

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 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: S3/2/05
A Bill

SENATE BILL 380

5 By: Senator Steele
6
7

8 **For An Act To Be Entitled**

9 *AN ACT TO IMPLEMENT CHANGES IN SCOPE AND FOCUS OF*
10 *THE ARKANSAS TRANSITIONAL EMPLOYMENT PROGRAM; TO*
11 *CHANGE THE NAME OF THE ARKANSAS EMPLOYMENT*
12 *SECURITY DEPARTMENT TO THE DEPARTMENT OF*
13 *WORKFORCE SERVICES; TO CREATE THE ARKANSAS WORK*
14 *PAYS PROGRAM; AND FOR OTHER PURPOSES.*

15
16 **Subtitle**

17 AN ACT TO IMPLEMENT CHANGES IN SCOPE AND
18 FOCUS OF THE ARKANSAS TRANSITIONAL
19 EMPLOYMENT PROGRAM.
20
21

22 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
23

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

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

30 *(2) The Director of the ~~Arkansas Employment Security Department~~*
31 *Department of Workforce Services shall have resided in the state for at least*
32 *five (5) years and shall be a qualified elector.*
33

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



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36

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

20-76-102. Coordination of state agency service delivery.

~~(a)(1) To ensure that job finding assistance is being adequately provided to food stamp and transitional employment assistance recipients, the Arkansas Employment Security Department may periodically station appropriate staff for some portion of a workday in any county office of the Department of Human Services.~~

~~(2) The Director of the Arkansas Employment Security Department and the Director of the Department of Human Services shall enter into a written agreement regarding the provision of the services to recipients of food stamps and transitional employment assistance.~~

(b)(1) The Department of Human Services shall appropriately train and supervise all employees and other persons who are responsible for determining eligibility for cash assistance and diversion payments in the Transitional Employment Assistance Program and the Arkansas Work Pays Program.

(2) The Arkansas Employment Security Department shall appropriately train and supervise all employees and other persons who are responsible for developing, evaluating, and managing personal responsibility agreements for transitional employment assistance recipients.

(3) The training and supervision shall include, but not be limited to, a competency-based case management program to measure the effectiveness of each plan and to provide appropriate oversight, implementation, and training to identify and assist victims of domestic violence.

(c) To ensure that all available state government resources are used to help transitional employment assistance recipients make the transition from welfare to work, each of the following state agencies and organizations shall also be required to work with the ~~Department of Human Services~~ Arkansas Employment Security Department in providing transitional employment assistance services:

(1) ~~The Arkansas Employment Security Department~~ Department of Human Services;

(2) The Department of Health;

(3) The Department of Higher Education, including community colleges and the University of Arkansas Cooperative Extension Service;

1 (4) The Department of Education;
 2 (5) The Arkansas Development Finance Authority;
 3 (6) The Arkansas Economic Development Commission;
 4 (7) The Arkansas State Highway and Transportation Department;
 5 (8) The Department of Finance and Administration, including the
 6 Office of Child Support Enforcement;
 7 (9) The State Child Abuse and Neglect Prevention Board;
 8 (10) The Arkansas Literacy Council, Inc.;
 9 (11) The Department of Workforce Education; and
 10 (12) Other state agencies as directed by the Governor or as
 11 directed by the General Assembly.

12 (d) State agencies required under subsection (c) of this section to
 13 work with the ~~Department of Human Services~~ Arkansas Employment Security
 14 Department in providing transitional employment assistance services to
 15 recipients shall make every effort to use financial resources in their
 16 respective budgets and to seek additional funding sources, whether private or
 17 federal, to supplement the moneys allocated by the ~~Department of Human~~
 18 ~~Services~~ Arkansas Employment Security Department for the Transitional
 19 Employment Assistance Program.

20 (e) All agencies of the state and local governments providing program
 21 services shall work cooperatively with and provide any necessary assistance
 22 to the General Assembly and the Arkansas Transitional Employment Board and
 23 shall furnish, in a timely manner, complete and accurate information
 24 regarding the program to legislative committees and the board upon request.

25 (f) The Arkansas Employment Security Department and the Department of
 26 Human Services are directed to enter into an interagency agreement under
 27 which the Department of Human Services shall continue providing cash
 28 assistance and diversion assistance to all Transitional Employment Assistance
 29 Program clients.

30
 31 SECTION 4. Arkansas Code § 20-76-105(a) through (d), concerning
 32 creation and membership of the Arkansas Transitional Employment Board, are
 33 amended to read as follows:

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

36 (1) The Director of the Department of Human Services;

