)(iii) If the Arkansas Transitional Employment
27
     Board certifies to the Governor and the Chief Fiscal Officer of the State and
28
     notifies the Legislative Council and the House Interim Committee on Public
29
     Health, Welfare, and Labor and the Senate Interim Committee on Public Health,
30
     Welfare, and Labor that the action is necessary to avoid overspending the
     biennial budget for child care, it may authorize one (1) or more of the
31
32
     following actions:
33
                                   (i)(a) An increase in the copayment schedule
34
     for transitional child care;
35
                                   (ii) (b) An allocation of further Temporary
36
     Assistance to Needy Families funds;
```

1	$\frac{(111)^2(C)}{C}$ A reduction of a total of twenty-lour
2	(24) months in the transitional child care assistance available to temporary
3	employment assistance recipients who leave assistance after the reduction; or
4	(iv)(d) A reduction in the spending cap for
5	low-income child care; and.
6	(23)(A) Oversee and coordinate the operation of the local
7	coalitions with the goals of continuing their strong contributions to the
8	success of transitional employment assistance recipients, former transitional
9	employment assistance recipients, and the Arkansas Transitional Employment
10	Assistance Program, including recruiting new members, arranging training so
11	that coalition officers and members can understand the resources and services
12	available to further their mission, fostering collaboration with workforce
13	investment boards, and assisting local coalitions to obtain available funding
14	from state, local, private, and nonprofit sources to support their
15	activities.
16	(B) The Arkansas Transitional Employment Board shall
17	distribute any state funds available to the local coalitions on a competitive
18	<del>basis.</del>
19	(2)(A) Actions taken by the Arkansas Transitional Employment
20	Board regarding the Transitional Employment Program shall be submitted to the
21	Director of the Arkansas Employment Security Department for review.
22	(B) Actions receiving unfavorable review by the Director
23	of the Arkansas Employment Security Department shall be returned to the
24	Arkansas Transitional Employment Board for reconsideration and new action.
25	
26	SECTION 3. Arkansas Code § 20-76-105(g), concerning the Agency
27	Advisory Council, is repealed:
28	(g) The Agency Advisory Council shall be formed to advise and to meet
29	in conjunction with the Arkansas Transitional Employment Board. The council
30	shall be composed of the following members or other members as the Arkansas
31	Transitional Employment Board may determine:
32	(1) The Director of the Division of County Operations of the
33	Department of Human Services;
34	(2) The Director of the State Child Abuse and Neglect Prevention
35	Board;
36	(3) The Director of the Division of Child Care and Early

1	Childhood Education of the Department of Human Services;
2	(4) The Director of the Office of Child Support Enforcement;
3	(5) The Director of the Department of Education;
4	(6) The Director of the Arkansas Development Finance Authority;
5	(7) The Director of the Arkansas State Highway and
6	Transportation Department;
7	(8) One (1) member of the Arkansas Workforce Investment Board
8	Executive Committee; and
9	(9) Two (2) members of local coalitions selected by the chair of
10	the board.
11	
12	SECTION 4. Arkansas Code § 20-76-105(m) (o), concerning the
13	executive committee of the Arkansas Transitional Employment Board, are
14	amended to read as follows:
15	(m)(1) The Arkansas Transitional Employment Board shall select three
16	(3) of its members to form an executive committee.
17	(2) On those rare occasions when it becomes necessary for the
18	Department of Human Services or the Arkansas Employment Security Department
19	to take action on matters regarding the program between meetings of the
20	Arkansas Transitional Employment Board, the director is authorized to contact
21	the executive committee to receive direction on how to proceed.
22	(3) Any decisions or guidance given to the Department of Human
23	Services or the Arkansas Employment Security Department by the executive
24	committee shall be reported to the Arkansas Transitional Employment Board at
25	its next meeting.
26	(4) Other duties may be assigned to the executive committee by a
27	majority vote of the Arkansas Transitional Employment Board.
28	(5) This procedure may be changed by a majority vote of the
29	Arkansas Transitional Employment Board.
30	(n) $\underline{(1)}$ The Department of Human Services shall develop and maintain the
31	indicators for the program outcomes $\underline{\text{listed in subdivision (1)(1) of this}}$
32	section subject to review and approval by the Arkansas Transitional
33	Employment Board.
34	(2) The Arkansas Employment Security Department shall develop
35	and maintain the indicators for the program outcomes listed in subdivisions
36	(1)(2) (5) of this section subject to review and approval by the Arkansas

- 1 Transitional Employment Board.
