

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

HOUSE BILL 1742

5 By: Representative McCollum  
6 By: Senator J. Boyd  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAWS CONCERNING THE TRANSITIONAL  
10 EMPLOYMENT ASSISTANCE PROGRAM; TO TRANSFER THE  
11 ADMINISTRATION OF THE TRANSITIONAL EMPLOYMENT  
12 ASSISTANCE PROGRAM FROM THE DEPARTMENT OF COMMERCE TO  
13 THE DEPARTMENT OF HUMAN SERVICES; TO DECLARE AN  
14 EMERGENCY; AND FOR OTHER PURPOSES.  
15

## Subtitle

16  
17  
18 TO TRANSFER THE ADMINISTRATION OF THE  
19 TRANSITIONAL EMPLOYMENT ASSISTANCE  
20 PROGRAM FROM THE DEPARTMENT OF COMMERCE  
21 TO THE DEPARTMENT OF HUMAN SERVICES; AND  
22 TO DECLARE AN EMERGENCY.  
23

24  
25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
26

27 SECTION 1. DO NOT CODIFY. Legislative findings and intent – Transfer  
28 of the Transitional Employment Assistance Program and the Arkansas Work Pays  
29 Program from the Department of Commerce to the Department of Human Services.

30 (a) The General Assembly finds that:

31 (1) In order to promote family economic stability and maximize  
32 the effectiveness of workforce development funding and initiatives, some  
33 individuals and families need assistance in removing barriers to work; and

34 (2) The Department of Human Services offers wraparound social  
35 services, including without limitation prevention services and family  
36 preservation services, that holistically meet the four (4) purposes of



1 Temporary Assistance for Needy Families.

2 (b) The General Assembly intends this transfer to streamline the  
3 delivery of eligibility, case management, program services, and  
4 administrative operations to optimize Temporary Assistance for Needy Families  
5 resources available to help Arkansans return to work and support their  
6 families.

7 (c) The Transitional Employment Assistance Program and the Arkansas  
8 Work Pays Program, within the Division of Workforce Services, established  
9 under § 20-76-101 et seq., shall be transferred by a cabinet-level department  
10 transfer under § 25-43-101 et seq. from the Department of Commerce to the  
11 Department of Human Services on July 1, 2023.

12 (d) The statutory authority, powers, duties, functions, records,  
13 personnel, property, contracts, and unexpended balances of appropriations,  
14 allocations, or other funds, including the functions of budgeting or  
15 purchasing of the Transitional Employment Assistance Program and the Arkansas  
16 Work Pays Program, are transferred to the Department of Human Services on  
17 July 1, 2023.

18 (e)(1) The transfer of the Transitional Employment Assistance Program  
19 and the Arkansas Work Pays Program does not affect the orders, rules,  
20 regulations, directives, or standards made or promulgated by the Department  
21 of Commerce before the effective date of this act.

22 (2) The orders, rules, regulations, directives, or standards  
23 under subdivision (e)(1) of this section shall continue with full force and  
24 effect until amended or repealed under authority given by law.

25 (f) The Department of Commerce shall grant access to and provide all  
26 information requested by the Department of Human Services to accomplish the  
27 transfer of the Transitional Employment Assistance Program and the Arkansas  
28 Work Pays Program and the mission of both programs.

29  
30 SECTION 2. Arkansas Code § 20-76-102 is amended to read as follows:  
31 20-76-102. Coordination of state agency service delivery.

32 (a) To ensure that all available state government resources are used  
33 to help transitional employment assistance recipients make the transition  
34 from welfare to work, each of the following state agencies and organizations  
35 shall also be required to work with the ~~Division of Workforce Services~~  
36 Department of Human Services in providing transitional employment assistance

1 services:

- 2 (1) The Department of ~~Human Services~~ Commerce;
- 3 (2) The Division of Higher Education, including community
- 4 colleges and the University of Arkansas Cooperative Extension Service;
- 5 (3) The Division of Elementary and Secondary Education;
- 6 (4) The Arkansas Development Finance Authority;
- 7 (5) The Arkansas Economic Development Council;
- 8 (6) The Arkansas Department of Transportation;
- 9 (7) The Department of Finance and Administration, including the
- 10 Office of Child Support Enforcement of the Revenue Division of the Department
- 11 of Finance and Administration;
- 12 (8) The Adult Learning Alliance, Inc.;
- 13 (9) The Adult Education Section of the Division of Workforce
- 14 Services; ~~and~~
- 15 (10) The Department of Corrections;
- 16 (11) The Department of Labor and Licensing; and
- 17 (12) Other state agencies as directed by the Governor or as
- 18 directed by the General Assembly.

19 (b) State agencies required under subsection (a) of this section to

20 work with the ~~Division of Workforce Services~~ Department of Human Services in

21 providing transitional employment assistance services to recipients shall

22 make every effort to use financial resources in their respective budgets and

23 to seek additional funding sources, whether private or federal, to supplement

24 the moneys allocated by the ~~Division of Workforce Services~~ Department of

25 Human Services for the Transitional Employment Assistance Program.

26 (c) All agencies of the state and local governments providing program

27 services shall work cooperatively with and provide any necessary assistance

28 to the General Assembly and the Arkansas Workforce Development Board and

29 shall furnish, in a timely manner, complete and accurate information

30 regarding the program to legislative committees and the board upon request.

31

32 SECTION 3. The introductory language to Arkansas Code § 20-76-106(a),

33 concerning the development of a statewide implementation plan, is amended to

34 read as follows:

35 (a) The ~~Division of Workforce Services~~ Department of Human Services

36 shall:

1  
 2 SECTION 4. Arkansas Code § 20-76-106(b)(1), concerning the contents of  
 3 the transitional employment assistance implementation plan, is amended to  
 4 read as follows:

5 (1) Performance standards and measurement criteria for state and  
 6 county offices of the ~~Department of Human Services, the Division of Workforce~~  
 7 ~~Services,~~ department and all service providers under the program;

8  
 9 SECTION 5. Arkansas Code § 20-76-106(c)(1) and (2), concerning the  
 10 preparation of a comprehensive annual program report, are amended to read as  
 11 follows:

12 (c)(1)(A) The ~~division~~ department shall prepare a comprehensive annual  
 13 program report.

14 (B) The report shall be subject to review and  
 15 recommendation by the board.

16 (2) The ~~division~~ department shall submit the comprehensive  
 17 annual program report to the Governor, the House Committee on Public Health,  
 18 Welfare, and Labor, and the Senate Committee on Public Health, Welfare, and  
 19 Labor.

