During the 1999 legislative session a bill passed that amends the 1997 Welfare Reform law. The new law, Act 1567, made many changes to the existing law. In particular, the law made several changes that will make it possible for Temporary Employment Assistance (TEA) recipients to get the education and training they need to qualify for jobs that will help them to become economically self-sufficient. Below you will find a summary of the new outcomes for the TEA program, the requirements for assessments and Personal Responsibility Agreements, and the specifics on education and training activities.

OUTCOMES FOR THE TEA PROGRAM
First, the new Act adds a list of outcomes for the TEA program that make clear that the goal is to help needy families reach a level of long-term economic self-sufficiency. Among the full list of outcomes are the following:

- Decrease the number of families who need TEA cash assistance;
- Increase the percentage of TEA recipients who receive services necessary for them to participate in work activities, including education and training, and to move toward self-sufficiency;
- Increase the percentage of TEA recipients facing barriers of substance abuse, domestic violence, physical or mental disabilities or limited education and work experience who receive services necessary for them to participate in work activities and to move toward self-sufficiency;
- Increase hourly wages and monthly earnings of families who leave TEA for work;
- Increase the percentage of families who leave TEA for work who achieve progressively higher wages and earnings; and,

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1These changes are summarized in a separate document prepared by Rich Huddleston, Research Director at Arkansas Advocates for Children and Families. For a copy of that report, call
The new Act also adds an entire section on assessments, Personal Responsibility Agreements, and Supportive Services. The law requires the state to: 1) help low-income families set goals for getting to economic self-sufficiency and 2) help them get the supportive services they need to meet those goals. The following are the specific requirements listed in the law.

**Personal Responsibility Agreements**
- At the time of application for TEA, the Department of Human Services (DHS) and the applicant must sign a Personal Responsibility Agreement.

**Up Front Job Search**
- Caseworkers must ask applicants if they have child care and transportation before asking them to do a job search, and they cannot require the applicants to do a job search unless both transportation and child care are available.
- DHS cannot require an applicant to engage in job search activities if the applicant has one or more barriers, which, if not addressed, would prevent the applicant from finding employment.

**Assessments**
- Within 30 calendar days after an application for TEA has been approved, DHS must conduct an in-depth assessment of the functional educational level, skills, prior work experience, and employability of the participant.
- The assessment must identify barriers to immediate employment as well as barriers that may prevent the participant from increasing their long-term earnings and from taking advantage of opportunities for employment advancement.
- The barriers that are assessed must include, at least, domestic violence, substance abuse, learning disabilities and unmet client needs for supportive services such as child care, transportation, assistance with job-related expenses, housing, health care, job readiness preparation, and education and training.

**Supportive Services**
- DHS must inform the participant of supportive services that may be available to alleviate barriers to employment and increase long-term earnings and opportunities for employment advancement.

**Individual Employment Plans**
- After the skills assessment has been completed and the participant has been informed about the availability of supportive services, DHS must work with the participant to develop an individual employment plan that:
  - Sets forth an employment goal for the participant and a plan for moving the participant into employment.
employment;
- Is designed to the greatest extent possible to move the participant into employment, help the participant maintain employment, and increase the participant’s long-term earnings and opportunities for employment advancement;
- Makes education and training a priority of allowable work activities when the assessment warrants that education and training are the best means to achieve long-term economic self-sufficiency;
- Lists the supportive services that are generally available under the TEA program and the methods by which a participant may access these services;
- Describes the services DHS must provide to enable participants to obtain and maintain employment and increase their potential long-term earnings and opportunities for employment advancement; and,
- Designates the number of hours that he or she must participate in work activities to meet participation standards unless the participant is deemed by DHS to be exempt or temporarily deferred from work participation requirements.

- DHS must review the progress of the participant in the program and meet with the participant as necessary to review and revise his or her employability plan.