- 2 (o)(1) The <u>Arkansas Employment Security Department and the</u> Department
- 3 of Human Services shall develop proper targets for each program outcome by
- 4 July 1 of each year, beginning with July 1, 2002, subject to review and
- 5 approval by the Arkansas Transitional Employment Board.
- 6 (2) The Arkansas Transitional Employment Board shall adopt the
- 7 targets at the first meeting after July 1 of each year.
- 8 (3) The Arkansas Transitional Employment Board shall review and
- 9 report on progress in achieving the targets by December 10 and June 10 of
- 10 each year.
- 11 (4)(A) Reports shall be submitted to the Governor and to the
- 12 House Interim Committee on Public Health, Welfare, and Labor and the Senate
- 13 Interim Committee on Public Health, Welfare, and Labor.
- 14 (B) The report shall include comments from the Department
- of Human Services, the Arkansas Employment Security Department, and other
- 16 relevant state agencies about their activities and their progress toward the
- 17 program outcome targets.

- 19 SECTION 5. Arkansas Code § 20-76-106(b) and (c), concerning the
- 20 statewide implementation plan of the Transitional Employment Assistance
- 21 Program, are amended to read as follows:
- 22 (b) At a minimum, the transitional employment assistance
- 23 implementation plan shall include:
- 24 (1) Performance standards and measurement criteria for state and
- 25 county offices of the Department of Human Services, the Arkansas Employment
- 26 Security Department, and all service providers under the program;
- 27 (2) Contract guidelines for contract service providers under the
- 28 program;
- 29 (3) Guidelines for training transitional employment assistance
- 30 service providers, whether state employees or contract providers;
- 31 (4) Functions to be performed by each state agency in helping
- 32 recipients make the transition from welfare to work;
- 33 (5) Guidelines for clarifying or, if necessary, modifying the
- 34 rules of the state agencies charged with implementing the program so that all
- 35 unnecessary duplication is eliminated;
- 36 (6) Guidelines for modifying compensation and incentive programs

- 1 for state employees in order to achieve the performance outcomes necessary
- 2 for successful implementation of the program;
- 3 (7) Guidelines for timely assessments for each participant which
- 4 lead to an individual personal responsibility agreement that identifies the
- 5 strengths of the participant and the barriers faced in obtaining a job and
- 6 reaching self-sufficiency and the services to be provided to assist the
- 7 participant in finding and keeping work and in moving toward self-
- 8 sufficiency;
- 9 (8) Guidelines for timely provision of needed support services
- 10 as specified in the individual personal responsibility agreement. These
- 11 guidelines shall include procedures for evaluating the quality and value of
- 12 assessments and the provision of support services;
- 13 (9) Guidelines governing job search requirements for
- 14 transitional employment assistance applicants;
- 15 (10) Guidelines governing the provision of support services to
- 16 transitional employment assistance participants and former transitional
- 17 employment assistance participants to assist them in retaining employment and
- 18 earning higher wages and career advancement;
- 19 (11) Guidelines governing the combining of work with education
- 20 and training;
- 21 (12) Guidelines for the independent evaluation of all cases
- 22 closed due to sanctions or time limits;
- 23 (13) A micro-lending program and an individual development trust
- 24 account demonstration project for program recipients;
- 25 (14) Application guidelines and requirements for chartering
- 26 local coalitions to plan and coordinate the delivery of services under the
- 27 program at the local level;
- 28 (15)(14) Criteria for relocation of program recipients which
- 29 take into account factors, including, but not limited to, job availability,
- 30 availability of support services, and proximity of relocation area to current
- 31 residence;
- 32 (16) Criteria for the approval of the implementation plans
- 33 submitted by local coalitions;
- 34 (17) Criteria for allocating program resources to local
- 35 coalitions:
- 36 (18)(15) Criteria for prioritizing work activities of program

- l recipients in the event that funds are projected to be insufficient to
- 2 support full-time work activities of program recipients. The criteria may
- 3 include, but not be limited to, priorities based on the following:
- 4 (A) At least one (1) adult in each two-parent family shall
- 5 be assigned priority for full-time work activities;
- 6 (B) Among single-parent families, a family that has older
- 7 preschool children or school-age children shall be assigned priority for work
- 8 activities;
- 9 (C) A recipient who has access to nonsubsidized child care
- 10 may be assigned priority for work activities; and
- 11 (D) Priority may be assigned based on the amount of time
- 12 remaining until the recipient reaches the applicable time limit for program
- 13 participation or may be based on requirements of a personal responsibility
- 14 agreement; and
- 15  $\frac{(19)(16)}{(16)}$  The development of a performance-based payment
- 16 structure to be used for all program services which takes into account the
- 17 degree of difficulty associated with placing a program recipient in a job,
- 18 the quality of placement with regard to salary, benefits, and opportunities
- 19 for advancement, and the recipient's retention of the placement. The payment
- 20 structure should provide, if appropriate, bonus payments to providers that
- 21 experience notable success in achieving long-term job retention with program
- 22 recipients.