20  
 21 SECTION 6. Arkansas Code § 20-76-106(c)(7), concerning the contents of  
 22 the comprehensive annual program report, is amended to read as follows:

23 (7) This report shall include a copy of all federal monthly,  
 24 quarterly, and annual reports submitted by the ~~Department of Human Services~~  
 25 department regarding the Temporary Assistance for Needy Families Program.

26  
 27 SECTION 7. Arkansas Code § 20-76-109 is amended to read as follows:  
 28 20-76-109. Use of contracts.

29 The ~~Division of Workforce Services~~ Department of Human Services, as  
 30 appropriate, should provide work activities, training, and other services  
 31 through contracts. In contracting for work activities, training, or services,  
 32 the following apply:

33 (1)(A) A contract shall be performance-based.

34 (B) Whenever possible, payment shall be tied to  
 35 performance outcomes that include factors such as, but not limited to, job  
 36 entry, job entry at a target wage, and job retention, rather than tied to

1 completion of training or education or any other phase of the program  
2 participation process;

3 (2)(A) A contract may include performance-based incentive  
4 payments that may vary according to the extent to which the recipient is more  
5 difficult to place.

6 (B)(i) Contract payments may be weighted proportionally to  
7 reflect the extent to which the recipient has limitations associated with the  
8 long-term receipt of welfare and difficulty in sustaining employment.

9 (ii) The factors may include the extent of the  
10 recipient's prior receipt of welfare, lack of employment experience, lack of  
11 education, lack of job skills, and other factors determined appropriate by  
12 the ~~division~~ department;

13 (3) Each contract awarded under the Transitional Employment  
14 Assistance Program shall be awarded in accordance with state procurement and  
15 contract laws; and

16 (4)(A) The ~~division~~ department may contract with commercial,  
17 charitable, or faith-based organizations.

18 (B) A contract must comply with federal requirements with  
19 respect to nondiscrimination and other requirements that safeguard the rights  
20 of participants.

21 (C) Services may be provided under contract, certificate,  
22 voucher, or other form of disbursement.

23  
24 SECTION 8. Arkansas Code § 20-76-113(b) and (c), concerning promoting  
25 outcomes for the Transitional Employment Assistance Program and the Arkansas  
26 Work Pays Program, are amended to read as follows:

27 (b) The ~~Division of Workforce Services~~ Department of Human Services  
28 shall develop and maintain the indicators for the Transitional Employment  
29 Assistance Program outcomes listed in subdivisions (a)(1)-(5) of this  
30 section, subject to review and approval by the Arkansas Workforce Development  
31 Board.

32 (c)(1) The ~~division~~ department shall develop proper targets for each  
33 Transitional Employment Assistance Program outcome by July 1 of each year,  
34 subject to review and approval by the board.

35 (2) The ~~division~~ department shall review and report on progress  
36 in achieving the targets in the comprehensive annual program report.

1           (3)(A) On the forty-fifth day after the end of the federal  
2 fiscal year, the report shall be submitted to the Governor and to the Chair  
3 of the House Committee on Public Health, Welfare, and Labor and the Chair of  
4 the Senate Committee on Public Health, Welfare, and Labor.

5           (B) The report shall include comments from ~~the Department~~  
6 ~~of Human Services, the division, and~~ other relevant state agencies about  
7 their activities and their progress toward the Transitional Employment  
8 Assistance Program outcome targets.

9  
10           SECTION 9. Arkansas Code § 20-76-401(a), concerning the creation and  
11 administration of the Transitional Employment Assistance Program, is amended  
12 to read as follows:

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

14           (2)~~(A)~~ The Transitional Employment Assistance Program shall be  
15 administered by the Department of Human Services ~~and the Division of~~  
16 ~~Workforce Services.~~

17           ~~(B) Subject to the order of the Governor, the division may~~  
18 ~~take full authority for administering the Transitional Employment Assistance~~  
19 ~~Program.~~

20           ~~(C) The division may contract with the department for~~  
21 ~~administrative services.~~

22           ~~(3) The division may operate a separate Transitional Employment~~  
23 ~~Assistance Program Two Parent Program funded by state funds not claimed for~~  
24 ~~the federal Temporary Assistance for Needy Families Program maintenance of~~  
25 ~~effort requirement if the Director of the Division of Workforce Services~~  
26 ~~deems such action necessary to avoid the risk of not meeting the two-parent~~  
27 ~~work participation rate.~~

28  
29           SECTION 10. Arkansas Code § 20-76-402 is amended to read as follows:

30           20-76-402. Work activities – Definitions.

31           (a) ~~The Division of Workforce Services~~ Department of Human Services  
32 shall develop and describe categories of approved work activities for  
33 transitional employment assistance recipients in accordance with this  
34 section. The rules shall be subject to review and recommendation by the  
35 Arkansas Workforce Development Board. Approved work activities may include  
36 unsubsidized employment, subsidized private sector employment, subsidized

1 public sector employment, education or training, vocational educational  
2 training, skills training, job search and job readiness assistance, on-the-  
3 job training, micro enterprise, community service, and work experience. For  
4 purposes of this section:

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

7 (2)(A) "Subsidized private sector employment" is employment in a  
8 private for-profit enterprise or a private not-for-profit enterprise which is  
9 directly supplemented by federal or state funds. A program recipient in  
10 subsidized private sector employment shall be eligible for the same benefits  
11 as a nonsubsidized employee who performs similar work. Before receiving any  
12 subsidy or incentive, an employer shall enter into a written contract with  
13 the ~~division~~ department which may include, but not be limited to, provisions  
14 addressing any of the following:

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

17 (ii) Durational requirements for the employer to  
18 retain the recipient in employment;

19 (iii) Training to be provided to the recipient by the  
20 employer;

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

23 (v) Weighting of incentive payments proportionally  
24 to the extent to which the recipient has limitations associated with the  
25 long-term receipt of welfare and difficulty in sustaining employment. In  
26 establishing incentive payments, the ~~division~~ department shall consider the  
27 extent of the recipient's prior receipt of welfare, lack of employment  
28 experience, lack of education, lack of job skills, and other appropriate  
29 factors.

30 (B) The ~~division~~ department may require an employer to  
31 repay some or all of a subsidy or incentive previously paid to an employer  
32 under the program unless the recipient is terminated for cause;

33 (3)(A) "Subsidized public sector employment" is employment by an  
34 agency of the federal, state, or local government which is directly  
35 supplemented by federal or state funds. A program recipient in subsidized  
36 public sector employment shall be eligible for the same benefits as a

1 nonsubsidized employee who performs similar work. Before receiving any  
2 subsidy or incentive, an employer shall enter into a written contract with  
3 the ~~division~~ department that 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 the  
10 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 ~~division~~ department shall consider the  
17 extent of the recipient's prior receipt of welfare, lack of employment  
18 experience, lack of education, lack of job skills, and other appropriate  
19 factors.

