

By: Representative Bell (21st)

To: Workforce Development

HOUSE BILL NO. 74

1 AN ACT TO BRING FORWARD SECTIONS 37-153-7, 7-1-355, 7-1-357,
2 7-1-361, 37-153-9, 37-153-13, 71-5-353 AND 71-5-453, MISSISSIPPI
3 CODE OF 1972, WHICH PROVIDE THE POWERS AND DUTIES OF THE
4 MISSISSIPPI STATE WORKFORCE INVESTMENT BOARD, FOR THE PURPOSE OF
5 POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 37-153-7, Mississippi Code of 1972, is
8 brought forward as follows:

9 37-153-7. (1) There is created the Mississippi State
10 Workforce Investment Board. The Mississippi State Workforce
11 Investment Board shall be composed of forty-one (41) voting
12 members, of which a majority shall be representatives of business
13 and industry in accordance with the federal Workforce Investment
14 Act.

15 (a) The Governor shall appoint the following members of
16 the board to serve a term of four (4) years:

17 (i) The Executive Director of the Mississippi
18 Association of Supervisors, or his/her designee;



19 (ii) The Executive Director of the Mississippi
20 Municipal League;

21 (iii) One (1) elected mayor;

22 (iv) One (1) representative of an apprenticeship
23 program in the state;

24 (v) One (1) representative of labor organizations,
25 who has been nominated by state labor federations;

26 (vi) One (1) representative of individuals and
27 organizations that has experience with respect to youth
28 activities;

29 (vii) One (1) representative of the Mississippi
30 Association of Planning and Development Districts;

31 (viii) One (1) representative from each of the
32 four (4) workforce areas in the state, who has been nominated by
33 the community colleges in each respective area, with the consent
34 of the elected county supervisors within the respective workforce
35 area;

36 (ix) The chair of the Mississippi Association of
37 Community and Junior Colleges; and

38 (x) Twenty-one (21) representatives of business
39 owners nominated by business and industry organizations, which may
40 include representatives of the various planning and development
41 districts in Mississippi.

42 (b) The following state officials shall be members of
43 the board:



44 (i) The Executive Director of the Mississippi
45 Department of Employment Security;

46 (ii) The Executive Director of the Department of
47 Rehabilitation Services;

48 (iii) The State Superintendent of Public
49 Education;

50 (iv) The Executive Director of the Mississippi
51 Development Authority;

52 (v) The Executive Director of the Mississippi
53 Department of Human Services;

54 (vi) The Executive Director of the Mississippi
55 Community College Board; and

56 (vii) The Commissioner of the Institutions of
57 Higher Learning.

58 (c) The Governor, or his designee, shall serve as a
59 member.

60 (d) Four (4) legislators, who shall serve in a
61 nonvoting capacity, two (2) of whom shall be appointed by the
62 Lieutenant Governor from the membership of the Mississippi Senate,
63 and two (2) of whom shall be appointed by the Speaker of the House
64 from the membership of the Mississippi House of Representatives.

65 (e) The membership of the board shall reflect the
66 diversity of the State of Mississippi.

67 (f) The Governor shall designate the Chairman of the
68 Mississippi State Workforce Investment Board from among the voting



69 members of the board, and a quorum of the board shall consist of a
70 majority of the voting members of the board.

71 (g) The voting members of the board who are not state
72 employees shall be entitled to reimbursement of their reasonable
73 expenses incurred in carrying out their duties under this chapter,
74 from any funds available for that purpose.

75 (2) The Mississippi Department of Employment Security shall
76 establish limits on administrative costs for each portion of
77 Mississippi's workforce development system consistent with the
78 federal Workforce Investment Act or any future federal workforce
79 legislation.

80 (3) The Mississippi State Workforce Investment Board shall
81 have the following duties:

82 (a) Develop and submit to the Governor a strategic plan
83 for an integrated state workforce development system that aligns
84 resources and structures the system to more effectively and
85 efficiently meet the demands of Mississippi's employers and job
86 seekers. This plan will comply with the federal Workforce
87 Investment Act of 1998, as amended, the federal Workforce
88 Innovation and Opportunity Act of 2014 and amendments and
89 successor legislation to these acts;

90 (b) Assist the Governor in the development and
91 continuous improvement of the statewide workforce investment
92 system that shall include:



93 (i) Development of linkages in order to assure
94 coordination and nonduplication among programs and activities; and
95 (ii) Review local workforce development plans that
96 reflect the use of funds from the federal Workforce Investment
97 Act, Workforce Innovation and Opportunity Act, the Wagner-Peyser
98 Act and the amendment or successor legislation to the acts, and
99 the Mississippi Comprehensive Workforce Training and Education
100 Consolidation Act;

101 (c) Recommend the designation of local workforce
102 investment areas as required in Section 116 of the federal
103 Workforce Investment Act of 1998 and the Workforce Innovation and
104 Opportunity Act of 2014. There shall be four (4) workforce
105 investment areas that are generally aligned with the planning and
106 development district structure in Mississippi. Planning and
107 development districts will serve as the fiscal agents to manage
108 Workforce Investment Act funds, oversee and support the local
109 workforce investment boards aligned with the area and the local
110 programs and activities as delivered by the one-stop employment
111 and training system. The planning and development districts will
112 perform this function through the provisions of the county
113 cooperative service districts created under Sections 19-3-101
114 through 19-3-115; however, planning and development districts
115 currently performing this function under the Interlocal
116 Cooperation Act of 1974, Sections 17-13-1 through 17-13-17, may
117 continue to do so;