- 1 (2) *The Director of the Arkansas Employment Security Department;*
 2 (3) *The Director of the Department of Health;*
 3 (4) *The Director of the Department of Workforce Education;*
 4 (5) *The Director of the Department of Higher Education;*
 5 (6) *The Director of the Arkansas Economic Development*
 6 *Commission;*
- 7 (7) *The Director of the Arkansas Workforce Investment Board;*
 8 (7)(8) *Three (3) members appointed by the Governor; and*
 9 (8)(9) *Six (6) members, at least one (1) of whom shall be a*
 10 *current or former transitional employment assistance or Aid to Families with*
 11 *Dependent Children recipient appointed by the Governor from a list of ten*
 12 *(10) nominees, of whom five (5), at least one (1) of whom shall be a current*
 13 *or former transitional employment assistance or Aid to Families with*
 14 *Dependent Children recipient, shall be submitted by the President Pro Tempore*
 15 *of the Senate and five (5), at least one (1) of whom shall be a current or*
 16 *former transitional employment assistance or Aid to Families with Dependent*
 17 *Children recipient, shall be submitted by the Speaker of the House of*
 18 *Representatives; and*
- 19 (10) *Two (2) members of the Workforce Investment Board to be*
 20 *chosen by the chair of the Workforce Investment Board as follows:*
- 21 (A) *One (1) member for a two-year term; and*
 22 (B) *One (1) member for a four-year term.*
- 23 (b) *The appointed members shall be employed in the private sector, and*
 24 *a majority of those members shall have managerial experience.*
- 25 (c)(1) *The appointed members of the Arkansas Transitional Employment*
 26 *Board shall serve four-year staggered terms.*
- 27 ~~(2) *Initial appointed members of the Arkansas Transitional*~~
 28 ~~*Employment Board shall draw lots to determine the length of their terms.*~~
- 29 ~~(3) *The Director of the Department of Human Services shall call*~~
 30 ~~*the first meeting of the Arkansas Transitional Employment Board within thirty*~~
 31 ~~*(30) calendar days of their appointments, and the Governor, in consultation*~~
 32 ~~*with the chairs of the House Committee on Public Health, Welfare, and Labor*~~
 33 ~~*and the Senate Committee on Public Health, Welfare, and Labor, shall select a*~~
 34 ~~*chairperson from among the appointed members.*~~
- 35 ~~(4)~~(2) *Five (5) members of the Arkansas Transitional Employment*
 36 *Board shall constitute a quorum.*

1 ~~(5)~~(3) Only the nine (9) appointed members shall serve as voting
2 members.

3 ~~(6)~~(4) No member may authorize a designee to vote in his or her
4 behalf.

5 ~~(7)~~(5) The Arkansas Transitional Employment Board shall meet
6 with the Governor every six (6) months or as frequently as it deems
7 necessary, upon request of the chairperson.

8 ~~(8)~~(6) A majority of the All appointed members shall be citizens
9 with no direct fiduciary interest in programs involved with or funded by the
10 Transitional Employment Assistance Program or Temporary Assistance for Needy
11 Families funds except for current or former participants in the Transitional
12 Employment Assistance Program.

13 ~~(9)~~(7)(A) The Governor may remove an appointed member for cause.

14 (B) An absence from three (3) consecutive meetings shall
15 result in automatic removal unless the member is excused by the chair.

16 ~~(10)~~(8)(A) Vacancies on the Arkansas Transitional Employment
17 Board shall be filled in the same manner as the original appointment for the
18 unexpired portion of the term.

19 (B) If a vacancy occurs in a position filled by nominees
20 from either the President Pro Tempore of the Senate or the Speaker of the
21 House of Representatives, the member shall be appointed by the Governor from
22 a list of at least four (4) nominees, of whom at least two (2) shall be
23 submitted by the President Pro Tempore of the Senate and at least two (2)
24 shall be submitted by the Speaker of the House of Representatives.

25 (d)(1) The Arkansas Transitional Employment Board shall:

26 ~~(1)~~(A) Review, recommend, and approve transitional
27 employment assistance regulations developed by the Department of Human
28 Services and the Arkansas Employment Security Department;

29 ~~(2)~~(A)(B) Oversee the operation of the program and
30 progress toward the program outcomes;

31 ~~(B)~~(C) Develop a performance management plan for
32 achievement of the transitional employment assistance outcomes that includes:

33 (i) Performance measures for each of the outcomes
34 and federal performance requirements;

35 (ii) Setting targets for each of the outcomes and
36 requirements;

1 (iii) Reporting requirements for the department and
2 each county on their progress toward outcome targets;

3 (iv) Measures for accountability for county and
4 state offices for progress in meeting the targets, which include increased
5 flexibility and funding for offices meeting the targets and corrective action
6 for offices not meeting the targets; and

7 (v) Reporting on the operation of the performance
8 management plan to the Governor and the cochairs of the House Interim
9 Committee on Public Health, Welfare, and Labor and the Senate Interim
10 Committee on Public Health, Welfare, and Labor;

11 ~~(3)(D)~~ Coordinate the activities of all state agencies
12 involved in the program, including moderating disagreements among those state
13 agencies about their respective responsibilities in the program and
14 facilitating their active collaboration;

15 ~~(4)(E)~~ Employ necessary staff to assist with the range and
16 diversity of its charge;

17 ~~(5)(F)~~ Review, recommend, and approve annually updates of
18 the state's transitional employment assistance plan by December 1 of each
19 year for the next year and report on the updated plan to the Governor and the
20 House Committee on Public Health, Welfare, and Labor and the Senate Committee
21 on Public Health, Welfare, and Labor;

22 ~~(6)~~ Review, recommend, and approve charters, recharters,
23 or dissolutions of local coalitions recommended by the Department of Human
24 Services;

25 ~~(7)~~ Review, recommend, and approve Department of Human
26 Services guidelines to local coalitions regarding annual plan development;

27 ~~(8)~~ Review, recommend, and approve guidelines for the
28 funding of local coalitions;