- 23 (c)(1)(A) The <del>Department of Human Services</del> Arkansas Employment
- 24 <u>Security Department</u> shall prepare an annual transitional employment
- 25 assistance implementation plan.
- 26 (B) The plan shall be subject to review, recommendation,
- 27 and approval by the Arkansas Transitional Employment Board.
- 28 (2) The Arkansas Transitional Employment Board shall submit
- 29 quarterly progress reports to the Governor, the House Committee on Public
- 30 Health, Welfare, and Labor, and the Senate Committee on Public Health,
- 31 Welfare, and Labor.
- 32 (3) The annual updated plan shall contain proposals for
- 33 measuring and making progress toward the transitional employment assistance
- 34 outcomes during the succeeding three-year period.
- 35 <u>(4)</u> The quarterly progress reports to the Governor, the House
- 36 Committee on Public Health, Welfare, and Labor, and the Senate Committee on

2	the Arkansas Transitional Employment Board deems necessary for determining
3	progress in achieving the outcomes.
4	(5) Information shall be provided for the state, each employment
5	opportunity district, and each county.
6	(6) The report shall also include all information requested by
7	resolution of the House Committee on Public Health, Welfare, and Labor and
8	the Senate Committee on Public Health, Welfare, and Labor.
9	(7) This report shall include a copy of all federal monthly,
10	quarterly, and annual reports submitted by the Department of Human Services
11	regarding the Temporary Assistance for Needy Families program.
12	
13	SECTION 6. Arkansas Code § 20-76-108 is repealed:
14	20-76-108. Local transitional employment assistance coalitions.
15	(a)(1) Each local transitional employment assistance coalition may
16	select from its existing membership a local board to consist of at least
17	eleven (11) members, or the coalition may choose to retain its existing board
18	or have the entire coalition serve as the board. Each local coalition shall
19	designate an interim chair who shall call the first meeting of the local
20	board not more than thirty (30) days after selection of the board members.
21	(2) The membership of each coalition may include:
22	(A) Representatives of the principal entities that provide
23	funding for the employment, education, training, and social service programs
24	that are operated in the area;
25	(B) A representative of the chamber of commerce;
26	(C) A representative of the Department of Human Services;
27	(D) A representative of a community development
28	organization;
29	(E) Representatives of the business community who
30	represent a diversity of sizes of business;
31	(F) Representatives of other local planning, coordinating,
32	or service-delivery entities; and
33	(G) A representative of a grassroots community or economic
34	development organization that serves the poor of the community.
35	(3)(A) In selecting new or replacement members for the local
36	board, the local coalition shall:

Public Health, Welfare, and Labor shall include all information which that

I	(i) Seek to select a majority of business persons;
2	(ii) Seek to select individuals who represent local
3	government, program recipients, and organizations interested in providing
4	employment, job training, social services, and community and economic
5	development programs;
6	(iii) Seek a membership which reflects the gender
7	and ethnic character of the local community; and
8	(iv) Seek to appoint a member of the local workforce
9	investment board.
10	(B) A majority of the board shall be citizens with no
11	direct fiduciary interest in programs involved with the Transitional
12	Employment Assistance Program.
13	(4) No member of the local board shall:
14	(A) Vote on a matter under consideration by the board
15	regarding the provision of services by the member that would provide direct
16	financial benefit to the member, the immediate family of the member, or an
17	organization that employs the member; or
18	(B) Engage in any other activity determined by law to
19	constitute a conflict of interest.
20	(5)(A) Members of each local board shall serve three year terms.
