

By: Senator(s) Robertson

To: Finance

## SENATE BILL NO. 2521

1 AN ACT TO AMEND SECTION 57-73-21, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE THE CHAIRMAN OF THE STATE TAX COMMISSION TO EXTEND  
3 THE PERIOD OF TIME WITHIN WHICH THE JOBS TAX CREDIT FOR PERMANENT  
4 BUSINESS ENTERPRISES MAY BE UTILIZED BY ENTERPRISES THAT ARE  
5 UNABLE TO MAINTAIN THE REQUIRED NUMBER OF JOBS AS A RESULT OF  
6 CERTAIN DISASTERS; TO PROVIDE THAT THE PERIOD OF TIME FOR WHICH  
7 THE REQUIREMENT MAY BE WAIVED SHALL NOT EXCEED THREE YEARS; AND  
8 FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 **SECTION 1.** Section 57-73-21, Mississippi Code of 1972, is  
11 amended as follows:

12 **[In cases involving business enterprises that received or**  
13 **applied for the job tax credit authorized by this section prior to**  
14 **January 1, 2005, this section shall read as follows:]**

15 57-73-21. (1) Annually by December 31, using the most  
16 current data available from the University Research Center,  
17 Mississippi Department of Employment Security and the United  
18 States Department of Commerce, the State Tax Commission shall rank  
19 and designate the state's counties as provided in this section.  
20 The twenty-eight (28) counties in this state having a combination  
21 of the highest unemployment rate and lowest per capita income for  
22 the most recent thirty-six-month period, with equal weight being  
23 given to each category, are designated Tier Three areas. The  
24 twenty-seven (27) counties in the state with a combination of the  
25 next highest unemployment rate and next lowest per capita income  
26 for the most recent thirty-six-month period, with equal weight  
27 being given to each category, are designated Tier Two areas. The  
28 twenty-seven (27) counties in the state with a combination of the  
29 lowest unemployment rate and the highest per capita income for the  
30 most recent thirty-six-month period, with equal weight being given

31 to each category, are designated Tier One areas. Counties  
32 designated by the Tax Commission qualify for the appropriate tax  
33 credit for jobs as provided in subsections (2), (3) and (4) of  
34 this section. The designation by the Tax Commission is effective  
35 for the tax years of permanent business enterprises which begin  
36 after the date of designation. For companies which plan an  
37 expansion in their labor forces, the Tax Commission shall  
38 prescribe certification procedures to ensure that the companies  
39 can claim credits in future years without regard to whether or not  
40 a particular county is removed from the list of Tier Three or Tier  
41 Two areas.

42 (2) Permanent business enterprises primarily engaged in  
43 manufacturing, processing, warehousing, distribution, wholesaling  
44 and research and development, or permanent business enterprises  
45 designated by rule and regulation of the Mississippi Development  
46 Authority as air transportation and maintenance facilities, final  
47 destination or resort hotels having a minimum of one hundred fifty  
48 (150) guest rooms, recreational facilities that impact tourism,  
49 movie industry studios, telecommunications enterprises, data or  
50 information processing enterprises or computer software  
51 development enterprises or any technology intensive facility or  
52 enterprise, in counties designated by the Tax Commission as Tier  
53 Three areas are allowed a job tax credit for taxes imposed by  
54 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually  
55 for each net new full-time employee job for five (5) years  
56 beginning with years two (2) through six (6) after the creation of  
57 the job; however, if the permanent business enterprise is located  
58 in an area that has been declared by the Governor to be a disaster  
59 area and as a result of the disaster the permanent business  
60 enterprise is unable to maintain the required number of jobs, the  
61 Chairman of the State Tax Commission may extend this time period  
62 for not more three (3) years. The number of new full-time jobs  
63 must be determined by comparing the monthly average number of

64 full-time employees subject to the Mississippi income tax  
65 withholding for the taxable year with the corresponding period of  
66 the prior taxable year. Only those permanent businesses that  
67 increase employment by ten (10) or more in a Tier Three area are  
68 eligible for the credit. Credit is not allowed during any of the  
69 five (5) years if the net employment increase falls below ten  
70 (10). The Tax Commission shall adjust the credit allowed each  
71 year for the net new employment fluctuations above the minimum  
72 level of ten (10).

