

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

SENATE BILL 443

By: Senator G. Leding
By: Representative Vaught

For An Act To Be Entitled

AN ACT REGARDING EMPLOYMENT FIRST; TO CREATE THE ARKANSAS EMPLOYMENT FIRST ACT; TO ESTABLISH THE ARKANSAS OFFICE OF EMPLOYMENT FIRST; TO ESTABLISH THE EMPLOYMENT FIRST ADVISORY COMMITTEE; TO ESTABLISH THE EMPLOYMENT FIRST BUSINESS PARTNER PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

TO CREATE THE ARKANSAS EMPLOYMENT FIRST ACT; TO ESTABLISH THE ARKANSAS OFFICE OF EMPLOYMENT FIRST; TO ESTABLISH THE EMPLOYMENT FIRST ADVISORY COMMITTEE; AND TO ESTABLISH THE EMPLOYMENT FIRST BUSINESS PARTNER PROGRAM.

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

SECTION 1. Arkansas Code Title 20, Chapter 14, is amended to add an additional subchapter to read as follows:

Subchapter 10 – Arkansas Employment First Act

20-14-1001. Title.

This subchapter shall be known and may be cited as the "Arkansas Employment First Act".

20-14-1002. Legislative findings and intent - Purpose.



(a) The General Assembly finds that:

(1) Employment is the most direct and cost-effective means to assist an individual in achieving independence and fulfillment while increasing state revenue and minimize state expenditures;

(2) Individuals with disabilities are confronted by unique barriers to employment that inhibit their opportunities to compete in the labor force;

(3) The value of meaningful work has significance and importance to all working-age individuals, including without limitation individuals with disabilities and veterans with service-connected disabilities;

(4) Some adults with intellectual and developmental disabilities are either unemployed or underemployed due to many employment barriers and disincentives, despite their abilities, desires, and willingness to work in their communities;

(5) Public policy designed to increase competitive integrated employment for individuals with disabilities must address these employment barriers by promoting best practices relating to:

(A) Youth transition;

(B) Employer engagement;

(C) Service system enhancements, including without limitation the adoption of employment first policies; and

(D) Training and support for individuals with disabilities and those delivering support services;

(6) The adoption of employment first policies is consistent with the:

(A) Workforce Innovation and Opportunity Act, Pub. L. No. 113-128;

(B) Final rule by the Centers for Medicare and Medicaid Services setting forth requirements for home and community-based services; and

(C) United States Supreme Court decision in *Olmstead v. L.C.*, 527 U.S. 581 (1999), requiring that individuals with disabilities receive services in the most integrated setting appropriate to the needs of the individual;

(7) Free-market principles can guide employers to use innovative methods for employing individuals with disabilities; and

(8) Employment first policies encourage economic growth by promoting freedom of employment and strengthening support and relationships for employers to hire individuals with disabilities.

(b) The intent of this subchapter is to:

(1) Provide a framework for a long-term commitment to improving employment outcomes for individuals with disabilities in this state;

(2) Encourage competitive employment as a preferred option for individuals with disabilities receiving publicly funded benefits;

(3) Encourage a collaborative effort between state agencies and organizations to achieve better employment outcomes for individuals with disabilities; and

(4) Increase:

(A) The number of individuals entering the workforce and contributing to Arkansas's tax base and economy;

(B) The self-worth and dignity of individuals with disabilities who are gainfully employed alongside individuals without disabilities;

(C) Opportunities to do meaningful and gainful work, which will decrease dependency on government assistance;

(D) Opportunities for postsecondary education, including college and vocational training; and

(E) The effectiveness of service systems currently serving individuals with disabilities who are seeking meaningful employment.

20-14-1003. Definition – Arkansas Office of Employment First.

(a) As used in this subchapter, "individuals with disabilities" means the same as defined by the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq., as it existed on January 1, 2023.

(b) There is created an office to be known as the "Arkansas Office of Employment First" within the Department of Commerce.

(c) The office shall:

(1) Define Arkansas as an Employment First state related to the employment of individuals with disabilities; and

(2) Develop and administer the Employment First Business Partner Program.

(d) The office shall employ staff as necessary to carry out the duties

of the office.

20-14-1004. Employment First Advisory Committee.

(a) The Arkansas Office of Employment First shall establish an Employment First Advisory Committee that represents Arkansans with disabilities from both urban and rural areas.

(b)(1) The committee shall be comprised of twenty-one (21) unpaid advisory members and shall include the following:

(A) Six (6) self-advocates with disabilities, representing both urban and rural areas to be appointed through consultation with individuals involved in community self-advocate groups, parent networks, and other related entities;

(B) Two (2) family members or guardians of individuals with disabilities to be appointed through consultation with individuals involved in community self-advocate groups, parent networks, and other related entities; and

(C) One (1) member from each of the following agencies to be appointed by the director, president, or chief executive officer of the respective agency:

(i) Arkansas Rehabilitation Services;

(ii) Arkansas People First;

(iii) Division of State Services for the Blind;

(iv) Division of Developmental Disabilities

Services;

(v) Disability Rights Arkansas, Inc.;

(vi) Division of Workforce Services;

(vii) Arkansas Association of People Supporting

Employment First;

(viii) Governor’s Council on Developmental

Disabilities;

(ix) Arkansas Transit Association;

(x) The Provider-Led Arkansas Shared Savings Entity;

(xi) The Department of Education;

(xii) The Department of Finance and Administration;

and

(xiii) The Department of Veterans Affairs.

(2) The committee may include other organizations as it deems appropriate.

(c)(1) Members shall serve a term of five (5) years.

(2) The terms of service shall be staggered.

(3) A member may serve only two (2) terms.

(d) The Director of the Arkansas Office of Employment First shall call the first meeting.