118 (d) Assist the Governor in the development of an
119 allocation formula for the distribution of funds for adult
120 employment and training activities and youth activities to local
121 workforce investment areas;

122 (e) Recommend comprehensive, results-oriented measures
123 that shall be applied to all of Mississippi's workforce
124 development system programs;

125 (f) Assist the Governor in the establishment and
126 management of a one-stop employment and training system conforming
127 to the requirements of the federal Workforce Investment Act of
128 1998 and the Workforce Innovation and Opportunity Act of 2014, as
129 amended, recommending policy for implementing the Governor's
130 approved plan for employment and training activities and services
131 within the state. In developing this one-stop career operating
132 system, the Mississippi State Workforce Investment Board, in
133 conjunction with local workforce investment boards, shall:

134 (i) Design broad guidelines for the delivery of
135 workforce development programs;

136 (ii) Identify all existing delivery agencies and
137 other resources;

138 (iii) Define appropriate roles of the various
139 agencies to include an analysis of service providers' strengths
140 and weaknesses;

141 (iv) Determine the best way to utilize the various
142 agencies to deliver services to recipients; and



143 (v) Develop a financial plan to support the
144 delivery system that shall, at a minimum, include an
145 accountability system;

146 (g) Assist the Governor in reducing duplication of
147 services by urging the local workforce investment boards to
148 designate the local community/junior college as the operator of
149 the WIN Job Center. Incentive grants of Two Hundred Thousand
150 Dollars (\$200,000.00) from federal Workforce Investment Act funds
151 may be awarded to the local workforce boards where the
152 community/junior college district is designated as the WIN Job
153 Center. These grants must be provided to the community and junior
154 colleges for the extraordinary costs of coordinating with the
155 Workforce Investment Act, advanced technology centers and advanced
156 skills centers. In no case shall these funds be used to supplant
157 state resources being used for operation of workforce development
158 programs;

159 (h) To provide authority, in accordance with any
160 executive order of the Governor, for developing the necessary
161 collaboration among state agencies at the highest level for
162 accomplishing the purposes of this chapter;

163 (i) To monitor the effectiveness of the workforce
164 development centers and WIN job centers;

165 (j) To advise the Governor, public schools,
166 community/junior colleges and institutions of higher learning on
167 effective school-to-work transition policies and programs that



168 link students moving from high school to higher education and
169 students moving between community colleges and four-year
170 institutions in pursuit of academic and technical skills training;

171 (k) To work with industry to identify barriers that
172 inhibit the delivery of quality workforce education and the
173 responsiveness of educational institutions to the needs of
174 industry;

175 (l) To provide periodic assessments on effectiveness
176 and results of the overall Mississippi comprehensive workforce
177 development system and district councils; and

178 (m) To assist the Governor in carrying out any other
179 responsibility required by the federal Workforce Investment Act of
180 1998, as amended and the Workforce Innovation and Opportunity Act,
181 successor legislation and amendments.

182 (4) The Mississippi State Workforce Investment Board shall
183 coordinate all training programs and funds in the State of
184 Mississippi.

185 Each state agency director responsible for workforce training
186 activities shall advise the Mississippi State Workforce Investment
187 Board of appropriate federal and state requirements. Each such
188 state agency director shall remain responsible for the actions of
189 his agency; however, each state agency and director shall work
190 cooperatively, and shall be individually and collectively
191 responsible to the Governor for the successful implementation of
192 the statewide workforce investment system. The Governor, as the



193 Chief Executive Officer of the state, shall have complete
194 authority to enforce cooperation among all entities within the
195 state that utilize federal or state funding for the conduct of
196 workforce development activities.

197 (5) The State Workforce Investment Board shall establish a
198 Rules Committee. The Rules Committee, in consultation with the
199 full board, shall be designated as the body with the sole
200 authority to promulgate rules and regulations for distribution of
201 Mississippi Works Funds created in Section 71-5-353. The State
202 Workforce Investment Board Rules Committee shall develop and
203 submit rules and regulations in accordance with the Mississippi
204 Administrative Procedures Act, within sixty (60) days of March 21,
205 2016. The State Workforce Investment Board Rules Committee shall
206 consist of the following State Workforce Investment Board members:

207 (a) The Executive Director of the Mississippi
208 Development Authority;

209 (b) The Executive Director of the Mississippi
210 Department of Employment Security;

211 (c) The Executive Director of the Mississippi Community
212 College Board;

213 (d) The Chair of the Mississippi Association of
214 Community and Junior Colleges;

215 (e) The Chair of the State Workforce Investment Board;

216 (f) A representative from the workforce areas selected
217 by the Mississippi Association of Workforce Areas, Inc.;



218 (g) A business representative currently serving on the
219 board, selected by the Chairman of the State Workforce Investment
220 Board; and

221 (h) Two (2) legislators, who shall serve in a nonvoting
222 capacity, one (1) of whom shall be appointed by the Lieutenant
223 Governor from the membership of the Mississippi Senate and one (1)
224 of whom shall be appointed by the Speaker of the House of
225 Representatives from the membership of the Mississippi House of
226 Representatives.