73 (3) Permanent business enterprises primarily engaged in  
74 manufacturing, processing, warehousing, distribution, wholesaling  
75 and research and development, or permanent business enterprises  
76 designated by rule and regulation of the Mississippi Development  
77 Authority as air transportation and maintenance facilities, final  
78 destination or resort hotels having a minimum of one hundred fifty  
79 (150) guest rooms, recreational facilities that impact tourism,  
80 movie industry studios, telecommunications enterprises, data or  
81 information processing enterprises or computer software  
82 development enterprises or any technology intensive facility or  
83 enterprise, in counties that have been designated by the Tax  
84 Commission as Tier Two areas are allowed a job tax credit for  
85 taxes imposed by Section 27-7-5 equal to One Thousand Dollars  
86 (\$1,000.00) annually for each net new full-time employee job for  
87 five (5) years beginning with years two (2) through six (6) after  
88 the creation of the job; however, if the permanent business  
89 enterprise is located in an area that has been declared by the  
90 Governor to be a disaster area and as a result of the disaster the  
91 permanent business enterprise is unable to maintain the required  
92 number of jobs, the Chairman of the State Tax Commission may  
93 extend this time period for not more three (3) years. The number  
94 of new full-time jobs must be determined by comparing the monthly  
95 average number of full-time employees subject to Mississippi  
96 income tax withholding for the taxable year with the corresponding

97 period of the prior taxable year. Only those permanent businesses  
98 that increase employment by fifteen (15) or more in Tier Two areas  
99 are eligible for the credit. The credit is not allowed during any  
100 of the five (5) years if the net employment increase falls below  
101 fifteen (15). The Tax Commission shall adjust the credit allowed  
102 each year for the net new employment fluctuations above the  
103 minimum level of fifteen (15).

104 (4) Permanent business enterprises primarily engaged in  
105 manufacturing, processing, warehousing, distribution, wholesaling  
106 and research and development, or permanent business enterprises  
107 designated by rule and regulation of the Mississippi Development  
108 Authority as air transportation and maintenance facilities, final  
109 destination or resort hotels having a minimum of one hundred fifty  
110 (150) guest rooms, recreational facilities that impact tourism,  
111 movie industry studios, telecommunications enterprises, data or  
112 information processing enterprises or computer software  
113 development enterprises or any technology intensive facility or  
114 enterprise, in counties designated by the Tax Commission as Tier  
115 One areas are allowed a job tax credit for taxes imposed by  
116 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually  
117 for each net new full-time employee job for five (5) years  
118 beginning with years two (2) through six (6) after the creation of  
119 the job; however, if the permanent business enterprise is located  
120 in an area that has been declared by the Governor to be a disaster  
121 area and as a result of the disaster the permanent business  
122 enterprise is unable to maintain the required number of jobs, the  
123 Chairman of the State Tax Commission may extend this time period  
124 for not more three (3) years. The number of new full-time jobs  
125 must be determined by comparing the monthly average number of  
126 full-time employees subject to Mississippi income tax withholding  
127 for the taxable year with the corresponding period of the prior  
128 taxable year. Only those permanent businesses that increase  
129 employment by twenty (20) or more in Tier One areas are eligible

130 for the credit. The credit is not allowed during any of the five  
131 (5) years if the net employment increase falls below twenty (20).  
132 The Tax Commission shall adjust the credit allowed each year for  
133 the net new employment fluctuations above the minimum level of  
134 twenty (20).

135 (5) In addition to the credits authorized in subsections  
136 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)  
137 credit for each net new full-time employee or an additional One  
138 Thousand Dollars (\$1,000.00) credit for each net new full-time  
139 employee who is paid a salary, excluding benefits which are not  
140 subject to Mississippi income taxation, of at least one hundred  
141 twenty-five percent (125%) of the average annual wage of the state  
142 or an additional Two Thousand Dollars (\$2,000.00) credit for each  
143 net new full-time employee who is paid a salary, excluding  
144 benefits which are not subject to Mississippi income taxation, of  
145 at least two hundred percent (200%) of the average annual wage of  
146 the state, shall be allowed for any company establishing or  
147 transferring its national or regional headquarters from within or  
148 outside the State of Mississippi. A minimum of thirty-five (35)  
149 jobs must be created to qualify for the additional credit. The  
150 State Tax Commission shall establish criteria and prescribe  
151 procedures to determine if a company qualifies as a national or  
152 regional headquarters for purposes of receiving the credit awarded  
153 in this subsection. As used in this subsection, the average  
154 annual wage of the state is the most recently published average  
155 annual wage as determined by the Mississippi Department of  
156 Employment Security.