29 ~~(9)(G)~~ Review, recommend, and approve all requests for
30 proposals using program moneys and state-controlled welfare-to-work moneys;

31 ~~(10)~~ Initiate activities to foster multicounty
32 collaboration, including establishing incentives for local coalitions with
33 small caseloads to combine and become multicounty coalitions;

34 ~~(11)(H)~~ Respond to and report on citizens' concerns about
35 the implementation and administration of the program;

36 ~~(12)(I)~~ Review, recommend, and approve standards of

1 eligibility for assistance developed by the Department of Human Services;

2 ~~(13)~~(J) Review the Department of Human Services' and the
3 Arkansas Employment Security Department's plan plans for bonus awards and
4 employee incentives focused on achieving program outcomes;

5 ~~(14)~~(K) Submit biannual reports to the House Committee on
6 Public Health, Welfare, and Labor and the Senate Committee on Public Health,
7 Welfare, and Labor and to the Governor;

8 ~~(15)~~ Require that, prior to approval, each local
9 transitional employment assistance implementation plan describe a method by
10 which the corresponding regional workforce investment board will support the
11 local transitional employment assistance implementation plan;

12 ~~(16)~~(L) Contract for an independent evaluation of the
13 program;

14 ~~(17)~~ Review, recommend, and approve a plan developed by
15 the Department of Human Services for home visits to check on the safety and
16 well-being of children in families that have lost transitional employment
17 assistance cash assistance for any reason other than employment;

18 ~~(18)~~ Provide guidance and oversight to the Governor's
19 Partnership Council on Children and Families, which is a collaborative
20 partnership with the Department of Health, the Department of Education, and
21 the Department of Human Services;

22 ~~(19)~~(M) Review, recommend, and approve a plan developed by
23 the Department of Human Services Arkansas Employment Security Department to
24 provide services and information to former program recipients to help them
25 stay employed and to achieve progressively higher wages and earnings;

26 ~~(20)~~(N) Review, recommend, and approve a plan developed by
27 the Department of Human Services Arkansas Employment Security Department for
28 pilot projects to provide employment training, job search services, and
29 parenting education to noncustodial parents of children in transitional
30 employment assistance families that cannot pay child support because of
31 unemployment or low earnings;

32 ~~(21)~~(O)(i) ~~The Arkansas Transitional Employment Board~~
33 ~~shall utilize~~ Utilize the expertise of the Arkansas Workforce Investment
34 Board, the Arkansas Transitional Employment Board, and the Department of
35 Higher Education to jointly; ~~(A) Develop~~ develop a plan for contracting with
36 state agencies, two-year technical ~~institutions~~ colleges, technical

1 institutions, local governments, or private or community organizations to
2 establish, using available Temporary Assistance for Needy Families funds, at
3 least three (3) demonstration projects, to develop job training certificate
4 programs.

5 ~~(B)~~(ii) The job training certificate programs shall
6 provide short-term training designed to prepare low-income parents and others
7 for jobs that pay significantly more than minimum wage and that are available
8 in the area.

9 ~~(C)~~(iii) The projects shall be designed in
10 consultation with local employers, ~~temporary employment assistance~~
11 ~~coalitions~~, and workforce investment boards to identify appropriate job
12 opportunities and needed skills and training.

13 ~~(D)~~(iv) Contracts shall include performance-based
14 payments keyed to enrollments, completion, job placement, and job retention.

15 ~~(E)~~(v) Temporary Assistance for Needy Families may
16 be combined with other state and federal funds in ways consistent with
17 federal laws and rules; and

18 ~~(22)~~~~(A)~~(W)(i) Oversee the operation of transitional
19 employment assistance child care and transitional child care with the goals
20 of maintaining the current provision of child care to families receiving
21 transitional employment assistance and families who have left transitional
22 employment assistance, to maximize child care available to low-income
23 families and to avoid overspending the biennial budget for child care.

24 ~~(B)~~(ii) The Arkansas Transitional Employment Board
25 may authorize an increase in the spending cap on low-income child care if it
26 certifies to the Governor and the Chief Fiscal Officer of the State that the
27 additional expenditure of funds will not result in shortfalls in the
28 transitional employment assistance child care or transitional child care
29 budgets under existing conditions.

30 ~~(C)~~(iii) If the Arkansas Transitional Employment
31 Board certifies to the Governor and the Chief Fiscal Officer of the State and
32 notifies the Legislative Council and the House Interim Committee on Public
33 Health, Welfare, and Labor and the Senate Interim Committee on Public Health,
34 Welfare, and Labor that the action is necessary to avoid overspending the
35 biennial budget for child care, it may authorize one (1) or more of the
36 following actions:

1 ~~(i)(a)~~ An increase in the copayment schedule
2 for transitional child care;

3 ~~(ii)(b)~~ An allocation of further Temporary
4 Assistance to Needy Families funds;

5 ~~(iii)(c)~~ A reduction of a total of twenty-four
6 (24) months in the transitional child care assistance available to temporary
7 employment assistance recipients who leave assistance after the reduction; or

8 ~~(iv)(d)~~ A reduction in the spending cap for
9 low-income child care; ~~and.~~