21	The members at their first meeting shall draw lots to determine their
22	respective lengths of term; and
23	(B) The members shall elect a chair to serve a one-year
24	term.
25	(b)(1) The local board shall:
26	(A) Plan and coordinate the delivery of program services
27	<del>in its area;</del>
28	(B) Replace vacancies in membership with the goal of
29	establishing or retaining a majority of business persons;
30	(C) Moderate and propose solutions to disagreements
31	between or among local offices of state agencies regarding their duties and
32	responsibilities in the local program;
33	(D) Report on the participation of state agencies in local
34	programs and periodically report its findings to the Arkansas Transitional
35	Employment Board;
36	(E) Annually update the local coalition's implementation

1	<del>plan;</del>
2	(F) Apply to the Arkansas Transitional Employment Board
3	for any changes in the local transitional employment assistance coalition's
4	<del>charter;</del>
5	(G) Receive funding via the fiscal agent approved in the
6	<pre>local implementation plan;</pre>
7	(H) Employ necessary staff to assist with the range and
8	diversity of its charge;
9	(I) Coordinate with local offices of state agencies in
10	implementing state and local implementation plans and regulations;
11	(J) Contract for services to be provided to program
12	recipients; and
13	(K) Develop a local transportation plan that emphasizes
14	cost-effective, long-term solutions for the transportation challenges that
15	face program recipients, former program recipients, and other poor Arkansas
16	families in their areas.
17	$(2)(\Lambda)$ Transportation services under this policy may include
18	subsidized public transit, van-pooling, and subsidized vehicle purchase and
19	maintenance plans.
20	(B) The department shall not approve the local
21	implementation plan of a local coalition unless the plan provides a teen
22	pregnancy prevention program within each segment of the service area in which
23	the teen fertility rate is higher than the state average.
24	(C) The department shall not approve the local
25	implementation plan of a local coalition unless the local implementation plan
26	includes a teen pregnancy prevention program within each county of the
27	service area in which the teen fertility rate is higher than the state
28	average, based on the most recent five year data available from the
29	Department of Health.
30	(D) The department shall not approve the local
31	implementation plan of a local coalition unless the local implementation plan
32	includes a teen pregnancy prevention program within each county of the
33	service area that ranks among the five (5) counties in the state with the
34	highest number of births to teens, based on the most recent five-year data
35	available from the Department of Health.
36	(E) The effective date of subdivisions (b)(2) and

1 (b)(1)(K) of this section shall be July 1, 1999. 2 (c) Each local coalition shall establish a business registry for 3 business firms committed to assist in the effort of finding jobs for program 4 recipients. Registered businesses agree to work with the coalition and to 5 hire program recipients to the maximum extent possible consistent with the 6 nature of their business. Each quarter, the coalition shall publish a list of 7 the businesses registered, the number of jobs each has provided for program 8 recipients, and the current job openings with each registered business. 9 (d) There shall be no liability on the part of and no cause of action 10 of any nature shall arise against any member of the coalition board or its 11 agents or employees for any action or omission by them in the performance of 12 their powers and duties under this chapter. 13 14 SECTION 7. Arkansas Code § 20-76-109 is amended to read as follows: 15 20-76-109. Use of contracts. 16 The Department of Human Services Arkansas Employment Security 17 Department should, as appropriate, provide work activities, training, and 18 other services through contracts. In contracting for work activities, 19 training, or services, the following apply: 20 (1)(A) A contract shall be performance-based. 21 (B) Whenever possible, payment shall be tied to 22 performance outcomes that include factors such as, but not limited to, job 23 entry, job entry at a target wage, and job retention, rather than tied to 24 completion of training or education or any other phase of the program 25 participation process+; 26 (2)(A) A contract may include performance-based incentive 27 payments that may vary according to the extent to which the recipient is more 28 difficult to place. 29 (B)(i) Contract payments may be weighted proportionally to 30 reflect the extent to which the recipient has limitations associated with the 31 long-term receipt of welfare and difficulty in sustaining employment. 32 (ii) The factors may include the extent of the 33 recipient's prior receipt of welfare, lack of employment experience, lack of 34 education, lack of job skills, and other factors determined appropriate by 35 the department.; 36 (3) Each contract awarded under the Arkansas Transitional