157 (6) In addition to the credits authorized in subsections  
158 (2), (3), (4) and (5), any job requiring research and development  
159 skills (chemist, engineer, etc.) shall qualify for an additional  
160 One Thousand Dollars (\$1,000.00) credit for each net new full-time  
161 employee.

162           (7) In lieu of the tax credits provided in subsections (2)  
163 through (6), any commercial or industrial property owner which  
164 remediates contaminated property in accordance with Sections  
165 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
166 imposed by Section 27-7-5 equal to the amounts provided in  
167 subsection (2), (3) or (4) for each net new full-time employee job  
168 for five (5) years beginning with years two (2) through six (6)  
169 after the creation of the job. The number of new full-time jobs  
170 must be determined by comparing the monthly average number of  
171 full-time employees subject to Mississippi income tax withholding  
172 for the taxable year with the corresponding period of the prior  
173 taxable year. This subsection shall be administered in the same  
174 manner as subsections (2), (3) and (4), except the landowner shall  
175 not be required to increase employment by the levels provided in  
176 subsections (2), (3) and (4) to be eligible for the tax credit.

177           (8) Tax credits for five (5) years for the taxes imposed by  
178 Section 27-7-5 shall be awarded for additional net new full-time  
179 jobs created by business enterprises qualified under subsections  
180 (2), (3), (4), (5), (6) and (7) of this section. Except as  
181 otherwise provided, the Tax Commission shall adjust the credit  
182 allowed in the event of employment fluctuations during the  
183 additional five (5) years of credit.

184           (9) The sale, merger, acquisition, reorganization,  
185 bankruptcy or relocation from one county to another county within  
186 the state of any business enterprise may not create new  
187 eligibility in any succeeding business entity, but any unused job  
188 tax credit may be transferred and continued by any transferee of  
189 the business enterprise. The Tax Commission shall determine  
190 whether or not qualifying net increases or decreases have occurred  
191 or proper transfers of credit have been made and may require  
192 reports, promulgate regulations, and hold hearings as needed for  
193 substantiation and qualification.

194           (10) Any tax credit claimed under this section but not used  
195 in any taxable year may be carried forward for five (5) years from  
196 the close of the tax year in which the qualified jobs were  
197 established but the credit established by this section taken in  
198 any one (1) tax year must be limited to an amount not greater than  
199 fifty percent (50%) of the taxpayer's state income tax liability  
200 which is attributable to income derived from operations in the  
201 state for that year. If the permanent business enterprise is  
202 located in an area that has been declared by the Governor to be a  
203 disaster area and as a result of the disaster the business  
204 enterprise is unable to use the existing carryforward, the  
205 Chairman of the State Tax Commission may extend the period that  
206 the credit may be carried forward for a period of time not to  
207 exceed three (3) years.

208           (11) No business enterprise for the transportation,  
209 handling, storage, processing or disposal of hazardous waste is  
210 eligible to receive the tax credits provided in this section.

211           (12) The credits allowed under this section shall not be  
212 used by any business enterprise or corporation other than the  
213 business enterprise actually qualifying for the credits.

214           (13) The tax credits provided for in this section shall be  
215 in addition to any tax credits described in Sections 57-51-13(b),  
216 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
217 action by the Department of Economic Development prior to July 1,  
218 1989, to any business enterprise determined prior to July 1, 1989,  
219 by the Department of Economic Development to be a qualified  
220 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
221 a qualified company as described in Section 57-53-1, as the case  
222 may be; however, from and after July 1, 1989, tax credits shall be  
223 allowed only under either this section or Sections 57-51-13(b),  
224 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
225 employee.