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

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

28 (5) "Job search assistance" may include supervised or  
29 unsupervised job-seeking activities. Job readiness assistance provides  
30 support for job-seeking activities, which may include:

31 (A) Orientation in the world of work and basic job-seeking  
32 and job-retention skills;

33 (B) Instruction in completing an application for  
34 employment and writing a resume;

35 (C) Instruction in conducting oneself during a job  
36 interview, including appropriate dress;



1 (D) Providing a recipient with access to an employment  
2 resource center that contains job listings, telephones, facsimile machines,  
3 typewriters, and word processors; and

4 (E) Preparation to seek or obtain employment, including  
5 life skills and literacy training, and substance abuse treatment, mental  
6 health treatment, or rehabilitation activities for those who are otherwise  
7 employable;

8 (6) "Education" includes elementary and secondary education,  
9 education to obtain the equivalent of a high school diploma, and education to  
10 learn English as a second language. In consultation with adult education or  
11 rehabilitative services, a person with a high school diploma or the  
12 equivalent who tests at less than a working functioning level shall be  
13 eligible to participate in basic remedial or adult education. If an  
14 individual does not have a high school diploma or equivalency, "education"  
15 also includes basic remedial education and adult education;

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

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

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

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

32 (A) Has not completed high school or obtained a high  
33 school equivalency diploma;

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

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

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

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

7 (b) All occupational training shall meet at least one (1) of the  
8 following requirements:

9 (1) Be on the statewide or appropriate area list of occupations  
10 in the Guide to Educational Training Programs for Demand Occupations  
11 published by the ~~division~~ Division of Workforce Services;

12 (2) Be on that list for another area within the state to which  
13 the Transitional Employment Assistance Program recipient has signed a  
14 commitment to relocate;

15 (3) Be for a specific position for which an employer has  
16 submitted a letter demonstrating intent to hire persons upon successful  
17 completion of training; and

18 (4) Be in an occupation in local demand but not shown on the  
19 state or area demand list if the local demand is documented or will be  
20 documented by the area workforce development board through a state-prescribed  
21 methodology.

22 (c) Each state agency and each entity that contracts to provide  
23 services for a state agency shall establish recruitment and hiring goals  
24 which shall target ten percent (10%) of all jobs requiring a high school  
25 diploma or less to be filled with transitional employment assistance or food  
26 stamp recipients.

27 (d)(1) The ~~division~~ department shall require participation in approved  
28 work activities to the maximum extent possible, subject to federal and state  
29 funding. If funds are projected to be insufficient to support full-time work  
30 activities by all program recipients who are required to participate in work  
31 activities, the ~~division~~ department shall screen recipients and assign  
32 priority in accordance with the implementation plan.

33 (2) In accordance with the implementation plan, the ~~division~~  
34 department may limit a recipient's weekly work requirement to the minimum  
35 required to meet federal work activity requirements and may develop screening  
36 and prioritization procedures within employment opportunity districts or

1 within counties based on the allocation of resources, the availability of  
2 community resources, or the work activity needs of the employment opportunity  
3 district or county.

4 (e)(1) Subject to subdivision (e)(2) of this section, an adult in a  
5 family receiving assistance under the program may fill a vacant employment  
6 position in order to engage in a work activity described in subsection (a) of  
7 this section.

8 (2) No adult in a work activity described in subsection (a) of  
9 this section which is funded, in whole or in part, by funds provided by the  
10 United States Government shall be employed or assigned:

11 (A) When any other individual is on layoff from the same  
12 or any substantially equivalent job; or

13 (B) If the employer has terminated the employment of any  
14 regular employee or otherwise caused an involuntary reduction in its  
15 workforce in order to fill the vacancy so created with an adult described in  
16 subdivision (e)(1) of this section.

17 (3) The ~~division~~ department shall establish and maintain a  
18 grievance procedure for resolving complaints of alleged violations of  
19 subdivision (e)(2) of this section.

20 (4) Nothing in this subsection shall preempt or supersede any  
21 provision of state or local law that provides greater protection for  
22 employees from displacement.

23 (f) The ~~division~~ department, subject to review and recommendation by  
24 the board, shall establish criteria to exempt or temporarily defer the  
25 following persons from any work activity requirement:

26 (1) An individual required to care for a recipient child until  
27 the child reaches twelve (12) months of age, if the caregiver is an active  
28 participant in a home-based or part-time center-based quality-approved early  
29 learning program, where available, that requires parental involvement and is  
30 approved by the Department of Education under the Arkansas Better Chance  
31 Program Act, § 6-45-101 et seq.;

32 (2) An individual required to care for a recipient child until  
33 the child reaches the maximum age specified by rule, not to exceed twelve  
34 (12) months of age;

35 (3) A parent or caregiver with a disability, based upon criteria  
36 set forth in rules;

1 (4) A woman in the third trimester of pregnancy;

2 (5) A parent or caregiver who is caring for a child relative  
 3 with a disability or an adult relative with a disability, based upon criteria  
 4 set forth in rules;

5 (6) A minor parent less than eighteen (18) years of age who  
 6 resides in the home of a parent or in an approved adult-supervised setting  
 7 and who participates in full-time education or training;

8 (7) A teen parent head of household under twenty (20) years of  
 9 age who maintains satisfactory attendance as a full-time student at a  
 10 secondary school;

11 (8) An individual for whom support services necessary to engage  
 12 in a work activity are not available;

13 (9) An individual who, as determined by a ~~division~~ department  
 14 case manager, is unable to participate in work activities due directly to the  
 15 effects of domestic violence. All case manager determinations made under this  
 16 subdivision (f)(9) shall be reviewed by a supervisor within five (5) days of  
 17 such determination;

18 (10) An individual unable to participate in a work activity due  
 19 to extraordinary circumstances;

20 (11) A parent or caregiver over sixty (60) years of age; and

21 (12) Child-only cases.

22  
 23 SECTION 11. Arkansas Code § 20-76-404, as amended by Acts 2023, No.  
 24 266, § 2, is amended to read as follows:

25 20-76-404. Duration of assistance – Extended support services.

26 (a)(1) The ~~Division of Workforce Services~~ Department of Human Services  
 27 shall not provide financial assistance to a family that includes an adult  
 28 recipient who has received financial assistance for more than twelve (12)  
 29 months, except as provided in subsection (c) of this section.