227 (6) The Mississippi State Workforce Investment Board shall
228 create and implement performance metrics for the Mississippi Works
229 Fund to determine the added value to the local and state economy
230 and the contribution to the future growth of the state economy. A
231 report on the performance of the fund shall be made to the
232 Governor, Lieutenant Governor and Speaker of the House of
233 Representatives annually, throughout the life of the fund.

234 **SECTION 2.** Section 7-1-355, Mississippi Code of 1972, is
235 brought forward as follows:

236 7-1-355. (1) The Mississippi Department of Employment
237 Security, Office of the Governor, is designated as the sole
238 administrator of all programs for which the state is the prime
239 sponsor under Title 1(B) of Public Law 105-220, Workforce
240 Investment Act of 1998, and the regulations promulgated
241 thereunder, and may take all necessary action to secure to this
242 state the benefits of that legislation. The Mississippi



243 Department of Employment Security, Office of the Governor, may
244 receive and disburse funds for those programs that become
245 available to it from any source.

246 (2) The Mississippi Department of Employment Security,
247 Office of the Governor, shall establish guidelines on the amount
248 and/or percentage of indirect and/or administrative expenses by
249 the local fiscal agent or the Workforce Development Center
250 operator. The Mississippi Department of Employment Security,
251 Office of the Governor, shall develop an accountability system and
252 make an annual report to the Legislature before December 31 of
253 each year on Workforce Investment Act activities. The report
254 shall include, but is not limited to, the following:

255 (a) The total number of individuals served through the
256 Workforce Development Centers and the percentage and number of
257 individuals for which a quarterly follow-up is provided;

258 (b) The number of individuals who receive core services
259 by each center;

260 (c) The number of individuals who receive intensive
261 services by each center;

262 (d) The number of Workforce Investment Act vouchers
263 issued by the Workforce Development Centers including:

264 (i) A list of schools and colleges to which these
265 vouchers were issued and the average cost per school of the
266 vouchers; and



267 (ii) A list of the types of programs for which
268 these vouchers were issued;

269 (e) The number of individuals placed in a job through
270 Workforce Development Centers;

271 (f) The monies and the amount retained for
272 administrative and other costs received from Workforce Investment
273 Act funds for each agency or organization that Workforce
274 Investment Act funds flow through as a percentage and actual
275 dollar amount of all Workforce Investment Act funds received.

276 **SECTION 3.** Section 7-1-357, Mississippi Code of 1972, is
277 brought forward as follows:

278 7-1-357. The Division of Job Development and Training,
279 Office of the Governor, is hereby authorized to cooperate with or
280 enter into agreements with any agency, official, educational
281 institution or political subdivision of this state, any agency or
282 official of the government of the United States of America, or any
283 private person, firm, partnership or corporation in order to carry
284 out the provisions of Sections 7-1-351 through 7-1-371.

285 **SECTION 4.** Section 7-1-361, Mississippi Code of 1972, is
286 brought forward as follows:

287 7-1-361. The Division of Job Development and Training,
288 Office of the Governor, is authorized to promulgate such rules and
289 regulations as may be necessary to carry out the provisions of
290 Sections 7-1-351 through 7-1-371.



291 **SECTION 5.** Section 37-153-9, Mississippi Code of 1972, is
292 brought forward as follows:

293 37-153-9. (1) In accordance with the federal Workforce
294 Investment Act of 1998, there shall be established, for each of
295 the four (4) state workforce areas prescribed in Section 37-153-3
296 (2)(c), a local workforce investment board to set policy for the
297 portion of the state workforce investment system within the local
298 area and carry out the provisions of the Workforce Investment Act.

299 (2) Each community college district shall have an affiliated
300 District Workforce Development Council. The district council
301 shall be composed of a diverse group of fifteen (15) persons
302 appointed by the board of trustees of the affiliated public
303 community or junior college. The members of each district council
304 shall be selected from persons recommended by the chambers of
305 commerce, employee groups, industrial foundations, community
306 organizations and local governments located in the community
307 college district of the affiliated community college with one (1)
308 appointee being involved in basic literacy training. However, at
309 least eight (8) members of each district council shall be chief
310 executive officers, plant managers that are representatives of
311 employers in that district or service sector executives. The
312 District Workforce Development Council affiliated with each
313 respective community or junior college shall advise the president
314 of the community or junior college on the operation of its
315 workforce development center/one-stop center.



316 The Workforce Development Council shall have the following
317 advisory duties:

318 (a) To develop an integrated and coordinated district
319 workforce investment strategic plan that:

320 (i) Identifies workforce investment needs through
321 job and employee assessments of local business and industry;

322 (ii) Sets short-term and long-term goals for
323 industry-specific training and upgrading and for general
324 development of the workforce; and

325 (iii) Provides for coordination of all training
326 programs, including ABE/High School Equivalency Diploma, Skills
327 Enhancement and Industrial Services, and shall work
328 collaboratively with the State Literacy Resource Center;

329 (b) To coordinate and integrate delivery of training as
330 provided by the workforce development plan;

331 (c) To assist business and industry management in the
332 transition to a high-powered, quality organization;

333 (d) To encourage continuous improvement through
334 evaluation and assessment; and

335 (e) To oversee development of an extensive marketing
336 plan to the employer community.