226           (14) As used in this section, the term "telecommunications  
227 enterprises" means entities engaged in the creation, display,  
228 management, storage, processing, transmission or distribution for  
229 compensation of images, text, voice, video or data by wire or by  
230 wireless means, or entities engaged in the construction, design,  
231 development, manufacture, maintenance or distribution for  
232 compensation of devices, products, software or structures used in  
233 the above activities. Companies organized to do business as  
234 commercial broadcast radio stations, television stations or news  
235 organizations primarily serving in-state markets shall not be  
236 included within the definition of the term "telecommunications  
237 enterprises."

238           **[In cases involving business enterprises that apply for the**  
239 **job tax credit authorized by this section from and after January**  
240 **1, 2005, this section shall read as follows:]**

241           57-73-21. (1) Annually by December 31, using the most  
242 current data available from the University Research Center,  
243 Mississippi Department of Employment Security and the United  
244 States Department of Commerce, the State Tax Commission shall rank  
245 and designate the state's counties as provided in this section.  
246 The twenty-eight (28) counties in this state having a combination  
247 of the highest unemployment rate and lowest per capita income for  
248 the most recent thirty-six-month period, with equal weight being  
249 given to each category, are designated Tier Three areas. The  
250 twenty-seven (27) counties in the state with a combination of the  
251 next highest unemployment rate and next lowest per capita income  
252 for the most recent thirty-six-month period, with equal weight  
253 being given to each category, are designated Tier Two areas. The  
254 twenty-seven (27) counties in the state with a combination of the  
255 lowest unemployment rate and the highest per capita income for the  
256 most recent thirty-six-month period, with equal weight being given  
257 to each category, are designated Tier One areas. Counties  
258 designated by the Tax Commission qualify for the appropriate tax



259 credit for jobs as provided in this section. The designation by  
260 the Tax Commission is effective for the tax years of permanent  
261 business enterprises which begin after the date of designation.  
262 For companies which plan an expansion in their labor forces, the  
263 Tax Commission shall prescribe certification procedures to ensure  
264 that the companies can claim credits in future years without  
265 regard to whether or not a particular county is removed from the  
266 list of Tier Three or Tier Two areas.

267 (2) Permanent business enterprises in counties designated by  
268 the Tax Commission as Tier Three areas are allowed a job tax  
269 credit for taxes imposed by Section 27-7-5 equal to ten percent  
270 (10%) of the payroll of the enterprise for net new full-time  
271 employee jobs for five (5) years beginning with years two (2)  
272 through six (6) after the creation of the minimum number of jobs  
273 required by this subsection; however, if the permanent business  
274 enterprise is located in an area that has been declared by the  
275 Governor to be a disaster area and as a result of the disaster the  
276 permanent business enterprise is unable to maintain the required  
277 number of jobs, the Chairman of the State Tax Commission may  
278 extend this time period for not more three (3) years. The number  
279 of new full-time jobs must be determined by comparing the monthly  
280 average number of full-time employees subject to the Mississippi  
281 income tax withholding for the taxable year with the corresponding  
282 period of the prior taxable year. Only those permanent business  
283 enterprises that increase employment by ten (10) or more in a Tier  
284 Three area are eligible for the credit. Credit is not allowed  
285 during any of the five (5) years if the net employment increase  
286 falls below ten (10). The Tax Commission shall adjust the credit  
287 allowed each year for the net new employment fluctuations above  
288 the minimum level of ten (10).

289 (3) Permanent business enterprises in counties that have  
290 been designated by the Tax Commission as Tier Two areas are  
291 allowed a job tax credit for taxes imposed by Section 27-7-5 equal

292 to five percent (5%) of the payroll of the enterprise for net new  
293 full-time employee jobs for five (5) years beginning with years  
294 two (2) through six (6) after the creation of the minimum number  
295 of jobs required by this subsection; however, if the permanent  
296 business enterprise is located in an area that has been declared  
297 by the Governor to be a disaster area and as a result of the  
298 disaster the permanent business enterprise is unable to maintain  
299 the required number of jobs, the Chairman of the State Tax  
300 Commission may extend this time period for not more three (3)  
301 years. The number of new full-time jobs must be determined by  
302 comparing the monthly average number of full-time employees  
303 subject to Mississippi income tax withholding for the taxable year  
304 with the corresponding period of the prior taxable year. Only  
305 those permanent business enterprises that increase employment by  
306 fifteen (15) or more in Tier Two areas are eligible for the  
307 credit. The credit is not allowed during any of the five (5)  
308 years if the net employment increase falls below fifteen (15).  
309 The Tax Commission shall adjust the credit allowed each year for  
310 the net new employment fluctuations above the minimum level of  
311 fifteen (15).