30 (2) The number of months need not be consecutive and shall  
 31 include the time a recipient receives financial assistance from another  
 32 state.

33 (3) The ~~division~~ Department of Human Services may by rule  
 34 establish other limitations on the receipt of financial assistance not  
 35 inconsistent with state or federal law.

36 (b)(1) The ~~division~~ Department of Human Services shall certify to the

1 Governor, the House Committee on Public Health, Welfare, and Labor, and the  
2 Senate Committee on Public Health, Welfare, and Labor when the support  
3 services necessary for program recipients to obtain employment or participate  
4 in allowable work activities are available.

5 (2) The ~~division~~ Department of Human Services may certify  
6 subsets of program recipients, including without limitation recipients in a  
7 certain geographical area or employment opportunity district or program  
8 recipients with a high school diploma or high school equivalency diploma  
9 approved by the Adult Education Section of the Division of Workforce  
10 Services.

11 (3) Before implementing the twelve-month cumulative limit on  
12 financial assistance, the ~~division~~ Department of Human Services shall notify  
13 program recipients by direct mail or contact and by other means reasonably  
14 calculated to reach ~~to~~ current and potential program recipients, including,  
15 but not limited to, the posting of notices in county offices.

16 (c) The ~~division~~ Department of Human Services shall exempt or  
17 temporarily defer within thirty (30) calendar days the following persons from  
18 the twelve-month cumulative limit on financial assistance:

19 (1) An individual, as determined by a ~~division~~ Department of  
20 Human Services case manager, who cooperated and participated in activities,  
21 but was unable to obtain employment because of circumstances or barriers  
22 beyond his or her control;

23 (2) Child-only cases;

24 (3) An individual unable to obtain employment because of the  
25 lack of support services necessary to overcome barriers to employment;

26 (4) A parent or caregiver over sixty (60) years of age;

27 (5) A parent or caregiver who is caring for a disabled child  
28 relative or disabled adult relative, based upon criteria set forth in  
29 ~~division~~ Department of Human Services rules;

30 (6) A disabled parent or caregiver, based upon criteria set  
31 forth in ~~division~~ Department of Human Services rules;

32 (7) A parent less than eighteen (18) years of age who resides in  
33 the home of a parent or in an approved adult-supervised setting and who  
34 participates in full-time education or training;

35 (8) An individual, who as determined by a ~~division~~ Department of  
36 Human Services case manager, is unable to obtain employment due directly to

1 the effects of domestic violence. All case manager determinations made under  
2 this subdivision (c)(8) shall be reviewed by a supervisor within five (5)  
3 days of the determination;

4 (9) Other individuals as determined by the ~~division~~ Department  
5 of Human Services, including, but not limited to, a child when necessary to  
6 protect the child from the risk of neglect, as defined by § 12-18-103(14);  
7 and

8 (10) Individuals participating in education and training  
9 activities who have reached the end of their twelve-month cumulative limit on  
10 financial assistance, have complied with all transitional employment  
11 assistance rules, are making satisfactory academic progress as determined by  
12 the academic institution or training program in which the individual is  
13 currently enrolled, and are expected to complete the requirements for the  
14 education or training program within a reasonable period of time as defined  
15 in rules issued by the ~~division~~ Department of Human Services.

16 (d)(1) No months shall be counted toward a person's twelve-month  
17 cumulative limit on financial assistance while he or she is receiving a  
18 deferral or exemption.

19 (2) There shall be no limit on the length or the number of  
20 deferrals or exemptions granted each person as long as the person meets any  
21 of the criteria outlined in subsection (c) of this section.

22 (3) The ~~division~~ Department of Human Services shall periodically  
23 review each case to determine whether the person still meets any of the  
24 criteria outlined in subsection (c) of this section.

25 (4)(A) The ~~division~~ Department of Human Services shall carry out  
26 an enhanced review of all cases six (6) months before the expiration of the  
27 time limit.

28 (B) The review shall assess the barriers that remain to  
29 the adult or adults in the case obtaining employment, what enhanced services  
30 can be provided to enable him or her to obtain employment, and whether the  
31 case should be given a six-month extension or be exempted from the time  
32 limit.

33 (C) The ~~division~~ Department of Human Services shall make  
34 every reasonable effort to deliver the available services identified in  
35 subdivision (d)(4)(B) of this section.

36 (D) The ~~division~~ Department of Human Services shall grant

1 an extension at the time for review if the client meets one (1) of the  
2 grounds for extension.

3 (E) The ~~division~~ Department of Human Services shall carry  
4 out a further review at the end of the extension period.

5 (e)(1) A recipient who was eligible for Medicaid and loses his or her  
6 financial assistance due to earnings and whose income remains below one  
7 hundred eighty-five percent (185%) of the federal poverty level shall remain  
8 eligible for transitional Medicaid without reapplication during the  
9 immediately succeeding twelve-month period if private medical insurance is  
10 unavailable from the employer.

11 (2) A recipient who loses his or her financial assistance due to  
12 earnings and who is employed shall be eligible for:

13 (A) Childcare assistance at no cost and without  
14 reapplication for a cumulative period of twelve (12) months; and

15 (B) Twenty-four (24) additional months of childcare  
16 assistance provided on a sliding fee scale or other cost-sharing arrangement  
17 as determined by the ~~division~~ Department of Human Services.

18 (3) The ~~division~~ Department of Human Services may reduce the  
19 period of transitional child care to a total of twenty-four (24) months for  
20 recipients who lose assistance at a specified date after the ~~division's~~  
21 Department of Human Services' decision to limit the assistance if the  
22 ~~division~~ Department of Human Services certifies to the Governor and the Chief  
23 Fiscal Officer of the State that the reduction is necessary to avoid  
24 overspending the biennial budget for child care.

25 (4) The transitional childcare assistance available to former  
26 recipients shall not exceed the cumulative number of months provided under  
27 subdivisions (e)(2) and (3) of this section, regardless of whether the former  
28 recipient reenters the Transitional Employment Assistance Program.

29 (f)(1) The ~~division~~ Department of Human Services shall deny Medicaid,  
30 childcare, and transportation assistance during the twelve-month period for  
31 any month in which the recipient's family does not include a dependent child.

32 (2) The ~~division~~ Department of Human Services shall notify the  
33 recipient of transitional Medicaid, childcare, and transportation assistance  
34 when the recipient is notified of the termination of cash assistance. The  
35 notice shall include a description of the circumstances in which the  
36 transitional Medicaid and childcare assistance may be terminated.