337 **SECTION 6.** Section 37-153-13, Mississippi Code of 1972, is
338 brought forward as follows:

339 37-153-13. The Mississippi Community College Board is
340 designated as the primary support agency to the workforce



341 development centers. The Mississippi Community College Board may
342 exercise the following powers:

343 (a) To provide the workforce development centers the
344 assistance necessary to accomplish the purposes of this chapter;

345 (b) To provide the workforce development centers
346 consistent standards and benchmarks to guide development of the
347 local workforce development system and to provide a means by which
348 the outcomes of local services can be measured;

349 (c) To develop the staff capacity to provide, broker or
350 contract for the provision of technical assistance to the
351 workforce development centers, including, but not limited to:

352 (i) Training local staff in methods of recruiting,
353 assessment and career counseling;

354 (ii) Establishing rigorous and comprehensive local
355 preemployment training programs;

356 (iii) Developing local institutional capacity to
357 deliver total quality management training;

358 (iv) Developing local institutional capacity to
359 transfer new technologists into the marketplace;

360 (v) Expanding the Skills Enhancement Program and
361 improving the quality of adult literacy programs; and

362 (vi) Developing data for strategic planning;

363 (d) To collaborate with the Mississippi Development
364 Authority and other economic development organizations to increase
365 the community college systems' economic development potential;



366 (e) To administer presented and approved certification
367 programs by the community colleges for tax credits and partnership
368 funding for corporate training;

369 (f) To create and maintain an evaluation team that
370 examines which kinds of curricula and programs and what forms of
371 quality control of training are most productive so that the
372 knowledge developed at one (1) institution of education can be
373 transferred to others;

374 (g) To develop internal capacity to provide services
375 and to contract for services from universities and other providers
376 directly to local institutions;

377 (h) To develop and administer an incentive
378 certification program;

379 (i) To develop and hire staff and purchase equipment
380 necessary to accomplish the goals set forth in this section; and

381 (j) To collaborate, partner and contract for services
382 with community-based organizations and disadvantaged businesses in
383 the delivery of workforce training and career information
384 especially to youth, as defined by the federal Workforce
385 Investment Act, and to those adults who are in low income jobs or
386 whose individual skill levels are so low as to be unable initially
387 to be aided by a workforce development center. Community-based
388 organizations and disadvantaged businesses must meet
389 performance-based certification requirements set by the
390 Mississippi Community College Board.



391 **SECTION 7.** Section 71-5-353, Mississippi Code of 1972, is
392 brought forward as follows:

393 71-5-353. (1) (a) Each employer shall pay unemployment
394 insurance contributions equal to five and four-tenths percent
395 (5.4%) of taxable wages paid by him each calendar year, except as
396 may be otherwise provided in Section 71-5-361 and except that each
397 newly subject employer shall pay unemployment insurance
398 contributions at the rate of one percent (1%) of taxable wages,
399 for his first year of liability, one and one-tenth percent (1.1%)
400 of taxable wages for his second year of liability, and one and
401 two-tenths percent (1.2%) of taxable wages for his third and
402 subsequent years of liability unless the employer's
403 experience-rating record has been chargeable throughout at least
404 the twelve (12) consecutive calendar months ending on the most
405 recent computation date at the time the rate for a year is
406 determined; thereafter the employer's contribution rate shall be
407 determined in accordance with the provisions of Section 71-5-355.

408 (b) Notwithstanding the newly subject employer
409 contribution rate provided for in paragraph (a) of this
410 subsection, the contribution rate of all newly subject employers
411 shall be reduced by seven one-hundredths of one percent (.07%) for
412 calendar year 2013 only. The contribution rate of all newly
413 subject employers shall be reduced by three one-hundredths of one
414 percent (.03%) for calendar year 2014 only. For purposes of this
415 chapter, "newly subject employers" means employers whose



416 unemployment insurance experience-rating record has not been
417 chargeable throughout at least the twelve (12) consecutive
418 calendar months ending on the most recent computation date at the
419 time the contribution rate for a year is determined.

420 (2) (a) (i) There is hereby created in the Treasury of the
421 State of Mississippi special funds to be known as the "Mississippi
422 Workforce Enhancement Training Fund" and the "Mississippi Works
423 Fund" which consist of funds collected pursuant to subsection (3)
424 of this section.

425 (ii) Funds collected shall initially be deposited
426 into the Mississippi Department of Employment Security bank
427 account for clearing contribution collections and subsequently
428 appropriate amounts shall be transferred to the Mississippi
429 Workforce Investment and Training Fund Holding Account described
430 in Section 71-5-453. In the event any employer pays an amount
431 insufficient to cover the total contributions due, the amounts due
432 shall be satisfied in the following order:

- 433 1. Unemployment contributions;
- 434 2. Mississippi Workforce Enhancement Training
435 contributions, State Workforce Investment contributions and the
436 Mississippi Works contributions, known collectively as the
437 Mississippi Workforce Investment and Training contributions, on a
438 pro rata basis;
- 439 3. Interest and damages; then
- 440 4. Legal and processing costs.