10 ~~(23)(A) — Oversee and coordinate the operation of the local~~
11 ~~coalitions with the goals of continuing their strong contributions to the~~
12 ~~success of transitional employment assistance recipients, former transitional~~
13 ~~employment assistance recipients, and the Arkansas Transitional Employment~~
14 ~~Assistance Program, including recruiting new members, arranging training so~~
15 ~~that coalition officers and members can understand the resources and services~~
16 ~~available to further their mission, fostering collaboration with workforce~~
17 ~~investment boards, and assisting local coalitions to obtain available funding~~
18 ~~from state, local, private, and nonprofit sources to support their~~
19 ~~activities.~~

20 ~~(B) — The Arkansas Transitional Employment Board shall~~
21 ~~distribute any state funds available to the local coalitions on a competitive~~
22 ~~basis.~~

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

27
28 SECTION 5. Arkansas Code § 20-76-105(g), concerning the Agency
29 Advisory Council, is repealed:

30 ~~(g) — The Agency Advisory Council shall be formed to advise and to meet~~
31 ~~in conjunction with the Arkansas Transitional Employment Board. The council~~
32 ~~shall be composed of the following members or other members as the Arkansas~~
33 ~~Transitional Employment Board may determine.~~

34 ~~(1) — The Director of the Division of County Operations of the~~
35 ~~Department of Human Services;~~

36 ~~(2) — The Director of the State Child Abuse and Neglect Prevention~~

1 Board;

2 ~~(3) The Director of the Division of Child Care and Early~~
 3 ~~Childhood Education of the Department of Human Services;~~

4 ~~(4) The Director of the Office of Child Support Enforcement;~~

5 ~~(5) The Director of the Department of Education;~~

6 ~~(6) The Director of the Arkansas Development Finance Authority;~~

7 ~~(7) The Director of the Arkansas State Highway and~~
 8 ~~Transportation Department;~~

9 ~~(8) One (1) member of the Arkansas Workforce Investment Board~~
 10 ~~Executive Committee; and~~

11 ~~(9) Two (2) members of local coalitions selected by the chair of~~
 12 ~~the board.~~

13
 14 SECTION 6. Arkansas Code § 20-76-105(m) -- (o), concerning the
 15 executive committee of the Arkansas Transitional Employment Board, are
 16 amended to read as follows:

17 (m)(1) The Arkansas Transitional Employment Board shall select three
 18 (3) of its members to form an executive committee.

19 (2) On those rare occasions when it becomes necessary for the
 20 Department of Human Services or the Arkansas Employment Security Department
 21 to take action on matters regarding the program between meetings of the
 22 Arkansas Transitional Employment Board, the director is authorized to contact
 23 the executive committee to receive direction on how to proceed.

24 (3) Any decisions or guidance given to the Department of Human
 25 Services or the Arkansas Employment Security Department by the executive
 26 committee shall be reported to the Arkansas Transitional Employment Board at
 27 its next meeting.

28 (4) Other duties may be assigned to the executive committee by a
 29 majority vote of the Arkansas Transitional Employment Board.

30 (5) This procedure may be changed by a majority vote of the
 31 Arkansas Transitional Employment Board.

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

1 approval by the Arkansas Transitional Employment Board.

2 (o)(1) ~~The Department of Human Services~~ Arkansas Employment Security
3 Department shall develop proper targets for each program outcome by July 1 of
4 each year, ~~beginning with July 1, 2002,~~ subject to review and approval by the
5 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
15 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.

18
19 SECTION 7. 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

1 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 ~~(19)~~(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 Department of Human Services~~ Arkansas Employment
24 Security Department 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 (4) The quarterly progress reports to the Governor, the House
36 Committee on Public Health, Welfare, and Labor, and the Senate Committee on

1 Public Health, Welfare, and Labor shall include all information ~~which~~ that
 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 8.* 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:~~

1 ~~(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 ~~in its area;~~

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 plan;

2 (F) ~~Apply to the Arkansas Transitional Employment Board~~
3 ~~for any changes in the local transitional employment assistance coalition's~~
4 ~~charter;~~

5 (G) ~~Receive funding via the fiscal agent approved in the~~
6 ~~local implementation plan;~~

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)(A) ~~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 9.* 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 10.* Arkansas Code Title 20, Chapter 76, Subchapter 1 is
 12 amended to add additional sections to read as follows:

13 20-76-110. Arkansas Transitional Employment Assistance Transition
 14 Workgroup.

15 (a) There is created an Arkansas Transitional Employment Assistance
 16 Transition Workgroup that shall be composed of the following members:

17 (1) The Director of the Arkansas Employment Security Department;

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) The Director of the Arkansas Workforce Investment Board;

23 (5) One (1) senior staff member from the Department of Human
 24 Services appointed by the Director of the Department of Human Services;

25 (6) Four (4) members to be appointed by the Governor, as
 26 follows:

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

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

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

34 (7) Two (2) members, one (1) to be appointed by the Chair of the
 35 House Committee on Public Health, Welfare, and Labor and one (1) to be
 36 appointed by the Chair of the Senate Committee on Public Health, Welfare, and

1 Labor.

2 (b) The members appointed by the Governor and the committee chairs
3 shall not be Arkansas state employees.

4 (c)(1) The appointed members of the Arkansas Transitional Employment
5 Assistance Transition Workgroup shall serve through the full period of
6 operation of the workgroup.