1 (g)(1) In order to assist current and former program recipients in  
2 continuing training and upgrading skills, transitional education or training  
3 may be provided to a recipient for up to one (1) year after the recipient is  
4 no longer eligible to participate in the program due to employment earnings.

5 (2) Education or training resources available in the community  
6 at no additional cost to the ~~division~~ Department of Human Services shall be  
7 used whenever possible.

8 (3) Transitional education or training shall be employment-  
9 related and may include education or training to improve a recipient's job  
10 skills in the recipient's existing area of employment or may include  
11 education or training to prepare a recipient for employment in another  
12 occupation.

13 (4) The ~~division~~ Department of Human Services may enter into an  
14 agreement with an employer to share the costs relating to upgrading the  
15 skills of recipients hired by the employer.

16 (h) Other extended support services may be available to recipients no  
17 longer eligible for financial assistance under transitional employment  
18 assistance.

19 (i)(1) By August 1, 2001, the ~~division~~ Department of Human Services  
20 shall develop a plan, subject to review and recommendation by the Arkansas  
21 Workforce Development Board, to monitor and protect the safety and well-being  
22 of the children within a family whose temporary assistance is terminated for  
23 any reason other than the family's successful transition to economic self-  
24 sufficiency.

25 (2)(A) Actions required by the plan shall include at least one  
26 (1) home visit with the parents and children.

27 (B) Every reasonable effort shall be made to make contact  
28 with all families, including visits during evenings and on weekends.

29 (C) The first home visit shall occur within six (6) months  
30 after the termination of cash assistance.

31 (D) The purposes of the home visits shall include checking  
32 on the well-being of children in those families and determining whether the  
33 families need available services.

34 (3) The ~~division~~ Department of Human Services may contract with  
35 other state agencies, private companies, local government agencies, or  
36 community organizations for the conducting of these visits.



1           (4) The board shall submit a report to the Governor and the  
2 Chair of the House Committee on Public Health, Welfare, and Labor and the  
3 Chair of the Senate Committee on Public Health, Welfare, and Labor that  
4 reports on the outcomes of the home visits and provides separate information  
5 for families who left transitional assistance due to noncompliance and time  
6 limits.

7           (j) As part of the home visits, families shall be informed about the  
8 availability of Medicaid and the ARKids First Program, food stamps, child  
9 care, housing assistance, any other supportive services offered by the  
10 ~~division~~ Department of Human Services or the Department of Health designed to  
11 help meet the basic needs and well-being of children, federal and state  
12 earned income tax credits, individual development accounts, employment  
13 counseling services, and education and training opportunities designed to  
14 increase the future earnings and employment prospects of clients.

15  
16           SECTION 12. Arkansas Code § 20-76-410(b)-(f), as amended by Acts 2023,  
17 No. 266, § 3, concerning administrative sanctions and the Transitional  
18 Employment Assistance Program are amended to read as follows:

19           (b) The ~~Division of Workforce Services~~ Department of Human Services  
20 may define by rule additional situations that require sanction, establish  
21 additional sanctions, and provide for administrative disqualification.

22           (c)(1) If a parent fails to comply with the Transitional Employment  
23 Assistance Program requirements, financial assistance for the child or  
24 children may be continued under subdivisions (a)(1)-(5) of this section, and  
25 the ~~division~~ department shall suspend the family's assistance for one (1)  
26 month.

27           (2)(A) During the thirty (30) days after suspension of benefits,  
28 the ~~division~~ department shall make strong efforts to arrange a face-to-face  
29 meeting with the parent, including a home visit to the family if necessary.

30           (B) In the face-to-face meeting, the ~~division~~ department  
31 shall explain:

32                           (i) The reason that the family has been found to be  
33 noncompliant;

34                           (ii) The penalty that will be imposed; and

35                           (iii) The opportunity to correct that noncompliance  
36 and avoid the penalty.

1 (C) The ~~division~~ department shall also seek to determine  
2 the well-being of the child or children and whether additional services or  
3 actions are required to protect the well-being of the child or children.

4 (D) If the parent comes into compliance within fifteen  
5 (15) business days after the face-to-face meeting and maintains compliance  
6 for two (2) weeks, the suspended benefits shall be paid to the family.

7 (3) If the parent fails to come into compliance during the  
8 period of suspended benefits, the family's financial assistance may be  
9 reduced by up to twenty-five percent (25%) for the next three (3) months if  
10 noncompliance continues.

11 (4) If the parent's noncompliance continues after the fourth  
12 month, the ~~division~~ department shall suspend the family's financial  
13 assistance for two (2) months.

14 (5)(A) During the thirty (30) days after suspension of benefits,  
15 the ~~division~~ department shall make strong efforts to arrange a face-to-face  
16 meeting with the parent, including a home visit to the family if necessary.

17 (B) In the face-to-face meeting, the ~~division~~ department  
18 shall explain:

19 (i) The reason that the family has been found to be  
20 noncompliant;

21 (ii) The penalty that will be imposed; and

22 (iii) The opportunity to correct that noncompliance  
23 and avoid the penalty.

24 (C) The ~~division~~ department shall also seek to determine  
25 the well-being of the child or children and whether additional services or  
26 actions are required to protect the well-being of the child or children.

27 (D) If the parent comes into compliance within fifteen  
28 (15) business days and maintains compliance for two (2) weeks, the suspended  
29 benefits shall be paid to the parent.

30 (E) If the parent fails to come into compliance during the  
31 second period of suspended benefits, the family's financial assistance may be  
32 reduced by up to fifty percent (50%) for the next three (3) months, if  
33 noncompliance continues.

34 (F) Months during which cash assistance benefits are  
35 suspended shall not count toward the family's twelve-month limit on receiving  
36 Transitional Employment Assistance Program assistance.

1 (G) The Transitional Employment Assistance Program cash  
2 assistance case shall be closed if noncompliance continues after the end of  
3 the period under this subdivision (c)(5).

4 (6) The ~~division~~ department shall arrange a home visit with the  
5 family during the last month of the sanction to determine the well-being of  
6 the child or children and to determine whether additional services are  
7 required to protect the well-being of the child or children.

8 (7) Medicaid and food stamp benefits shall be continued without  
9 need for reapplication if the family is being sanctioned and for as long as  
10 the family remains eligible under the requirements of those programs.

11 (8) ~~Division~~ Department staff may contract with other state  
12 agencies, local coalitions, or appropriate community organizations to carry  
13 out the strong efforts to communicate with families facing sanction and to  
14 conduct the face-to-face meetings and home visits specified in this section.