441 The amount of unemployment insurance contributions due for
442 any period will be the amount due according to the actual
443 computations unless the employer is participating in the MLPP. In
444 that event, the amount due is the MLPP amount computed by the
445 department.

446 Cost of collection and administration of the Mississippi
447 Workforce Enhancement Training contribution, the State Workforce
448 Investment contribution and the Mississippi Works contribution
449 shall be allocated based on a plan approved by the United States
450 Department of Labor (USDOL). The Mississippi Community College
451 Board shall pay the cost of collecting the Mississippi Workforce
452 Enhancement Training contributions, the State Workforce Investment
453 Board shall pay the cost of collecting the State Workforce
454 Investment contributions and the Mississippi Department of
455 Employment Security shall pay the cost of collecting the
456 Mississippi Works contributions. Payments shall be made
457 semiannually with the cost allocated to each based on a USDOL
458 approved plan on a pro rata basis, for periods ending in June and
459 December of each year. Payment shall be made by each organization
460 to the department no later than sixty (60) days after the billing
461 date. Cost shall be allocated under the USDOL's approved plan and
462 in the same ratio as each contribution type represents to the
463 total authorized by subparagraph (ii) (2) of this paragraph to be
464 collected for the period.



465 (b) Mississippi Workforce Enhancement Training
466 contributions and State Workforce Investment contributions shall
467 be distributed as follows:

468 (i) For calendar year 2014, ninety-four and
469 seventy-five one-hundredths percent (94.75%) shall be distributed
470 to the Mississippi Workforce Enhancement Training Fund and the
471 remainder shall be distributed to the State Workforce Investment
472 Board bank account;

473 (ii) For calendar years subsequent to calendar
474 year 2014, ninety-three and seventy-five one-hundredths percent
475 (93.75%) shall be distributed to the Mississippi Workforce
476 Enhancement Training Fund and the remainder shall be distributed
477 to the State Workforce Investment Board bank account;

478 (iii) Workforce Enhancement Training contributions
479 and State Workforce Investment contributions for calendar years
480 2014 and 2015 shall be distributed as provided in subparagraphs
481 (i) and (ii) of this paragraph regardless of when the
482 contributions were collected.

483 (c) All contributions collected for the State Workforce
484 Enhancement Training Fund, the State Workforce Investment Fund and
485 the Mississippi Works Fund will be initially deposited into the
486 Mississippi Department of Employment Security bank account for
487 clearing contribution collections and subsequently transferred to
488 the Workforce Investment and Training Holding Account and will be
489 held by the Mississippi Department of Employment Security in such



490 account for a period of not less than thirty (30) days. After
491 such period, the Mississippi Workforce Enhancement Training
492 contributions shall be transferred to the Mississippi Community
493 College Board Treasury Account, the State Workforce Investment
494 contributions and the Mississippi Works contributions shall be
495 transferred to the Mississippi Department of Employment Security
496 Mississippi Works Treasury Account in the same ratio as each
497 contribution type represents to the total authorized by paragraph
498 (a)(ii)(2) of this subsection to be collected for the period and
499 within the time frame determined by the department; however,
500 except in cases of extraordinary circumstances, these funds shall
501 be transferred within fifteen (15) days. Interest earnings or
502 interest credits on deposit amounts in the Workforce Investment
503 and Training Holding Account shall be retained in the account to
504 pay the banking costs of the account. If after the period of
505 twelve (12) months interest earnings less banking costs exceeds
506 Ten Thousand Dollars (\$10,000.00), such excess amounts shall be
507 transferred to the respective accounts within thirty (30) days
508 following the end of each calendar year on the basis described in
509 paragraph (b) of this subsection. Interest earnings and/or
510 interest credits for the State Workforce Investments funds shall
511 be used for the payment of banking costs and excess amounts shall
512 be used in accordance with the rules and regulations of the State
513 Workforce Investment Board expenditure policies.



514 (d) All enforcement procedures for the collection of
515 delinquent unemployment contributions contained in Sections
516 71-5-363 through 71-5-383 shall be applicable in all respects for
517 collections of delinquent unemployment insurance contributions
518 designated for the Unemployment Compensation Fund, the Mississippi
519 Workforce Enhancement Training Fund, the State Workforce
520 Investment Board Fund and the Mississippi Works Fund.

521 (e) (i) Except as otherwise provided for in this
522 subparagraph (i), all monies deposited into the Mississippi
523 Workforce Enhancement Training Fund Treasury Account shall be
524 utilized exclusively by the Mississippi Community College Board in
525 accordance with the Workforce Training Act of 1994 (Section
526 37-153-1 et seq.), policies approved by the Mississippi Community
527 College Board and the annual plan developed by the State Workforce
528 Investment Board for the following purposes: to provide training
529 at no charge to employers and employees in order to enhance
530 employee productivity. Such training may be subject to a minimal
531 administrative fee to be paid from the Mississippi Workforce
532 Enhancement Training Fund as established by the State Workforce
533 Investment Board subject to the advice of the Mississippi
534 Community College Board. The initial priority of these funds
535 shall be for the benefit of existing businesses located within the
536 state. Employers may request training for existing employees
537 and/or newly hired employees from the Mississippi Community
538 College Board. The Mississippi Community College Board will be