7 (2)(A) The Director of the Arkansas Employment Security
8 Department shall call the first meeting of the Arkansas Transitional
9 Employment Assistance Transition Workgroup within thirty (30) calendar days
10 of the appointments of the members.

11 (B) The Director of the Arkansas Employment Security
12 Department shall serve as chair for the workgroup.

13 (3) Five (5) members of the Arkansas Transitional Employment
14 Assistance Transition Workgroup shall constitute a quorum.

15 (4)(A) The Arkansas Transitional Employment Assistance
16 Transition Workgroup shall meet at least two (2) times before July 1, 2005,
17 or the effective date of the transfer of the Transitional Employment
18 Assistance Program responsibilities to the Arkansas Employment Security
19 Department.

20 (B) The workgroup shall meet as often as necessary to
21 complete its statutory responsibilities.

22 (5) The Arkansas Transitional Employment Assistance Transition
23 Workgroup shall be dissolved after completing its statutory responsibilities
24 at the decision of the Director of the Arkansas Employment Security
25 Department with the consent of the Governor, the Chair of the House Committee
26 on Public Health, Welfare, and Labor and the Chair of the Senate Committee on
27 Public Health, Welfare, and Labor.

28 (6) The Governor may remove an appointed member for cause.

29 (7) Vacancies on the Arkansas Transitional Employment Assistance
30 Transition Workgroup shall be filled in the same manner as the original
31 appointment for the unexpired portion of the term.

32 (d) The Arkansas Transitional Employment Assistance Transition
33 Workgroup shall:

34 (1) Develop recommendations to the Directors of the Arkansas
35 Employment Security Department, the Department of Human Services, and the
36 Arkansas Transitional Employment Board to guide the implementation of the

1 transfer of the Transitional Employment Assistance Program responsibilities
2 from the Department of Human Services to the Arkansas Employment Security
3 Department, the efficient operation of the Transitional Employment Assistance
4 Program, and use of Temporary Assistance for Needy Families funds;

5 (2) Develop measures and benchmarks to gauge the progress of
6 implementation;

7 (3) Review the progress of implementation at six-month and
8 twelve-month intervals and make recommendations to the Directors of the
9 Arkansas Employment Security Department, the Department of Human Services,
10 the Arkansas Transitional Employment Board, and the Workforce Investment
11 Board proposing improvements;

12 (4) Request reports or information from the Directors of the
13 Arkansas Employment Security Department, the Department of Human Services,
14 and the Arkansas Transitional Employment Board;

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

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

20 (6) Submit reports to the Governor and to the Chair of the House
21 Committee on Public Health, Welfare, and Labor and the Chair of the Senate
22 Committee on Public Health, Welfare, and Labor about the guidelines and the
23 progress in implementation.

24 (e) Staff support to the Arkansas Transitional Employment Assistance
25 Transition Workgroup shall be provided by the Arkansas Employment Security
26 Department, the Department of Human Services, the Arkansas Transitional
27 Employment Board, and the Bureau of Legislative Research.

28
29 20-76-111. Transfers of powers, duties, and personnel

30 (a) The Arkansas Employment Security Department and the Department of
31 Human Services shall enter into an interagency agreement transferring
32 responsibility for the Transitional Employment Assistance Program block grant
33 and for the administration of the Transitional Employment Assistance Program
34 in accordance with this subchapter.

35 (b) Personnel identified by contract or interagency agreement as
36 performing duties that are transferred from the Department of Human Services

1 to the Arkansas Employment Security Department shall be transferred to the
2 Arkansas Employment Security Department where they shall continue serving the
3 needs of Transitional Employment Assistance Program recipients, subject to
4 the standard personnel policies of the Arkansas Employment Security
5 Department.

6
7 *SECTION 11.* Arkansas Code § 20-76-401(a), concerning eligibility for
8 the Transitional Employment Assistance Program, is amended to read as
9 follows:

10 (a)(1) The Transitional Employment Assistance Program is created.

11 (2) The program shall be administered by the Department of Human
12 Services and the Arkansas Employment Security Department.

13 (3) Eligible applicants shall receive one (1) or more of the
14 following: assessment services, employment assistance, support services,
15 medical assistance, a positive reinforcement outcome bonus, relocation
16 assistance, and extended support services.

17
18 *SECTION 12.* Arkansas Code § 20-76-402(a), concerning work activities
19 in the Transitional Employment Assistance Program, is amended to read as
20 follows:

21 (a) ~~The Department of Human Services~~ Arkansas Employment Security
22 Department shall develop and describe categories of approved work activities
23 for transitional employment assistance recipients in accordance with this
24 section. The regulations shall be subject to review, recommendation, and
25 approval by the Arkansas Transitional Employment Board. Approved work
26 activities may include unsubsidized employment, subsidized private sector
27 employment, subsidized public sector employment, education or training,
28 vocational educational training, skills training, job search and job
29 readiness assistance, on-the-job training, micro enterprise, community
30 service, and work experience. For purposes of this section:

31 (1) "Unsubsidized employment" is full-time employment or part-
32 time employment that is not directly supplemented by federal or state funds;

33 (2)(A) "Subsidized private sector employment" is employment in a
34 private for-profit enterprise or a private not-for-profit enterprise which is
35 directly supplemented by federal or state funds. A program recipient in
36 subsidized private sector employment shall be eligible for the same benefits