15 (d) ~~Beginning after July 27, 2011, the division~~ The department shall  
16 include in the comprehensive annual program report information on the  
17 families sanctioned and the outcomes of the home visits to the Governor and  
18 the House Committee on Public Health, Welfare, and Labor and the Senate  
19 Committee on Public Health, Welfare, and Labor.

20 (e) When appropriate, protective payees may be designated by the  
21 ~~division~~ department and may include:

22 (1) A relative or other individual who is interested in or  
23 concerned with the welfare of the child or children and agrees in writing to  
24 utilize the assistance in the best interests of the child or children;

25 (2) A member of the community affiliated with a religious,  
26 community, neighborhood, or charitable organization who agrees in writing to  
27 utilize the assistance in the best interests of the child or children; or

28 (3) A volunteer or member of an organization who agrees in  
29 writing to utilize the assistance in the best interests of the child or  
30 children.

31 (f)(1) If it is in the best interest of the child or children, as  
32 determined by the ~~division~~ department, for the staff member of a private  
33 agency, a public agency, the ~~division~~ department, or any other appropriate  
34 organization to serve as a protective payee, the designation may be made.

35 (2) However, a protective payee shall not be any individual  
36 involved in determining eligibility for assistance for the family, staff

1 handling any fiscal pressures related to the issuance of assistance, or  
 2 landlords, grocers, or vendors of goods, services, or items dealing directly  
 3 with the recipient.

4  
 5 SECTION 13. Arkansas Code § 20-76-437 is amended to read as follows:  
 6 20-76-437. Reporting – Transitional employment assistance.

7 The Department of Human Services, ~~the Division of Workforce Services,~~  
 8 ~~the Department of Health, the Division of Elementary and Secondary Education,~~  
 9 ~~the Division of Higher Education, the Adult Education Section, the Arkansas~~  
 10 ~~Development Finance Authority, the Arkansas Economic Development Council, and~~  
 11 ~~the Arkansas Department of Transportation~~ shall report periodically to the  
 12 House Committee on Public Health, Welfare, and Labor and the Senate Committee  
 13 on Public Health, Welfare, and Labor regarding the provision of services to  
 14 Transitional Employment Assistance Program recipients.

15  
 16 SECTION 14. Arkansas Code § 20-76-438(b), concerning the findings  
 17 related to a division of administration of the Transitional Employment  
 18 Assistance Program, is repealed.

19 ~~(b)(1) The General Assembly also finds that:~~

20 ~~(A) Currently there are inefficiencies and duplication of~~  
 21 ~~effort on the part of the Division of Workforce Services and the Department~~  
 22 ~~of Human Services in the administration of the Transitional Employment~~  
 23 ~~Assistance Program; and~~

24 ~~(B) A different division of responsibility for~~  
 25 ~~administration of the Transitional Employment Assistance Program by the~~  
 26 ~~division and the Department of Human Services may result in the more~~  
 27 ~~efficient and effective administration of the Transitional Employment~~  
 28 ~~Assistance Program.~~

29 ~~(2) Therefore, it is in the public interest that the General~~  
 30 ~~Assembly authorize the division to:~~

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

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

1                    ~~(C) Provide all employment related services for time-~~  
 2 ~~limited Transitional Employment Assistance Program clients;~~

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

6                    ~~(E) Prepare and submit any Temporary Assistance for Needy~~  
 7 ~~Families renewal plans that are required in § 402 of the Social Security Act,~~  
 8 ~~42 U.S.C. § 651 et seq.~~

9  
 10           SECTION 15. Arkansas Code § 20-76-443(a)(1), concerning education and  
 11 training for recipients of Transitional Employment Assistance Program  
 12 benefits, is amended to read as follows:

13           (a)(1) The Department of Human Services ~~and the Division of Workforce~~  
 14 ~~Services~~ shall permit Transitional Employment Assistance Program recipients  
 15 to obtain the education and training they need to obtain jobs that pay wages  
 16 allowing them to be economically self-sufficient.

17  
 18           SECTION 16. Arkansas Code § 20-76-443(d)(2), concerning rules for  
 19 evening childcare program for recipients of Transitional Employment  
 20 Assistance Program benefits, is amended to read as follows:

21           (2) The ~~Division of Workforce Services~~ Department of Human  
 22 Services and the Arkansas Early Childhood Commission jointly shall promulgate  
 23 rules to develop an evening childcare program with extended hours under  
 24 subdivision (d)(1) of this section.

25  
 26           SECTION 17. Arkansas Code § 20-76-444, as amended by Acts 2023, No.  
 27 266, is amended to read as follows:

28           20-76-444. Arkansas Work Pays Program – Created – Duties.

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

30           (2)(A) The Arkansas Work Pays Program shall be administered by  
 31 the ~~Division of Workforce Services~~ Department of Human Services.

32           (B) The administration of the Arkansas Work Pays Program  
 33 shall focus on promoting the Transitional Employment ~~Assistance~~ Assistance  
 34 Program outcomes specified in § 20-76-113.

35           (3) Eligible applicants to the Arkansas Work Pays Program shall  
 36 receive one (1) or more of the following:

- 1 (A) Cash assistance;
- 2 (B) Support services;
- 3 (C) Medical assistance; and
- 4 (D) Employment assistance.

5 (b)(1) Eligibility for assistance under the Arkansas Work Pays Program  
 6 is limited to applicants or participants who:

- 7 (A) Have care and custody of a related minor child;
- 8 (B) Reside in the State of Arkansas at the time of  
 9 application for assistance and during the period of assistance;
- 10 (C) Apply for Arkansas Work Pays Program assistance within  
 11 six (6) months of leaving the Transitional Employment Assistance Program  
 12 after at least three (3) months of Transitional Employment Assistance Program  
 13 assistance;
- 14 (D) Have not received more than twelve (12) months of  
 15 Arkansas Work Pays Program benefits;
- 16 (E) Were engaged:
  - 17 (i) In paid work activities for a minimum of twenty-  
 18 four (24) hours per week and met the federal work participation requirement  
 19 for the past month; or
  - 20 (ii) In the case of continuing eligibility, in paid  
 21 work activities for a minimum of twenty-four (24) hours per week and met the  
 22 federal work participation requirement for one (1) of the past three (3)  
 23 months and for at least three (3) of the past six (6) months;
- 24 (F) Are:
  - 25 (i) Citizens of the United States;
  - 26 (ii) Qualified aliens lawfully present in the United  
 27 States before August 22, 1996;
  - 28 (iii) Qualified aliens who physically entered the  
 29 United States on or after August 22, 1996, and have been in qualified  
 30 immigrant status for at least five (5) years; or
  - 31 (iv) Aliens to whom benefits under Temporary  
 32 Assistance for Needy Families must be provided under federal law;
- 33 (G) Have income below one hundred fifty percent (150%) of  
 34 the federal poverty level; and
- 35 (H) Sign and comply with a personal responsibility  
 36 agreement.