539 responsible for approving the training. A portion of the funds
540 collected for the Mississippi Workforce Enhancement Training Fund
541 shall be used for the development of performance measures to
542 measure the effectiveness of the use of the Mississippi Workforce
543 Enhancement Training Fund dollars. These performance measures
544 shall be uniform for all community colleges and shall be reported
545 to the Governor, Lieutenant Governor and members of the
546 Legislature. Nothing in this section or elsewhere in law shall be
547 interpreted as giving the State Workforce Investment Board
548 authority to direct the Mississippi Community College Board or
549 individual community or junior colleges on how to expend money for
550 workforce training, whether such money comes from the Mississippi
551 Workforce Enhancement Training Fund, is appropriated by the
552 Legislature to the Mississippi Community College Board for
553 workforce training or comes from other sources. The Mississippi
554 Community College Board, individual community or junior colleges
555 and the State Workforce Investment Board shall cooperate with each
556 other and with other state agencies to promote effective workforce
557 training in Mississippi. Any subsequent changes to these
558 performance measures shall also be reported to the Governor,
559 Lieutenant Governor and members of the Legislature. A performance
560 report for each community college, based upon these measures,
561 shall be submitted annually to the Governor, Lieutenant Governor
562 and members of the Legislature.



563 (ii) Except as otherwise provided in this
564 paragraph (e), all funds deposited into the State Workforce
565 Investment Board bank account shall be used for administration of
566 State Workforce Investment Board business, grants related to
567 training, and other projects as determined appropriate by the
568 State Workforce Investment Board and shall be nonexpiring.
569 Policies for grants and other projects shall be approved through a
570 majority vote of the State Workforce Investment Board.

571 (iii) All funds deposited into the Mississippi
572 Department of Employment Security Mississippi Works Fund shall be
573 disbursed exclusively by the Executive Director of the Mississippi
574 Department of Employment Security, in accordance with the rules
575 and regulations promulgated by the State Workforce Investment
576 Board Rules Committee in support of workforce training activities
577 approved by the Mississippi Development Authority in support of
578 economic development activities. Funds allocated by the executive
579 director under this subparagraph (iii) shall only be utilized for
580 the training of unemployed persons, for immediate training needs
581 for the net new jobs created by an employer, for the retention of
582 jobs or to create a work-ready applicant pool of Mississippians
583 with credentials and/or postsecondary education in accordance with
584 the state's Workforce Investment and Opportunity Act plan. The
585 executive director shall give priority to the training of
586 unemployed persons. Not more than twenty-five percent (25%) of
587 the funds may be allocated for the retention of jobs and/or



588 creation of a work-ready applicant pool. Not more than Five
589 Hundred Thousand Dollars (\$500,000.00) may be allocated annually
590 for the training needs of any one (1) employer. The Mississippi
591 Public Community College System and its partners shall be the
592 primary entities to facilitate training. In no case shall these
593 funds be used to supplant workforce funds available from any other
594 sources, including, but not limited to, local, state or federal
595 sources that are available for workforce training and development.
596 Training conducted utilizing these Mississippi Works funds may be
597 subject to a minimal administrative fee to be paid from the
598 Mississippi Works Fund as authorized by the Mississippi Department
599 of Employment Security. All costs associated with the
600 administration of these funds shall be reimbursed to the
601 Mississippi Department of Employment Security from the Mississippi
602 Works Fund.

603 (iv) 1. The Department of Employment Security
604 shall be the fiscal agent for the receipt and disbursement of all
605 funds in the State Workforce Investment Board bank account.

606 2. In managing the State Workforce Investment
607 Board bank account, the department shall ensure that any funds
608 expended for contractual services rendered to the State Workforce
609 Investment Board shall be paid only to service providers who have
610 been selected on a competitive basis. Any contract for services
611 entered into using funds from the Workforce Investment Fund bank
612 account shall contain the deliverables stated in terms that allow



613 for the assessment of work performance against measurable
614 performance standards and shall include milestones for completion
615 of each deliverable under the contract. For each contract for
616 services entered into by the State Workforce Investment Board, the
617 board shall develop a quality assurance surveillance plan that
618 specifies quality control obligations of the contractor as well as
619 measurable inspection and acceptance criteria corresponding to the
620 performance standards contained in the contract's statement of
621 work.

622 3. Any commodities procured for the board
623 shall be procured in accordance with the provisions of Section
624 31-7-13.

625 (v) In addition to other expenditures, the
626 department shall expend from the State Workforce Investment Board
627 bank account for the use and benefit of the State Workforce
628 Investment Board, such funds as are necessary to prepare and
629 develop a study of workforce development needs that will consist
630 of the following:

631 1. An identification of the state's workforce
632 development needs through a well-documented quantitative and
633 qualitative analysis of:

634 a. The current and projected workforce
635 training needs of existing and identified potential Mississippi
636 industries, with priority given to assessing the needs of existing
637 in-state industry and business. Where possible, the analysis



638 should include a verification and expansion of existing
639 information previously developed by workforce training and service
640 providers, as well as analysis of existing workforce data, such as
641 the data collected through the Statewide Longitudinal Data System.