312 (4) Permanent business enterprises in counties designated by  
313 the Tax Commission as Tier One areas are allowed a job tax credit  
314 for taxes imposed by Section 27-7-5 equal to two and one-half  
315 percent (2.5%) of the payroll of the enterprise for net new  
316 full-time employee jobs for five (5) years beginning with years  
317 two (2) through six (6) after the creation of the minimum number  
318 of jobs required by this subsection; however, if the permanent  
319 business enterprise is located in an area that has been declared  
320 by the Governor to be a disaster area and as a result of the  
321 disaster the permanent business enterprise is unable to maintain  
322 the required number of jobs, the Chairman of the State Tax  
323 Commission may extend this time period for not more three (3)  
324 years. The number of new full-time jobs must be determined by

325 comparing the monthly average number of full-time employees  
326 subject to Mississippi income tax withholding for the taxable year  
327 with the corresponding period of the prior taxable year. Only  
328 those permanent business enterprises that increase employment by  
329 twenty (20) or more in Tier One areas are eligible for the credit.  
330 The credit is not allowed during any of the five (5) years if the  
331 net employment increase falls below twenty (20). The Tax  
332 Commission shall adjust the credit allowed each year for the net  
333 new employment fluctuations above the minimum level of twenty  
334 (20).

335 (5) In addition to the other credits authorized in this  
336 section, an additional Five Hundred Dollars (\$500.00) credit for  
337 each net new full-time employee or an additional One Thousand  
338 Dollars (\$1,000.00) credit for each net new full-time employee who  
339 is paid a salary, excluding benefits which are not subject to  
340 Mississippi income taxation, of at least one hundred twenty-five  
341 percent (125%) of the average annual wage of the state or an  
342 additional Two Thousand Dollars (\$2,000.00) credit for each net  
343 new full-time employee who is paid a salary, excluding benefits  
344 which are not subject to Mississippi income taxation, of at least  
345 two hundred percent (200%) of the average annual wage of the  
346 state, shall be allowed for any company establishing or  
347 transferring its national or regional headquarters from within or  
348 outside the State of Mississippi. A minimum of thirty-five (35)  
349 jobs must be created to qualify for the additional credit. The  
350 State Tax Commission shall establish criteria and prescribe  
351 procedures to determine if a company qualifies as a national or  
352 regional headquarters for purposes of receiving the credit awarded  
353 in this subsection. As used in this subsection, the average  
354 annual wage of the state is the most recently published average  
355 annual wage as determined by the Mississippi Department of  
356 Employment Security.

357           (6) In addition to the other credits authorized in this  
358 section, any job requiring research and development skills  
359 (chemist, engineer, etc.) shall qualify for an additional One  
360 Thousand Dollars (\$1,000.00) credit for each net new full-time  
361 employee.

362           (7) In lieu of the other tax credits provided in this  
363 section, any commercial or industrial property owner which  
364 remediates contaminated property in accordance with Sections  
365 49-35-1 through 49-35-25, is allowed a job tax credit for taxes  
366 imposed by Section 27-7-5 equal to the percentage of payroll  
367 provided in subsection (2), (3) or (4) of this section for net new  
368 full-time employee jobs for five (5) years beginning with years  
369 two (2) through six (6) after the creation of the jobs. The  
370 number of new full-time jobs must be determined by comparing the  
371 monthly average number of full-time employees subject to  
372 Mississippi income tax withholding for the taxable year with the  
373 corresponding period of the prior taxable year. This subsection  
374 shall be administered in the same manner as subsections (2), (3)  
375 and (4), except the landowner shall not be required to increase  
376 employment by the levels provided in subsections (2), (3) and (4)  
377 to be eligible for the tax credit.