1           (2) Families who leave the Arkansas Work Pays Program due to  
2 insufficient work hours may reenter the Arkansas Work Pays Program once they  
3 establish that they were paid work activities for a minimum of twenty-four  
4 (24) hours per week and met the federal work participation requirement for  
5 the past month.

6           (c)(1) Families participating in the Arkansas Work Pays Program with  
7 earnings less than the federal poverty level shall receive monthly cash  
8 assistance equal to the maximum monthly Transitional Employment Assistance  
9 Program benefit for a family of three (3) with no earned income.

10           (2) The ~~division~~ department may set payment levels for families  
11 earning above the federal poverty level by rule to allow for a gradual  
12 reduction in payments as earnings rise toward one hundred fifty percent  
13 (150%) of the federal poverty level.

14           (d)(1) Enrollment in Arkansas Work Pays Program cash assistance may be  
15 limited to three thousand (3,000) participants.

16           (2) If the Arkansas Workforce Development Board certifies to the  
17 Governor and the Chief Fiscal Officer of the State and notifies the  
18 Legislative Council, the Senate Committee on Public Health, Welfare, and  
19 Labor, and the House Committee on Public Health, Welfare, and Labor that the  
20 action is necessary to avoid the number of families receiving Arkansas Work  
21 Pays Program cash assistance going over three thousand (3,000), it may  
22 authorize a reduction of the months for which families may receive cash  
23 assistance or other supportive services.

24           (3) The number of months for which families are eligible for  
25 cash assistance may be reduced in three-month increments from the statutory  
26 provision of twelve (12) months.

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

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

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

36           (f) The ~~division~~ department shall administer a work incentive program

1 that includes cash bonuses and other financial 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 meet the federal work  
 7 participation rate; and

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

11 (g)(1) The ~~division~~ department ~~shall~~ may work with local workforce  
 12 offices to develop and administer services to Arkansas Work Pays Program  
 13 participants designed to help them move into higher-paying jobs available in  
 14 their regions.

15 (2) These services may include:

16 (A) Employment exchanges;

17 (B) Education and training;

18 (C) Work supports; and

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

21 (3) The ~~division~~ department may make these services available to  
 22 low-income workers who are not participating in the Arkansas Work Pays  
 23 Program.

24 ~~(h)(1) The division may contract with the Department of Human Services~~  
 25 ~~for administrative services related to eligibility and payments.~~

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

29 ~~(j)(1) The division~~ department shall promulgate rules establishing the  
 30 Arkansas Work Pays Program.

31 (2) The rules shall be subject to review and recommendation by  
 32 the board.

33  
 34 SECTION 18. Arkansas Code § 20-76-445(b)(1)(A), concerning the Career  
 35 Pathways Initiative, is amended to read as follows:

36 (b)(1)(A) The Department of Human Services, the Division of Workforce



1 Services, the Division of Higher Education, and the Arkansas Workforce  
2 Development Board shall work jointly to develop a plan for the Career  
3 Pathways Initiative.

4  
5 SECTION 19. Arkansas Code § 20-76-446(a) and (b), concerning the  
6 Community Investment Initiative, are amended to read as follows:

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

8 (2) The ~~Division of Workforce Services~~ Department of Human  
9 Services shall develop the initiative.

10 (b) The ~~division~~ department shall contract with private or community  
11 organizations, including faith-based organizations, to offer services and  
12 support to parents, children, and youth in their communities.

13  
14 SECTION 20. Arkansas Code § 20-76-446(d)(1), concerning the Community  
15 Investment Initiative, is amended to read as follows:

16 (d)(1) The ~~division~~ department shall authorize contracts with state  
17 agencies or community organizations to provide training and capacity building  
18 services to organizations eligible to apply for initiative funds.

19  
20 SECTION 21. Arkansas Code § 20-76-702(4)(B), concerning the definition  
21 of "drug" under the Drug Screening and Testing Act of 2015, is amended to  
22 read as follows:

23 (B) The ~~Director of the Division of Workforce Services~~ Secretary  
24 of the Department of Human Services may add under the definition of  
25 subdivision (4)(A) of this section additional drugs by rule;

26  
27 SECTION 22. Arkansas Code § 20-76-702(6), concerning the definition of  
28 "drug testing agency" under the Drug Screening and Testing Act of 2015, is  
29 amended to read as follows:

30 (6) "Drug testing agency" means an entity that has the required  
31 credentials as established by the ~~Division of Workforce Services~~ Department  
32 of Human Services to administer drug tests using a person's urine, blood, or  
33 DNA that will detect and validate the presence of drugs in a person's body;

34  
35 SECTION 23. Arkansas Code § 20-76-703(a)(1), concerning administration  
36 of the Drug Screening and Testing Act of 2015, is amended to read as follows:

1 (a)(1) Subject to state appropriation, the ~~Division of Workforce~~  
 2 ~~Services, in coordination with the~~ Department of Human Services, shall  
 3 establish and administer a drug screening and testing program of suspicion-  
 4 based drug screening and testing for each applicant who is otherwise eligible  
 5 for the Temporary Assistance for Needy Families Program, § 20-76-101 et seq.,  
 6 or its successor program and for each recipient of the Temporary Assistance  
 7 for Needy Families Program, § 20-76-101 et seq., or its successor program.

8  
 9 SECTION 24. The introductory language to Arkansas Code § 20-76-704(a),  
 10 concerning powers and duties under the Drug Screening and Testing Act of  
 11 2015, is amended to read as follows:

12 (a) The ~~Division of Workforce Services, in coordination with the~~  
 13 Department of Human Services, shall:

14  
 15 SECTION 25. The introductory language to Arkansas Code § 20-76-704(b),  
 16 concerning powers and duties under the Drug Screening and Testing Act of  
 17 2015, is amended to read as follows:

18 (b) Annually, the ~~division, in coordination with the~~ department, shall  
 19 submit a report of the past calendar year on or before February 1 to the  
 20 General Assembly that includes without limitation:

21  
 22 SECTION 26. Arkansas Code § 20-76-705 is amended to read as follows:  
 23 20-76-705. Standards in drug screening and testing pilot program.  
 24 The drug screening and testing program shall include without  
 25 limitation:

26 (1)(A) A requirement that an applicant upon initial application  
 27 for Temporary Assistance for Needy Families Program benefits or a current  
 28 recipient of program benefits at annual redetermination shall be screened  
 29 using an empirically validated drug screening tool.