642 b. The needs of the state's workers and
643 residents requiring additional workforce training to improve their
644 work skills in order to compete for better employment
645 opportunities, including a priority-based analysis of the critical
646 factors currently limiting the state's ability to provide a
647 trained and ready workforce.

648 c. The needs of workforce service and
649 training providers in improving their ability to offer
650 industry-relevant training, including an assessment of the
651 practical limits of keeping training programs on the leading edge
652 and eliminating those programs with marginal workforce relevance.

653 2. An assessment of Mississippi's current
654 workforce development service delivery structure relative to the
655 needs quantified in this subparagraph, including:

656 a. Development of a list of
657 strengths/weaknesses/opportunities/threats (SWOT) of the current
658 workforce development delivery system relative to the identified
659 needs;

660 b. Identification of strategic options
661 for workforce development services based on the results of the
662 SWOT analysis; and



663 c. Development of results-oriented
664 measures for each option that can be baselined and, if
665 implemented, tracked over time, with quantifiable milestones and
666 goals.

667 3. Preparation of a report presenting all
668 subjects set out in this subparagraph to be delivered to the
669 Lieutenant Governor, Speaker of the House of Representatives,
670 Chairman of the Senate Finance Committee and Chairman of the House
671 Appropriations Committee no later than February 1, 2015.

672 4. Following the preparation of the report,
673 the State Workforce Investment Board shall make a recommendation
674 to the House and Senate Appropriations Committees on future uses
675 of funds deposited to the State Workforce Investment Fund account.
676 Such future uses may include:

677 a. The development of promotion
678 strategies for workforce development programs;

679 b. Initiatives designed to reduce the
680 state's dropout rate including the development of a statewide
681 career awareness program;

682 c. The long-term monitoring of the
683 state's workforce development programs to determine whether they
684 are addressing the needs of business, industry, and the workers of
685 the state; and



686 d. The study of the potential
687 restructuring of the state's workforce programs and delivery
688 systems.

689 (3) (a) (i) Mississippi Workforce Enhancement Training
690 contributions and State Workforce Investment contributions shall
691 be collected at the following rates:

692 1. For calendar year 2014 only, the rate of
693 nineteen one-hundredths of one percent (.19%) based upon taxable
694 wages of which eighteen one-hundredths of one percent (.18%) shall
695 be the Workforce Enhancement Training contribution and
696 one-hundredths of one percent (.01%) shall be the State Workforce
697 Investment contribution; and

698 2. For calendar year 2015 only, the rate of
699 sixteen one-hundredths of one percent (.16%), based upon taxable
700 wages of which fifteen one-hundredths of one percent (.15%) shall
701 be the Workforce Enhancement Training contribution and
702 one-hundredths of one percent (.01%) shall be the State Workforce
703 Investment contribution.

704 (ii) Mississippi Workforce Enhancement Training
705 contributions, State Workforce Investment contributions and
706 Mississippi Works contributions shall be collected at the
707 following rates:

708 1. For calendar year 2016 only, at a rate of
709 twenty-four one-hundredths percent (.24%), based upon taxable
710 wages, of which fifteen one-hundredths percent (.15%) shall be the



711 Workforce Enhancement Training contribution, one-hundredths of one
712 percent (.01%) shall be the State Workforce Investment
713 contribution and eight one-hundredths percent (.08%) shall be the
714 Mississippi Works contribution.

715 2. For calendar years subsequent to calendar
716 year 2016, at a rate of twenty one-hundredths percent (.20%),
717 based upon taxable wages, of which fifteen one-hundredths percent
718 (.15%) shall be the Workforce Enhancement Training contribution,
719 one-hundredths of one percent (.01%) shall be the State Workforce
720 Investment contribution and four one-hundredths percent (.04%)
721 shall be the Mississippi Works contribution. The Mississippi
722 Works contribution shall be collected for calendar years in which
723 the general experience ratio, adjusted on the basis of the trust
724 fund adjustment factor and reduced by fifty percent (50%), results
725 in a general experience rate of less than two-tenths percent
726 (.2%). In all other years the Mississippi Works contribution
727 shall not be in effect.

728 (iii) The Mississippi Workforce Enhancement
729 Training Fund contribution, the State Workforce Investment
730 contribution and the Mississippi Works contribution shall be in
731 addition to the general experience rate plus the individual
732 experience rate of all employers but shall not be charged to
733 reimbursing or rate-paying political subdivisions or institutions
734 of higher learning, or reimbursing nonprofit organizations, as
735 described in Sections 71-5-357 and 71-5-359.



736 (b) All Mississippi Workforce Enhancement Training
737 contributions, State Workforce Investment contributions and
738 Mississippi Works contributions collected shall be deposited
739 initially into the Mississippi Department of Employment Security
740 bank account for clearing contribution collections and shall
741 within two (2) business days be transferred to the Workforce
742 Investment and Training Holding Account. Any Mississippi
743 Workforce Enhancement Training Fund and/or State Workforce
744 Investment Board bank account and/or Mississippi Works Fund
745 transactions from the Mississippi Department of Employment
746 Security bank account for clearing contribution collections that
747 are deposited into the Workforce Investment and Training Fund
748 Holding Account and are not honored by a financial institution
749 will be transferred back to the Mississippi Department of
750 Employment Security bank account for clearing contribution
751 collections out of funds in the Mississippi Workforce Investment
752 and Training Fund Holding Account.