1 as a nonsubsidized employee who performs similar work. Prior to receiving any
2 subsidy or incentive, an employer shall enter into a written contract with
3 the department which may include, but not be limited to, provisions
4 addressing any of the following:

5 (i) Payment schedules for any subsidy or incentive
6 such as deferred payments based on retention of the recipient in employment;

7 (ii) Durational requirements for the employer to
8 retain the recipient in employment;

9 (iii) Training to be provided to the recipient by
10 the employer;

11 (iv) Contributions, if any, made to the recipient's
12 individual development account; and

13 (v) Weighting of incentive payments proportionally
14 to the extent to which the recipient has limitations associated with the
15 long-term receipt of welfare and difficulty in sustaining employment. In
16 establishing incentive payments, the department shall consider the extent of
17 the recipient's prior receipt of welfare, lack of employment experience, lack
18 of education, lack of job skills, and other appropriate factors.

19 (B) The department may require an employer to repay some
20 or all of a subsidy or incentive previously paid to an employer under the
21 program unless the recipient is terminated for cause;

22 (3)(A) "Subsidized public sector employment" is employment by an
23 agency of the federal, state, or local government which is directly
24 supplemented by federal or state funds. A program recipient in subsidized
25 public sector employment shall be eligible for the same benefits as a
26 nonsubsidized employee who performs similar work. Prior to receiving any
27 subsidy or incentive, an employer shall enter into a written contract with
28 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
31 such as deferred payments based on retention of the recipient in employment;

32 (ii) Durational requirements for the employer to
33 retain the recipient in employment;

34 (iii) Training to be provided to the recipient by
35 the employer;

36 (iv) Contributions, if any, made to the recipient's

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 and incentive previously paid to an employer under the
10 program unless the recipient is terminated for cause;

11 (4) "Work experience" is job-training experience at a supervised
12 public or private not-for-profit agency or organization or with a private
13 for-profit employer which is linked to education or training and
14 substantially enhances a recipient's employability. Work experience may
15 include work study, training-related practicums, and internships;

16 (5)(A) "Job search assistance" may include supervised or
17 unsupervised job-seeking activities. Job readiness assistance provides
18 support for job-seeking activities, which may include:

19 (i) Orientation in the world of work and basic job-
20 seeking and job-retention skills;

21 (ii) Instruction in completing an application for
22 employment and writing a resume;

23 (iii) Instruction in conducting oneself during a job
24 interview, including appropriate dress; and

25 (iv) Providing a recipient with access to an
26 employment resource center that contains job listings, telephones, facsimile
27 machines, typewriters, and word processors.

28 (B) Job search and job readiness activities may be used in
29 conjunction with other program activities such as community service work
30 experience but may not be the primary work activity and may not continue
31 longer than the length of time permitted under federal law;

32 (6) "Education" includes elementary and secondary education,
33 education to obtain the equivalent of a high school diploma, and education to
34 learn English as a second language. In consultation with adult education or
35 rehabilitative services, a person with a high school diploma or the
36 equivalent who tests at less than a working functioning level shall be

1 eligible to participate in basic remedial or adult education. If an
2 individual does not have a high school diploma or equivalency, "education"
3 also includes basic remedial education and adult education;

4 (7) "Vocational educational training" is postsecondary
5 education, including, at least, programs at two-year or four-year colleges,
6 universities, technical institutes, and vocational schools or training in a
7 field directly related to a specific occupation;

8 (8) Job skills training directly related to employment provides
9 job skills training in a specific occupation. Job skills training may include
10 customized training designed to meet the needs of a specific employer or a
11 specific industry;

12 (9) "On-the-job training" means training and work experience at
13 a public or private not-for-profit agency or organization or with a private
14 for-profit employer which provides an opportunity to obtain training and job
15 supervision and provides employment upon satisfactory completion of training;

16 (10) School attendance at a high school or attendance at a
17 program designed to prepare the recipient to receive a high school
18 equivalency diploma is a required program activity for each recipient
19 eighteen (18) years of age or younger who:

20 (A) Has not completed high school or obtained a high
21 school equivalency diploma;

22 (B) Is a dependent child or a head of household; and

23 (C) For whom it has not been determined that another
24 program activity is more appropriate;

25 (11) Participation in medical, educational, counseling, and
26 other services that are part of the recipient's personal responsibility
27 agreement is a required activity for each teen parent who participates in the
28 Transitional Employment Assistance Program; and

29 (12) "Community service" is time spent engaged in an approved
30 activity at a government entity or community-based, charitable organization.

31
32 *SECTION 13.* Arkansas Code § 20-76-406(a), concerning alternative
33 benefits in the Transitional Employment Assistance Program, is amended to
34 read as follows:

35 (a) The Department of Human Services may establish and maintain a
36 program of public assistance as an alternative for individuals otherwise

1 eligible for transitional employment assistance who, having ~~engaged~~ engaged
 2 in transitional employment assistance work activities for at least six (6)
 3 weeks, have fully complied with all provisions in the individual's personal
 4 responsibility agreement but who are not engaged in work as defined in
 5 *transitional employment assistance laws or regulations.*

6
 7 *SECTION 14. Arkansas Code § 20-76-410(b), concerning administrative*
 8 *sanctions under the Transitional Employment Assistance Program, is amended to*
 9 *read as follows:*