- 1 Employment Program shall be awarded in accordance with state procurement and 2 contract laws→; and 3 (4)(A) The department may contract with commercial, charitable, 4 or religious faith-based organizations. 5 (B) A contract must comply with federal requirements with 6 respect to nondiscrimination and other requirements that safeguard the rights 7 of participants. 8 (C) Services may be provided under contract, certificate, 9 voucher, or other form of disbursement. 10 11 SECTION 8. Arkansas Code Title 20, Chapter 76, Subchapter 1 is amended 12 to add additional sections to read as follows: 20-76-110. Arkansas Transitional Employment Assistance Transition 13 14 Workgroup. 15 (a) There is created an Arkansas Transitional Employment Assistance 16 Transition Workgroup that shall be composed of the following members: (1) The Director of the Arkansas Employment Security Department; 17 18 (2) One (1) member from the executive staff of the Arkansas 19 Transitional Employment Board; 20 (3) The Director of the Division of County Operations of the 21 Department of Human Services; 22 (4) One (1) senior staff member from the Department of Human 23 Services appointed by the Director of the Department of Human Services; 24 (5) Three (3) members to be appointed by the Governor, two (2) 25 with direct administrative experience in transitions of welfare programs to 26 workforce agencies and one (1) of whom shall be a current or former 27 transitional employment assistance or Aid to Families with Dependent Children 28 recipient; and 29 (6) Two (2) members, one (1) to be appointed by the Chair of the 30 House Committee on Public Health, Welfare, and Labor and one (1) to be 31 appointed by the Chair of the Senate Committee on Public Health, Welfare, and 32 Labor.
- 33 (b) The members appointed by the Governor and the committee chairs 34 shall not be Arkansas state employees.
- 35 <u>(c)(1) The appointed members of the Arkansas Transitional Employment</u> 36 Assistance Transition Workgroup shall serve through the full period of

1	operation of the workgroup.
2	(2)(A) The Director of the Arkansas Employment Security
3	Department shall call the first meeting of the Arkansas Transitional
4	Employment Assistance Transition Workgroup within thirty (30) calendar days
5	of the appointments of the members.
6	(B) The Director of the Arkansas Employment Security
7	Department shall serve as chair for the workgroup.
8	(3) Five (5) members of the Arkansas Transitional Employment
9	Assistance Transition Workgroup shall constitute a quorum.
10	(4)(A) The Arkansas Transitional Employment Assistance
11	Transition Workgroup shall meet at least two (2) times before July 1, 2005,
12	or the effective date of the transfer of the Transitional Employment
13	Assistance Program responsibilities to the Arkansas Employment Security
14	Department.
15	(B) The workgroup shall meet as often as necessary to
16	complete its statutory responsibilities.
17	(5) The Arkansas Transitional Employment Assistance Transition
18	Workgroup shall be dissolved after completing its statutory responsibilities
19	at the decision of the Director of the Arkansas Employment Security
20	Department with the consent of the Chair of the House Committee on Public
21	Health, Welfare, and Labor and the Chair of the Senate Committee on Public
22	Health, Welfare, and Labor.
23	(6) The Governor may remove an appointed member for cause.
24	(7) Vacancies on the Arkansas Transitional Employment Assistance
25	Transition Workgroup shall be filled in the same manner as the original
26	appointment for the unexpired portion of the term.
27	(d) The Arkansas Transitional Employment Assistance Transition
28	Workgroup shall:
29	(1) Develop recommendations to the Directors of the Arkansas
30	Employment Security Department, the Department of Human Services, and the
31	Arkansas Transitional Employment Board to guide the implementation of the
32	transfer of the Transitional Employment Assistance Program responsibilities
33	from the Department of Human Services to the Arkansas Employment Security
34	$\underline{\text{Department, the efficient operation of the Transitional Employment Assistance}}$
35	Program, and use of Temporary Assistance for Needy Families funds;
36	(2) Develop measures and benchmarks to gauge the progress of

1	<pre>implementation;</pre>
2	(3) Review the progress of implementation at six-month and
3	twelve-month intervals and make recommendations to the Directors of the
4	Arkansas Employment Security Department, the Department of Human Services,
5	and the Arkansas Transitional Employment Board proposing improvements;
6	(4) Request reports or information from the Directors of the
7	Arkansas Employment Security Department, the Department of Human Services,
8	and the Arkansas Transitional Employment Board; and
9	(5) Submit reports to the Governor and to the Chair of the House
10	Committee on Public Health, Welfare, and Labor and the Chair of the Senate
11	Committee on Public Health, Welfare, and Labor about the guidelines and the
12	progress in implementation.