753 (c) Suspension of the Workforce Enhancement Training
754 Fund contributions required pursuant to this chapter shall occur
755 if the insured unemployment rate exceeds an average of five and
756 five-tenths percent (5.5%) for the three (3) consecutive months
757 immediately preceding the effective date of the new rate year
758 following such occurrence and shall remain suspended throughout
759 the duration of that rate year. Such suspension shall continue
760 until such time as the three (3) consecutive months immediately



761 preceding the effective date of the next rate year that has an
762 insured unemployment rate of less than an average of four and
763 five-tenths percent (4.5%). Upon such occurrence, reactivation
764 shall be effective upon the first day of the rate year following
765 the event that lifts suspension and shall be in effect for that
766 year and shall continue until such time as a subsequent suspension
767 event as described in this chapter occurs.

768 (4) All collections due or accrued prior to any suspension
769 of the Mississippi Workforce Enhancement Training Fund will be
770 collected based upon the law at the time the contributions
771 accrued, regardless of when they are actually collected.

772 **SECTION 8.** Section 71-5-453, Mississippi Code of 1972, is
773 brought forward as follows:

774 71-5-453. The department shall be the treasurer and
775 custodian of the fund, and shall administer such fund in
776 accordance with the directions of the department, and shall issue
777 its warrants upon it in accordance with such regulations as the
778 department shall prescribe. The department shall maintain within
779 the fund three (3) separate accounts: (a) a clearing account, (b)
780 an unemployment trust fund account, and (c) a benefit payment
781 account. All monies payable to the fund, upon receipt thereof by
782 the department, shall be immediately deposited in the clearing
783 account. Refunds payable pursuant to Section 71-5-383 may be paid
784 from the clearing account by the department. Transfers pursuant
785 to Section 71-5-114 of all interest, penalties and damages



786 collected shall be made to the Special Employment Security
787 Administration Fund as soon as practicable after the end of each
788 calendar quarter. Workforce Enhancement Training contributions,
789 State Workforce Investment contributions and Mississippi Works
790 contributions shall be deposited into the Workforce Investment and
791 Training Holding Account as described in this section. All other
792 monies in the clearing account shall be immediately deposited with
793 the Secretary of the Treasury of the United States of America to
794 the Unemployment Trust Fund account for the State of Mississippi,
795 established and maintained pursuant to Section 904 of the Social
796 Security Act, as amended, any provisions of law in this state
797 relating to the deposit, administration, release or disbursement
798 of monies in the possession or custody of this state to the
799 contrary notwithstanding. The benefit account shall consist of
800 all monies requisitioned from this state's account in the
801 Unemployment Trust Fund. Except as herein otherwise provided,
802 monies in the clearing and benefit accounts may be deposited by
803 the department, in any bank or public depository in which general
804 funds of the state may be deposited, but no public deposit
805 insurance charge or premium shall be paid out of the fund. The
806 department shall be liable for the faithful performance of its
807 duties in connection with the Unemployment Compensation Fund under
808 this chapter. A Workforce Investment and Training Holding Account
809 shall be established by and maintained under the control of the
810 Mississippi Department of Employment Security. Contributions



811 collected pursuant to the provisions in this chapter for the
812 Workforce Enhancement Training Fund, State Workforce Investment
813 Fund and the Mississippi Works Fund shall be transferred from the
814 clearing account into the Workforce Investment and Training
815 Holding Account on the same schedule and under the same conditions
816 as funds transferred to the Unemployment Compensation Fund. Such
817 funds shall remain on deposit in the holding account for a period
818 of thirty (30) days. After such period, Workforce Enhancement
819 Training contributions shall be transferred to the appropriate
820 Mississippi Community College Board Treasury Account by the
821 department. The State Workforce Investment contributions shall be
822 transferred to the State Workforce Investment Board bank account
823 established by the department, and the department shall have the
824 authority to deposit and disburse funds from the State Workforce
825 Investment Board bank account as directed by the State Workforce
826 Investment Board. The Mississippi Works contributions shall be
827 transferred to the Mississippi Department of Employment Security
828 Treasury Account for the Mississippi Works Fund. Such transfers
829 shall occur within fifteen (15) days after the funds have resided
830 in the Workforce Investment and Training Holding Account for
831 thirty (30) days. One (1) such transfer shall be made monthly,
832 but the department, in its discretion, may make additional
833 transfers in any month. In the event such funds transferred are
834 subsequently determined to be erroneously paid or collected, or if
835 deposit of such funds is denied or rejected by the banking



836 institution for any reason, or deposits are unable to clear
837 drawer's account for any reason, the funds must be reimbursed by
838 the recipient of such funds within thirty (30) days of mailing of
839 notice by the department demanding such refund, unless funds are
840 available in the Workforce Investment and Training Holding
841 Account. In that event such amounts shall be immediately
842 withdrawn from the Workforce Investment and Training Holding
843 Account by the department and redeposited into the clearing
844 account.

845 **SECTION 9.** This act shall take effect and be in force from
846 and after July 1, 2019.