30 (B) If the result of the drug screening tool gives the  
 31 ~~Division of Workforce Services~~ Department of Human Services a reasonable  
 32 suspicion to believe that the applicant or recipient has engaged in the use  
 33 of drugs, then the applicant or recipient shall be required to take a drug  
 34 test.

35 (C) A refusal by an applicant or recipient to take a drug  
 36 test shall result in lack of eligibility for program benefits for six (6)

1 months;

2 (2) A process for administering the cost of drug tests as  
3 follows:

4 (A) If an applicant or recipient receives a negative  
5 result on a drug test, the cost of administering the drug test shall be paid  
6 by the ~~division~~ department;

7 (B) If an applicant or recipient receives a positive  
8 result on a drug test, refuses to enter a treatment plan, and receives a  
9 negative result on a drug test upon reapplying for benefits after six (6)  
10 months, the cost of administering the first drug test shall be deducted from  
11 his or her first program benefits, and the cost of administering the second  
12 drug test shall be paid by the ~~division~~ department;

13 (C) If an applicant receives a positive result on a drug  
14 test and enters a treatment plan, the cost of administering the drug test  
15 shall be deducted from his or her first program benefits; and

16 (D) If a recipient receives a positive result on a drug  
17 test and enters a treatment plan, the cost of administering the drug test  
18 shall be deducted from his or her first program benefits after  
19 redetermination;

20 (3)(A) A referral process for any applicant or recipient who  
21 receives a positive result on a drug test to be referred to an appropriate  
22 treatment resource for drug abuse treatment or other resource by the ~~division~~  
23 department for an appropriate treatment period as determined by the ~~division~~  
24 department.

25 (B) Evidence of ongoing compliance during the determined  
26 treatment period shall be required.

27 (C) If an applicant or recipient is otherwise eligible  
28 during the treatment period, the applicant shall receive program benefits;

29 (4) A requirement that a refusal to enter a treatment plan or  
30 failure to complete the treatment plan by an applicant or recipient who  
31 receives a positive result on a drug test shall result in lack of eligibility  
32 for program benefits for six (6) months;

33 (5)(A) A requirement that an applicant or recipient be tested  
34 using the no less than five-panel drug test upon the conclusion of the  
35 determined treatment period.

36 (B) If an applicant or recipient receives a positive

1 result on the no less than five-panel drug test or any subsequent drug test,  
2 the applicant shall be ineligible for program benefits for six (6) months.

3 (C) If an applicant or recipient who has failed a drug  
4 test reapplies for program benefits, the applicant or recipient shall test  
5 negative for illegal use of controlled substances in order to receive program  
6 benefits, and the ~~division~~ department may provide a referral to an  
7 appropriate treatment resource for drug abuse treatment or other resource;  
8 and

9 (6)(A) A requirement that a dependent child's eligibility for  
10 program benefits shall not be affected by a caretaker relative's  
11 ineligibility due to positive results on a drug test.

12 (B) An appropriate protective payee shall be designated to  
13 receive program benefits on behalf of the dependent child.

14  
15 SECTION 27. Arkansas Code § 20-76-706 is amended to read as follows:  
16 20-76-706. Information regarding drug testing.

17 (a) All information, interviews, reports, statements, memoranda, and  
18 drug test results, written or otherwise, received by the ~~Division of~~  
19 ~~Workforce Services~~ Department of Human Services as a part of the drug testing  
20 program under this subchapter shall be confidential and not subject to  
21 disclosure and may not be used or received in evidence, obtained in  
22 discovery, or disclosed in any public or private proceedings.

23 (b)(1) Information regarding drug test results for a test administered  
24 under this subchapter shall not be released to law enforcement officers or  
25 used in any criminal proceeding.

26 (2) Information released contrary to subdivision (b)(1) of this  
27 section is inadmissible as evidence in a criminal proceeding.

28 (c) This subchapter does not prohibit:

29 (1) The ~~division~~ department or a drug testing agency conducting  
30 the drug test from having access to an adult applicant's or adult recipient's  
31 drug test information or using the information when consulting with legal  
32 counsel in connection with actions brought under or related to this  
33 subchapter or when the information is relevant to its defense in a civil or  
34 administrative matter; or

35 (2) The reporting of child abuse, child sexual abuse, or neglect  
36 of a child.

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 28. Arkansas Code § 20-76-708 is amended to read as follows:  
20-76-708. Rulemaking authority.

(a) ~~The Director of the Division of Workforce Services, in~~  
~~coordination with~~ Secretary of the Department of Human Services, shall  
promulgate rules necessary for the implementation of this subchapter.

(b) The ~~director~~ secretary shall consider the following when  
promulgating rules:

(1) Testing procedures established by the United States  
Department of Health and Human Services and the United States Department of  
Transportation;

(2) Screening procedures established by the substance abuse  
experts to determine when a person exhibits the criteria to determine that  
there is reasonable cause to suspect that a person is likely to use drugs;

(3) Body specimens and minimum specimen amounts that are  
appropriate for drug testing;

(4) Methods of analysis and procedures to ensure reliable drug  
testing results, including without limitation standards for initial tests and  
confirmation tests;

(5) Minimum detection levels for each drug or drug metabolite  
for the purpose of determining a positive result;

(6) Chain-of-custody procedures to ensure proper identification,  
labeling, and handling of specimens tested; and

(7) Retention, storage, and transportation procedures to ensure  
reliable results of drug tests used in the administration of this subchapter.

SECTION 29. EMERGENCY CLAUSE. It is found and determined by the  
General Assembly of the State of Arkansas that the Transitional Employment  
Assistance Program and the Arkansas Work Pays Program preserve the public  
peace, health, and safety by providing time-limited case assistance to needy  
families with or expecting children, work training, and other supportive  
services that parents need in order to attain permanent self-sufficiency, and  
assistance to prior participants of the Transitional Employment Assistance  
Program; that this act provides for the transfer of the Transitional  
Employment Assistance Program and the Arkansas Work Pays Program to the  
Department of Human Services; and that this act should become effective on

1 July 1, 2023, to coincide with the appropriation bills of the Department of  
2 Human Services and the Department of Commerce so that the Transitional  
3 Employment Assistance Program and the Arkansas Work Pays Program continue to  
4 provide their vital services as the transition is implemented and does not  
5 experience any issues with funding under the transfer. Therefore, an  
6 emergency is declared to exist, and this act being necessary for the  
7 preservation of the public peace, health, and safety shall become effective  
8 on July 1, 2023.

9  
10  
11 **APPROVED: 4/13/23**  
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