13	(e) Staff support to the Arkansas Transitional Employment Assistance
14	Transition Workgroup shall be provided by the Arkansas Employment Security
15	Department, the Department of Human Services, the Arkansas Transitional
16	Employment Board, and the Bureau of Legislative Research.
17	
18	20-76-111. Transfers of powers, duties, and personnel
19	(a) The Arkansas Employment Security Department and the Department of
20	Human Services shall enter into an interagency agreement transferring
21	responsibility for the Transitional Employment Assistance Program block grant
22	and for the administration of the Transitional Employment Assistance Program
23	in accordance with this subchapter.
24	(b) Personnel identified by contract or interagency agreement as
25	performing duties that are transferred from the Department of Human Services
26	to the Arkansas Employment Security Department shall be transferred to the
27	Arkansas Employment Security Department where they shall continue serving the
28	needs of Transitional Employment Assistance Program recipients, subject to
29	the standard personnel policies of the Arkansas Employment Security
30	Department.
31	
32	SECTION 9. Arkansas Code § 20-76-401(a), concerning eligibility for
33	the Transitional Employment Assistance Program, is amended to read as
34	follows:
35	(a) $\underline{(1)}$ The Transitional Employment Assistance Program is created.
36	(2) The program shall be administered by the Department of Human

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     Services and the Arkansas Employment Security Department.
 2
                 (3) Eligible applicants shall receive one (1) or more of the
 3
     following: assessment services, employment assistance, support services,
 4
     medical assistance, a positive reinforcement outcome bonus, relocation
 5
     assistance, and extended support services.
 6
 7
           SECTION 10. Arkansas Code § 20-76-402(a), concerning work activities
8
     in the Transitional Employment Assistance Program, is amended to read as
 9
     follows:
10
                The Department of Human Services Arkansas Employment Security
           (a)
11
     Department shall develop and describe categories of approved work activities
12
     for transitional employment assistance recipients in accordance with this
     section. The regulations shall be subject to review, recommendation, and
13
14
     approval by the Arkansas Transitional Employment Board. Approved work
15
     activities may include unsubsidized employment, subsidized private sector
16
     employment, subsidized public sector employment, education or training,
17
     vocational educational training, skills training, job search and job
18
     readiness assistance, on-the-job training, micro enterprise, community
19
     service, and work experience. For purposes of this section:
20
                 (1) "Unsubsidized employment" is full-time employment or part-
21
     time employment that is not directly supplemented by federal or state funds;
22
                 (2)(A) "Subsidized private sector employment" is employment in a
23
     private for-profit enterprise or a private not-for-profit enterprise which is
24
     directly supplemented by federal or state funds. A program recipient in
25
     subsidized private sector employment shall be eligible for the same benefits
26
     as a nonsubsidized employee who performs similar work. Prior to receiving any
27
     subsidy or incentive, an employer shall enter into a written contract with
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     the department which may include, but not be limited to, provisions
29
     addressing any of the following:
30
                             (i) Payment schedules for any subsidy or incentive
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     such as deferred payments based on retention of the recipient in employment;
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                             (ii) Durational requirements for the employer to
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     retain the recipient in employment;
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                             (iii) Training to be provided to the recipient by
35
     the employer;
                             (iv) Contributions, if any, made to the recipient's
36
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1 individual development account; and 2 (v) Weighting of incentive payments proportionally 3 to the extent to which the recipient has limitations associated with the 4 long-term receipt of welfare and difficulty in sustaining employment. In 5 establishing incentive payments, the department shall consider the extent of 6 the recipient's prior receipt of welfare, lack of employment experience, lack 7 of education, lack of job skills, and other appropriate factors. 