378           (8) (a) Tax credits for five (5) years for the taxes  
379 imposed by Section 27-7-5 shall be awarded for increases in the  
380 annual payroll for net new full-time jobs created by business  
381 enterprises qualified under this section. The Tax Commission  
382 shall adjust the credit allowed in the event of payroll  
383 fluctuations during the additional five (5) years of credit.

384           (b) Tax credits for five (5) years for the taxes  
385 imposed by Section 27-7-5 shall be awarded for additional net new  
386 full-time jobs created by business enterprises qualified under  
387 subsections (5) and (6) of this section. The Tax Commission shall  
388 adjust the credit allowed in the event of employment fluctuations  
389 during the additional five (5) years of credit.

390           (9) The sale, merger, acquisition, reorganization,  
391 bankruptcy or relocation from one county to another county within  
392 the state of any business enterprise may not create new  
393 eligibility in any succeeding business entity, but any unused job  
394 tax credit may be transferred and continued by any transferee of  
395 the business enterprise. The Tax Commission shall determine  
396 whether or not qualifying net increases or decreases have occurred  
397 or proper transfers of credit have been made and may require  
398 reports, promulgate regulations, and hold hearings as needed for  
399 substantiation and qualification.

400           (10) Any tax credit claimed under this section but not used  
401 in any taxable year may be carried forward for five (5) years from  
402 the close of the tax year in which the qualified jobs were  
403 established but the credit established by this section taken in  
404 any one tax year must be limited to an amount not greater than  
405 fifty percent (50%) of the taxpayer's state income tax liability  
406 which is attributable to income derived from operations in the  
407 state for that year. If the permanent business enterprise is  
408 located in an area that has been declared by the Governor to be a  
409 disaster area and as a result of the disaster the business  
410 enterprise is unable to use the existing carryforward, the  
411 Chairman of the State Tax Commission may extend the period that  
412 the credit may be carried forward for a period of time not to  
413 exceed three (3) years.

414           (11) No business enterprise for the transportation,  
415 handling, storage, processing or disposal of hazardous waste is  
416 eligible to receive the tax credits provided in this section.

417           (12) The credits allowed under this section shall not be  
418 used by any business enterprise or corporation other than the  
419 business enterprise actually qualifying for the credits.

420           (13) As used in this section:

421           (a) "Business enterprises" means entities primarily  
422 engaged in:

423 (i) Manufacturing, processing, warehousing,  
424 distribution, wholesaling and research and development, or

425 (ii) Permanent business enterprises designated by  
426 rule and regulation of the Mississippi Development Authority as  
427 air transportation and maintenance facilities, final destination  
428 or resort hotels having a minimum of one hundred fifty (150) guest  
429 rooms, recreational facilities that impact tourism, movie industry  
430 studios, telecommunications enterprises, data or information  
431 processing enterprises or computer software development  
432 enterprises or any technology intensive facility or enterprise.

433 (b) "Telecommunications enterprises" means entities  
434 engaged in the creation, display, management, storage, processing,  
435 transmission or distribution for compensation of images, text,  
436 voice, video or data by wire or by wireless means, or entities  
437 engaged in the construction, design, development, manufacture,  
438 maintenance or distribution for compensation of devices, products,  
439 software or structures used in the above activities. Companies  
440 organized to do business as commercial broadcast radio stations,  
441 television stations or news organizations primarily serving  
442 in-state markets shall not be included within the definition of  
443 the term "telecommunications enterprises."

444 (14) The tax credits provided for in this section shall be  
445 in addition to any tax credits described in Sections 57-51-13(b),  
446 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official  
447 action by the Department of Economic Development prior to July 1,  
448 1989, to any business enterprise determined prior to July 1, 1989,  
449 by the Department of Economic Development to be a qualified  
450 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or  
451 a qualified company as described in Section 57-53-1, as the case  
452 may be; however, from and after July 1, 1989, tax credits shall be  
453 allowed only under either this section or Sections 57-51-13(b),  
454 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time  
455 employee.

456           **SECTION 2.** This act shall take effect and be in force from  
457 and after July 1, 2007.