10 *(b) The ~~Department of Human Services~~ Arkansas Employment Security*
 11 *Department may by regulation define additional situations that require*
 12 *sanction, establish additional sanctions, and provide for administrative*
 13 *disqualification.*

14
 15 *SECTION 15. Arkansas Code § 20-76-410(c)(1)(B), concerning*
 16 *administrative sanctions under the Transitional Employment Assistance*
 17 *Program, is amended to read as follows:*

18 *(B) If the parent fails to come into compliance in thirty*
 19 *(30) days, the family's financial assistance may be reduced:*

20 *(i) By up to twenty-five percent (25%) for the*
 21 *second ~~and third~~ through sixth months of noncompliance;*

22 *(ii) By up to fifty percent (50%) ~~in the fourth~~*
 23 *~~through sixth months of noncompliance; and~~*

24 *~~(iii) By up to one hundred percent (100%) after the~~*
 25 *sixth month of noncompliance.*

26
 27 *SECTION 16. Arkansas Code § 20-76-438 is amended to read as follows:*
 28 *20-76-438. Purpose.*

29 *~~(1)(a)(1)~~ The General Assembly finds that it is important that all*
 30 *families in this state be strong and economically self-sufficient, ~~and that~~*
 31 *it is in the public interest that:*

32 *~~(2)(A) -It is in the public interest that eligible~~*
 33 *Eligible persons and families of lesser means be given time-limited cash*
 34 *assistance along with an opportunity to obtain and retain employment that is*
 35 *sufficient to sustain their families;*

36 *~~(3)(B)~~ As a part of this transition from welfare to work,*

1 it is in the public's interest that various supportive services and, in some
2 cases, education and training be offered to these families to enable them to
3 make this transition;

4 ~~(4)(C) The General Assembly finds that education~~ Education
5 and training are essential to long-term career development and self-
6 sufficiency; and

7 ~~(5)(D) The General Assembly further finds that employment~~
8 Employment improves the quality of life for parents and children by
9 increasing family income and assets and by improving self-esteem.

10 ~~(6)(2) Therefore, it is in the public interest that our state~~
11 provide time-limited cash assistance and supportive services to our most
12 vulnerable citizens and their children.

13 (b)(1) The General Assembly also finds that:

14 (A) Currently there is duplication of effort on the part
15 of the Department of Human Services and the Arkansas Employment Security
16 Department in providing services to needy families qualifying for assistance
17 under the Temporary Assistance for Needy Families Program;

18 (B) The Arkansas Employment Security Department is better
19 able to assist individuals in preparing for and finding employment and
20 staying in jobs and increasing their earnings;

21 (C) The Department of Human Services is better able to
22 determine eligibility for benefits under the Temporary Assistance for Needy
23 Families; and

24 (D) Consideration shall be given to the fact that persons
25 and families accessing these services are of lesser means and as a result
26 these services will be conveniently made available to the public;

27 (2) Therefore, it is in the public interest that the General
28 Assembly authorize the Arkansas Employment Security Department to:

29 (A) Receive the Temporary Assistance for Needy Families
30 block grant from the United States Department of Health and Human Services
31 for the administration of allemporary Assistance for Needy Families funded
32 programs in Arkansas;

33 (B) Expend the Temporary Assistance for Needy Families
34 block grant funds subject to the appropriations of the General Assembly;

35 (C) Provide all employment-related services for time-
36 limited Transitional Employment Assistance Program clients;

1 (D) Contract with other state agencies or other providers
2 to deliver services in Temporary Assistance for Needy Families -funded
3 programs; and

4 (E) Prepare and submit any Temporary Assistance for Needy
5 Families renewal plans that are required in § 402 of the Social Security Act,
6 42 U.S.C. § 651 et seq.

7
8 SECTION 17. Arkansas Code § 20-76-441 is amended to read as follows:
9 20-76-441. Transitional employment assistance postemployment
10 information and referral program.

11 The ~~Department of Human Services~~ Arkansas Employment Security
12 Department shall establish a transitional employment assistance
13 postemployment information and referral program to:

14 (1) Contact all employed program participants and former program
15 participants whose cases have been closed due to employment; and

16 (2) Inform respondents about the availability of transitional
17 supportive services such as child care, transportation, ARKids First, federal
18 and state earned income tax retention, mentoring, financial credit
19 counseling, individual development accounts, any other supportive services
20 offered by the department, and information about education and training
21 opportunities designed to increase participants' future earning and
22 employment prospects.

23
24 SECTION 18. Arkansas Code § 20-76-442(a), concerning the transitional
25 employment assistance customer service review program, is amended to read as
26 follows:

27 (a) The Department of Human Services and the Arkansas Employment
28 Security Department shall establish a process to review a statistically valid
29 sample of transitional employment assistance case closures due to
30 noncompliance with program regulations.

31
32 SECTION 19. Arkansas Code § 20-76-443(a), concerning education and
33 training in the Transitional Employment Assistance Program, is amended to
34 read as follows:

35 (a)(1) The Department of Human Services and the Arkansas Employment
36 Security Department shall permit Transitional Employment Assistance Program

1 recipients to obtain the education and training they need to obtain jobs that
2 pay wages allowing them to be economically self-sufficient.

3
4 SECTION 20. Arkansas Code Title 20, Chapter 76, Subchapter 4 is
5 amended to add additional sections to read as follows:

6 20-76-444. Arkansas Work Pays Program -- Created -- Duties.