8 (B) The department may require an employer to repay some 9 or all of a subsidy or incentive previously paid to an employer under the 10 program unless the recipient is terminated for cause; 11 (3)(A) "Subsidized public sector employment" is employment by an 12 agency of the federal, state, or local government which is directly supplemented by federal or state funds. A program recipient in subsidized 13 14 public sector employment shall be eligible for the same benefits as a 15 nonsubsidized employee who performs similar work. Prior to receiving any 16 subsidy or incentive, an employer shall enter into a written contract with 17 the department which may include, but not be limited to, provisions addressing any of the following: 18 19 (i) Payment schedules for any subsidy or incentive 20 such as deferred payments based on retention of the recipient in employment; 21 (ii) Durational requirements for the employer to 22 retain the recipient in employment; 23 (iii) Training to be provided to the recipient by 24 the employer; 25 (iv) Contributions, if any, made to the recipient's 26 individual development account; and 27 (v) Weighting of incentive payments proportionally 28 to the extent to which the recipient has limitations associated with the 29 long-term receipt of welfare and difficulty in sustaining employment. In 30 establishing incentive payments, the department shall consider the extent of the recipient's prior receipt of welfare, lack of employment experience, lack 31 32 of education, lack of job skills, and other appropriate factors. 33 (B) The department may require an employer to repay some 34 or all of a subsidy and incentive previously paid to an employer under the 35 program unless the recipient is terminated for cause;

(4) "Work experience" is job-training experience at a supervised

- l public or private not-for-profit agency or organization or with a private
- 2 for-profit employer which is linked to education or training and
- 3 substantially enhances a recipient's employability. Work experience may
- 4 include work study, training-related practicums, and internships;
- 5 (5)(A) "Job search assistance" may include supervised or
- 6 unsupervised job-seeking activities. Job readiness assistance provides
- 7 support for job-seeking activities, which may include:
- 8 (i) Orientation in the world of work and basic job-
- 9 seeking and job-retention skills;
- 10 (ii) Instruction in completing an application for
- 11 employment and writing a resume;
- 12 (iii) Instruction in conducting oneself during a job
- 13 interview, including appropriate dress; and
- 14 (iv) Providing a recipient with access to an
- 15 employment resource center that contains job listings, telephones, facsimile
- 16 machines, typewriters, and word processors.
- 17 (B) Job search and job readiness activities may be used in
- 18 conjunction with other program activities such as community service work
- 19 experience but may not be the primary work activity and may not continue
- 20 longer than the length of time permitted under federal law;
- 21 (6) "Education" includes elementary and secondary education,
- 22 education to obtain the equivalent of a high school diploma, and education to
- 23 learn English as a second language. In consultation with adult education or
- 24 rehabilitative services, a person with a high school diploma or the
- 25 equivalent who tests at less than a working functioning level shall be
- 26 eligible to participate in basic remedial or adult education. If an
- 27 individual does not have a high school diploma or equivalency, "education"
- 28 also includes basic remedial education and adult education;
- 29 (7) "Vocational educational training" is postsecondary
- 30 education, including, at least, programs at two-year or four-year colleges,
- 31 universities, technical institutes, and vocational schools or training in a
- 32 field directly related to a specific occupation;
- 33 (8) Job skills training directly related to employment provides
- 34 job skills training in a specific occupation. Job skills training may include
- 35 customized training designed to meet the needs of a specific employer or a
- 36 specific industry;

1	(9) "On-the-job training" means training and work experience at
2	a public or private not-for-profit agency or organization or with a private
3	for-profit employer which provides an opportunity to obtain training and job
4	supervision and provides employment upon satisfactory completion of training;
5	(10) School attendance at a high school or attendance at a
6	program designed to prepare the recipient to receive a high school
7	equivalency diploma is a required program activity for each recipient
8	eighteen (18) years of age or younger who:
9	(A) Has not completed high school or obtained a high
10	school equivalency diploma;
11	(B) Is a dependent child or a head of household; and
12	(C) For whom it has not been determined that another
13	program activity is more appropriate;
14	(11) Participation in medical, educational, counseling, and
15	other services that are part of the recipient's personal responsibility
16	agreement is a required activity for each teen parent who participates in the
17	Transitional Employment Assistance Program; and
18	(12) "Community service" is time spent engaged in an approved
19	activity at a government entity or community-based, charitable organization.
20	
21	SECTION 11. Arkansas Code § 20-76-406(a), concerning alternative
22	benefits in the Transitional Employment Assistance Program, is amended to
23	read as follows:
24	(a) The Department of Human Services may establish and maintain a
25	program of public assistance as an alternative for individuals otherwise
26	eligible for transitional employment assistance who, having $\frac{\text{enagaged}}{\text{engaged}}$
27	in transitional employment assistance work activities for at least six (6)
28	weeks, have fully complied with all provisions in the individual's personal
29	responsibility agreement but who are not engaged in work as defined in
30	transitional employment assistance laws or regulations.
