

ARKANSAS REGISTER

Proposed Rule Cover Sheet



Secretary of State
John Thurston
500 Woodlane Street, Suite 026
Little Rock, Arkansas 72201-1094
(501) 682-5070
www.sos.arkansas.gov



Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

NOTICE OF RULE MAKING

The Director of the Division of County Operations of the Department of Human Services announces for a public comment period of thirty (30) calendar days a notice of rulemaking for the following proposed rule(s) under one or more of the following chapters, subchapters, or sections of the Arkansas Code §§ 20-76-201, 20-80-306 to 311, and 25-10-129.

Effective June 1, 2020:

The Arkansas Department of Human Services, Division of County Operations, Office of Community Services (DHS/DCO/OCS), intends to adopt a State Plan for distribution of Community Services Block Grant (CSBG) funds for fiscal years 2020 and 2021, covering the period of October 1, 2019, to September 30, 2021. Necessitated by 42 U.S.C. § 9901 et seq. to access federal funding, the plan allocates funds primarily to fifteen Community Action Agencies in the state to provide essential services intended to assist low-income citizens of Arkansas in becoming self-sufficient. Arkansas expects to receive annual funding of approximately \$9,724,631.00. To implement the current State Plan, DHS determined that certain changes to the CSBG policy manual are required.

Background: The Community Services Block Grant Act (42 U.S.C. § 9901 et seq.) was created, “[T]o provide assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient...” State Community Services Block Grant policies serve four main purposes:

- To comply with the authorizing legislation of the Omnibus Reconciliation Act of 1981 (Public Law 97-35), Title VI, Subtitle B (CSBG Program), and Title XVII, Subtitle C, Chapter 2 (Block Grant Funds), and its subsequent amendments (October 1998, The Coats Human Services Reauthorization Act of 1998 (Public Law 105-285), Title II—Community Services Block Grant Program), and the block grant rules issued by the federal Department of Health and Human Services;
- To assist states and local entities to comply with the authorizing legislation of the Omnibus Reconciliation Act of 1981, P.L. 97-35;
- To assist states and local entities in complying with authorizing state legislation; and
- To assist states in implementing the CSBG Act in a consistent manner to ensure quality and minimize risk through non-compliance.

The CSBG Act mandates certain aspects of how state CSBG offices will operate in carrying out their defined roles as administrators of CSBG but leaves significant authority and flexibility in the hands of the states. This responsibility, which is fulfilled by each state individually, can more easily be met when the state establishes clear policies for implementation of the Act. The Governor designated DHS/DCO/OCS as the agency to administer and distribute CSBG funds, and in carrying out its duties as the State Lead Agency, DHS/DCO/OCS issues performance-based reporting, provides training and technical assistance to eligible entities, maintains oversight of entities, and partners with the entities and other funding sources, state agencies, and the Arkansas Community Action Agencies Association (ACAAA).

To achieve goals and provide guidance, DHS/DCO/OCS issues a policy manual that communicates directives in an organized manner. Due to changes in regulations, circumstances, and resources, DHS/DCO/OCS reviews procedures in the manual on a regular basis and issues changes. The following are the changes issued to the manual for the State Plan.

Policy Manual Changes:

Section I: This revisions to this section define the Arkansas Department of Human Services and the roles and responsibilities obligated upon it. An expanded description of DHS's work in partnerships as the Lead Agency has been added. Under Citizen Access, DHS changed the language to reflect the Arkansas Freedom of Information Act's mandate that only costs of reproducing records plus mailing expenses can be charged by the custodian of records. The Programmatic Assurances section was deleted.

Section III: DHS updated this section regarding the governing boards of eligible entities as follows: (a) changed language regarding composition of the board to reflect the language in 42 U.S.S. § 9901 et seq.; (b) clarified conflict of interest in accordance with 2 CFR pt. 200.112; (c) revised limitations on board service to clarify state expectations about terms in the eligible entity bylaws; (d) changed schedule and notice of meeting to calendar of meetings with requirements from the Arkansas Freedom of Information Act; (e) added "all minutes must be approved within ninety days of the meeting;" (g) clarified the role of DHS in verifying membership of the board.

Section IV: DHS simplified language regarding the service delivery system and linkages between entities and local cooperatives, and shortened language regarding innovative community and neighborhood-based initiatives to better define the initiatives.

Section VI: DHS made numerous changes to this section to reflect federal regulations. DHS added block grant domains (service areas), and reference to 2 CFR § 200.31. Under Programmatic and Case Management Costs, DHS added federal law citations and updated expectations for the number and percent of clients to move toward self-sufficiency. Under Eligible Entity Policies and Procedures, DHS stated that entities must follow current guidelines in developing agency policies in accordance with the requirements of 2 CFR pt. 200. DHS revised language to reflect that the entities must follow current guidelines of the Federal Hatch Act to receive CSBG funds. DHS revised the annual audit to reflect that the entities must follow current guidelines in 2 CFR pt. 200, while leaving intact descriptions of disallowed costs and debt collection for clarity. Finally, DHS added reference to federal law under Purchase of Permanent Improvement.

The proposed rule is available for review at the Department of Human Services (DHS) Office of Rules Promulgation, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. You may also access and download the proposed rule at <https://humanservices.arkansas.gov/resources/promulgation-of-new-rules>. Public comments must be submitted in writing at the above address or at the following email address: ORP@dhs.arkansas.gov. All public comments must be received by DHS no later than March 28, 2020. Please note that public comments submitted in response to this notice are considered public documents. A public comment, including the commenter's name and any personal information contained within the public comment, will be made publicly available and may be seen by various people.

A public hearing will be held on Friday, March 6, 2020 at 10: 00am at the Central Arkansas Development Council, 6401 Boone Road, Suite #3, Bryant, AR 72022-6829.

If you need this material in a different format, such as large print, contact the Office of Rules Promulgation at 501-320-6266.

The Arkansas Department of Human Services complies with Titles VI and VII of the Civil Rights Act and is operated, managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color or national origin. **4501934254**

Mary Franklin, Director
Division of County Operations