Lifetime Limit
- The new law retains the 24-month lifetime limit on assistance. However it requires that exemptions and deferrals to that limit be applied during the two-year limit (within 30 days of meeting the requirements for the exemption) rather than at the end of the 2 years. That means that the clock must stop when the need for the exemption or deferral is identified.

- The law adds a new exemption to the lifetime limit. This exemption is for individuals participating in education and training who have reached the end of their 24 month limit, have complied with all TEA rules, are making satisfactory academic progress, and will complete their degree or program in a reasonable period of time.

- DHS must review all cases that are within 6 months of hitting the time limit. They must assess remaining barriers, the enhanced services that need to be provided, and if the time limit needs to be extended or an exemption needs to be granted.

Education and Training
Finally, the Act lays out specific guidelines related to education and training that will make it possible for more TEA recipients to gain the skills they need to qualify for jobs that have a career ladder, pay decent wages, and offer benefits. These guidelines are designed to help the state meet its Federal requirements and also help TEA recipients get the education and training that they need.

Under Federal law, the state must meet a work participation rate. That means that a certain percentage of the TEA caseload must be in approved work activities. For this fiscal year, that rate is 35%. According to the Federal rules, under certain conditions, some education and training activities do not count
toward this work participation rate. However, there is another provision of the Federal law called the caseload reduction credit. Under this provision, the work participation rate can be reduced 1% for every 1% drop in the caseload since 1995. As of March 1999 (the latest figures available from DHS), the caseload had dropped 50% from 24,296 to 12,095. The U.S. Department of Health and Human Services must certify the amount of that drop that can be counted toward the caseload reduction credit, but it is likely that a large percentage will count and that Arkansas’ effective work participation rate for the coming fiscal year will be zero or be very small.

The education and training provisions in the new state welfare law are based on working within these Federal guidelines. The specific provisions in the law are as follows:

- DHS must allow TEA recipients to obtain the education and training they need to obtain jobs that pay wages allowing them to achieve long-term economic self-sufficiency, including basic, vocational, and post-secondary education.

- Participation in combined work or education activities will count toward meeting TEA recipients’ work activity requirements.

- DHS can require additional or fewer hours of federally-defined work activities if it certifies that additional or fewer recipients are needed to participate in those activities to enable the state to meet its work participation rate requirement after taking into account the caseload reduction credit.

Basic Education
- TEA recipients who are assessed to have basic education deficiencies must be allowed to combine educational activities leading to a high school diploma or GED and employment and work experience. Participants may be required to engage in internships, work experience or employment. Work requirements cannot exceed 15 hours per week unless the state is in jeopardy of not meeting its work participation rate. To the extent possible, educational activities must take place in a work context.

Vocational Education
- Qualified TEA recipients must be allowed to enroll in vocational educational courses designed to prepare them for jobs in high growth, high wage occupations. Participants may be required to engage in internships or work experience related to their course study. Work requirements cannot exceed 15 hours per week unless the state is in jeopardy of not meeting its work participation rate. At least 700 participants must be allowed this option.

Post-Secondary Education
- Qualified TEA recipients must be allowed to enroll in post-secondary courses leading to a two- or four-year degree or a five-year teaching degree. Participants may be required to engage in internships or work experience related to their course of study. Work requirements cannot exceed 15 hours per week unless the state is in jeopardy of not meeting its work participation rate. At least 400 participants must be allowed this option.
Supportive Services
- Participants under each of these options must be provided the supportive services they need to attend classes and other educational activities, including at least, child care and transportation.

INDIVIDUAL DEVELOPMENT ACCOUNTS
A separate law, Act 1217, the Family Savings Initiative Act, sets up an Individual Development Account (IDA) demonstration program. IDAs allow low income and low-asset families to save money, which is matched at $3.00 for every $1.00 saved. One of several allowable savings purposes is post-secondary education. For an extended description of Act 1217, see Volume 5 of this publication.
These changes are summarized in a separate document prepared by Rich Huddleston, Research Director at Arkansas Advocates for Children and Families. For a copy of that report, call (501) 371-9678.

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