(e)(1) The chair of the committee shall be initially appointed by the director for a five (5) year term.

(2) Subsequent chairs shall be selected by committee members.

(3) A chair may serve two (2) terms.

(f) If a vacancy occurs before a member's term expires, the director shall appoint a new member to complete the term.

(g) The committee shall:

(1) Develop interagency cooperative agreements to delineate the roles of each of the member agencies in implementing employment first policies;

(2) Establish benchmark data collection requirements on performance;

(3) Measure progress of individuals with disabilities obtaining employment, including without limitation the outcomes and challenges related to Employment First policies; and

(4) Report to the director and the Secretary of the Department of Commerce.

(h) The quorum to conduct business shall be fifty percent (50%) of the membership plus one (1) additional member.

(i) Members of the committee may receive reimbursement under § 25-16-902.

20-14-1005. Employment First Business Partner Program.

(a) There is created within the Department of Commerce the "Employment First Business Partner Program" to be administered by the Arkansas Office of Employment First.

(b) The Arkansas Office of Employment First shall consult with the Employment First Advisory Committee to identify and maintain partnerships with:

- (1) Businesses around this state;
- (2) The Office of Personnel Management; and
- (3) The Department of Transformation and Shared Services.

(c)(1) A business may apply to the Arkansas Office of Employment First to be designated as an Employment First Business Partner based upon compliance by the business with the following:

- (A) The employment of individuals with disabilities; and
- (B) A compensation structure that guarantees minimum wage.

(2) For a designation as an Employment First Business Partner under subdivision (c)(1) of this section, the Arkansas Office of Employment First shall consider the following criteria:

- (A) Ten percent (10%) of the permanent employees of the business shall have a disability; and
- (B) The employees described under subdivision (c)(2)(A) of this section shall be:
 - (i) Residents of this state; and
 - (ii) Employed by the business for at least twelve

(12) continuous months before the application for designation as an Employment First Business Partner by the business.

(3) The Arkansas Office of Employment First shall not require the business to provide personally identifiable information about employees.

(d)(1) The Arkansas Office of Employment First shall consider nominations of a business as an Employment First Business Partner from a member of the community where the business is located that show the compliance of the business with the requirements under subdivisions (c)(1) and (2) of this section.

(2)(A) For a designation as an Employment First Business Partner under subdivision (d)(1) of this section, the office shall consider whether the business meets the requirements of subsection (c) of this section.

(B) If the Arkansas Office of Employment First determines that the nominated business meets the requirements, the Arkansas Office of Employment First shall provide notice to the business regarding the nomination to be awarded as an Employment First Business Partner, including without limitation the qualification criteria provided to the Arkansas Office of Employment First.

- (C) The nominated business shall have thirty (30) days

after receipt of the notice to:

(i) Certify to the Arkansas Office of Employment First that the information included in the nomination is true and accurate;

(ii) Correct information for consideration by the Arkansas Office of Employment First; and

(iii)(a) Indicate an intention to either accept or decline the nomination.

(b) The Arkansas Office of Employment First shall award the designation to a nominated business upon the businesses' acceptance of the nomination.

(c) The Arkansas Office of Employment First shall not award the designation to a nominated business if the business declines the nomination or does not respond to notice of the nomination within thirty (30) days.

(e) The following information is required for the application by or nomination of a business:

(1) The name of the business;

(2) The location of the business; and

(3) Contact information for the business.

(f)(1) After an initial designation as an Employment First Business Partner, a business shall certify annually that the business continues to meet the eligibility criteria.

(2) A business designated as an Employment First Business Partner shall allow the Arkansas Office of Employment First to conduct site-monitoring visits to ensure ongoing eligibility.

(3) If the business designated as an Employment First Business Partner fails to certify annually, the Arkansas Office of Employment First shall remove the Employment First Business Partner designation.

(4) A business designated as an Employment First Business Partner may elect to discontinue the Employment First Business Partner designation at any time by notifying the Arkansas Office of Employment First.

(g)(1) The Arkansas Office of Employment First shall:

(A) Develop a logo that identifies a business as receiving an Employment First Business Partner designation; and

(B) Adopt guidelines for the use of the logo, including without limitation advertising.

(2) The Arkansas Office of Employment First may allow a business designated as an Employment First Business Partner to display the logo upon designation.

(3) A business that has not been designated as an Employment First Business Partner or has elected to discontinue the designated status shall not display the logo.

(h) The Arkansas Office of Employment First shall adopt rules to implement this section.

20-14-1006. Employment First Business Partner Program website.

(a) The Division of Workforce Services shall maintain a website for the Employment First Business Partner Program.

(b) The website shall:

(1) Provide a list of businesses, by county, that currently have an Employment First Business Partner designation;

(2) Be updated quarterly regarding the eligibility requirements for the Employment First Business Partner designation;

(3) Provide the method for application or nomination for the Employment First Business Partner Program; and

(4) Update annually a list of best practices for businesses regarding inclusion of individuals with disabilities.

(c) The website may provide links to the websites of organizations or resources that will aid a business in employing or supporting individuals with disabilities.

20-14-1007. Reporting.

(a) By January 1, 2025, the Arkansas Office of Employment First shall report to the President Pro Tempore of the Senate and the Speaker of the House of Representatives on the status of the implementation of this subchapter, including without limitation the:

(1) Adoption of rules;

(2) Development of a logo; and

(3) Development of application procedures.

(b) Beginning in 2025 and thereafter, the office shall report in detail the progress and use of the Employment First Business Partner Program, including without limitation:

- (1) The number of:
 - (A) Applications and nominations received;
 - (B) Nominations accepted and declined;
 - (C) Designations awarded; and
 - (D) Annual certifications; and
- (2) Any information deemed necessary to evaluate the success of the program.