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

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

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

12 (A) Cash assistance;

13 (B) Support services;

14 (C) Medical assistance; and

15 (D) Employment assistance.

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

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

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

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

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

26 (5) Were engaged:

27 (A) In paid work activities for a minimum of twenty-four
28 (24) hours per week and met the federal work participation requirement for
29 the past month; or

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

34 (6) Are:

35 (A) Citizens of the United States;

36 (B) Qualified aliens lawfully present in the United States

1 before August 22, 1996;

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

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

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

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

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

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

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

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

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

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

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

35 (f) The Arkansas Employment Security Department shall administer a
36 work incentive program that includes cash bonuses and other financial

1 incentives to encourage:

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

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

7 (3) Arkansas Work Pays Program participants to leave the
8 Arkansas Work Pays Program and continue employment for at least twenty-four
9 (24) hours per week.

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

14 (2) These services may include:

15 (A) Employment exchanges;

16 (B) Education and training;

17 (C) Work supports; and

18 (D) Other services designed to help Arkansas Work Pays
19 Program participants increase their earnings and develop careers.

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

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

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

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

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

34
35 20-76-445. High Wage Education and Training Initiative.

36 (a) The General Assembly finds that:

1 (1) Higher education credentials are:

2 (A) Becoming increasingly important for the state of
3 Arkansas to maintain a competitive workforce; and

4 (B) Critical for adults to qualify and obtain high wage
5 employment; and

6 (2) It is in the public interest that:

7 (A) Individuals improve their education credentials in
8 order to qualify for higher wage jobs;

9 (B) Eligible persons have access to postsecondary
10 education programs that meet the specific needs of working adults;

11 (C) Institutions of higher education offer programs
12 targeted to the specific workforce needs of the their area within the state;
13 and

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

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

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

20 (A) Increase the access of low-income parents and other
21 individuals to education credentials that qualify them for higher-paying jobs
22 in their local areas;

23 (B) Improve the preparedness of the Arkansas workforce for
24 high skill and high wage jobs;

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

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

31 (i) Enrolled;

32 (ii) Completing the courses;

33 (iii) Obtaining jobs in the targeted job categories;

34 and

35 (iv) Staying employed in the targeted job
36 categories;

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

5 (F) Incorporate the existing Career Pathways Program.

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

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

14 (1) State agencies;

15 (2) Two-year colleges;

16 (3) Local governments; or

17 (4) Private or community organizations.

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

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

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

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

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

32
33 20-76-446. Community Investment Initiative.

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

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

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

4 (c) The Community Investment Initiative may fund programs for the
5 following purposes:

6 (1) Improving outcomes for youth, including, but not limited to:

7 (A) Academic achievement;

8 (B) Job skills;

9 (C) Civic participation and community involvement; and

10 (D) Reducing risky behaviors such as sexual activities,
11 drug use, and criminal behavior;

12 (2) Improving parenting and family functioning through services
13 and support to parents, children, and to families;

14 (3) Improving marriage and relationship skills among youth and
15 engaged and married couples;

16 (4) Improving the financial and emotional connections of non-
17 custodial parents to their children through fatherhood programs;

18 (5) Improving the employment skills and family connections of
19 parents who leave state jails and prisons;

20 (6) Providing supportive services to child-only cases in the
21 Transitional Employment Assistance Program; and

22 (7) Other purposes allowable under the federal Temporary
23 Assistance for Needy Families program.

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

28 (2) Contracts may be let for the following purposes:

29 (A) Assisting in the development of proposals to the
30 Community Investment Initiative Fund;

31 (B) Preparing organizations for the fiscal
32 responsibilities involved in receiving and spending state and federal funds;
33 and

34 (C) Improving the provision of services by contractors
35 receiving funds from the Community Investment Initiative Fund.

36 (e) Use of Temporary Assistance for Needy Families funds shall be

1 subject to appropriations by the General Assembly for the Community
2 Investment Initiative.

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

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

8
9 20-46-447. Community Investment Initiative Fund.

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

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

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

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

20
21 SECTION 21. EFFECTIVE DATES.

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

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

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

31 (2) Within Section 21 of this act:

32 (A) The effective date for the Arkansas Work Pays Program,
33 Arkansas Code § 20-76-444, may be delayed up to July 1, 2006 if the
34 Transitional Employment Board certifies to the Governor that the transfer of
35 Transitional Employment Assistance Program will not take place until January
36 1, 2006 or later and that it is in the public interest that the effective

1 date of Work Pays be delayed.

2 (B) Arkansas Code § 20-76-445 shall become effective July
3 1, 2005.

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

6
7 SECTION 22. EMERGENCY CLAUSE. It is found and determined by the
8 General Assembly of the State of Arkansas that due to increasing requirements
9 in the Transitional Employment Assistance Program amendments made in sections
10 4, 5, 8, 12, and 13 of this act are necessary for continued effectiveness of
11 the program and provision of services to families. Therefore, an emergency
12 is declared to exist and this act being necessary for the preservation of the
13 public peace, health, and safety, section 10 will be in full force and effect
14 immediately and sections 4, 5, 8, and 13 shall be in full force and effect on
15 and after July 1, 2005.

16
17 /s/ Steele
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36