31	
32	SECTION 12. Arkansas Code § 20-76-438 is amended to read as follows:
33	20-76-438. Purpose.
34	$\frac{(1)}{(a)(1)}$ The General Assembly finds that it is important that all
35	families in this state be strong and economically self-sufficient $\pm$ and that
36	it is in the public interest that:

1	$\frac{(2)(N)}{N}$ -it is in the public interest that eligible
2	Eligible persons and families of lesser means be given time-limited cash
3	assistance along with an opportunity to obtain and retain employment that is
4	sufficient to sustain their families+;
5	$\frac{(3)(B)}{(B)}$ As a part of this transition from welfare to work,
6	it is in the public's interest that various supportive services and, in some
7	cases, education and training be offered to these families to enable them to
8	make this transition+;
9	(4)(C) The General Assembly finds that education Education
10	and training are essential to long-term career development and self-
11	sufficiency+; and
12	(5)(D) The General Assembly further finds that employment
13	Employment improves the quality of life for parents and children by
14	increasing family income and assets and by improving self-esteem.
15	$\frac{(6)}{(2)}$ Therefore, it is in the public interest that our state
16	provide time-limited cash assistance and supportive services to our most
17	vulnerable citizens and their children.
18	(b)(1) The General Assembly also finds that:
19	(A) Currently there is duplication of effort on the part
20	of the Department of Human Services and the Arkansas Employment Security
21	Department in providing services to needy families qualifying for assistance
22	under the Temporary Assistance for Needy Families Program;
23	(B) The Arkansas Employment Security Department is better
24	able to assist individuals in preparing for and finding employment and
25	staying in jobs and increasing their earnings;
26	(C) The Department of Human Services is better able to
27	determine eligibility for benefits under the Temporary Assistance for Needy
28	Families; and
29	(D) Consideration shall be given to the fact that persons
30	and families accessing these services are of lesser means and as a result
31	these services will be conveniently made available to the public;
32	(2) Therefore, it is in the public interest that the General
33	Assembly authorize the Arkansas Employment Security Department to:
34	(A) Receive the Temporary Assistance for Needy Families
35	block grant from the United States Department of Health and Human Services
36	for the administration of allemporary Assistance for Needy Families funded

1	programs in Arkansas;
2	(B) Expend the Temporary Assistance for Needy Families
3	block grant funds subject to the appropriations of the General Assembly;
4	(C) Provide all employment-related services for time-
5	limited Transitional Employment Assistance Program clients;
6	(D) Contract with other state agencies or other providers
7	to deliver services in Temporary Assistance for Needy Families -funded
8	programs; and
9	(E) Prepare and submit any Temporary Assistance for Needy
10	Families renewal plans that are required in § 402 of the Social Security Act,
11	42 U.S.C. § 651 et seq.
12	
13	SECTION 13. Arkansas Code § 20-76-441 is amended to read as follows:
14	20-76-441. Transitional employment assistance postemployment
15	information and referral program.
16	The <del>Department of Human Services</del> <u>Arkansas Employment Security</u>
17	<u>Department</u> shall establish a transitional employment assistance
18	postemployment information and referral program to:
19	(1) Contact all employed program participants and former program
20	participants whose cases have been closed due to employment; and
21	(2) Inform respondents about the availability of transitional
22	supportive services such as child care, transportation, ARKids First, federal
23	and state earned income tax retention, mentoring, financial credit
24	counseling, individual development accounts, any other supportive services
25	offered by the department, and information about education and training
26	opportunities designed to increase participants' future earning and
27	employment prospects.
28	
29	SECTION 14. Arkansas Code § 20-76-442(a), concerning the transitional
30	employment assistance customer service review program, is amended to read as
31	follows:
32	(a) The Department of Human Services and the Arkansas Employment
33	Security Department shall establish a process to review a statistically valid
34	sample of transitional employment assistance case closures due to
35	noncompliance with program regulations.
36	

1	SECTION 15. Arkansas Code § 20-76-443(a), concerning education and
2	training in the Transitional Employment Assistance Program, is amended to
3	read as follows:
4	(a)(1) The Department of Human Services and the Arkansas Employment
5	Security Department shall permit Transitional Employment Assistance Program
6	recipients to obtain the education and training they need to obtain jobs that
7	pay wages allowing them to be economically self-sufficient.
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