

By: Senator(s) Parker, DeBar, Blackwell,
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To: Economic and Workforce
Development

SENATE BILL NO. 2564
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 37-153-5, MISSISSIPPI CODE OF 1972,
2 TO DEFINE "OFFICE" AS THE MISSISSIPPI OFFICE OF WORKFORCE
3 DEVELOPMENT; TO AMEND SECTION 37-153-7, MISSISSIPPI CODE OF 1972,
4 TO CREATE THE OFFICE AND PROVIDE THAT THE MISSISSIPPI STATE
5 WORKFORCE INVESTMENT BOARD SHALL SERVE AS THE ADVISORY BOARD FOR
6 THE OFFICE; TO REVISE THE MEMBERSHIP AND DUTIES OF THE MISSISSIPPI
7 STATE WORKFORCE INVESTMENT BOARD; TO REQUIRE EACH STATE AGENCY,
8 DEPARTMENT AND INSTITUTION TO REPORT ANY MONIES RECEIVED FOR
9 WORKFORCE TRAINING ACTIVITIES OR CAREER AND TECHNICAL EDUCATION
10 AND AN ITEMIZATION OF HOW THOSE MONIES WERE SPENT TO THE
11 MISSISSIPPI STATE WORKFORCE INVESTMENT BOARD; TO REQUIRE THE
12 MISSISSIPPI STATE WORKFORCE INVESTMENT BOARD TO COMPILE THE DATA
13 AND PROVIDE A REPORT OF THE MONIES AND EXPENDITURES TO THE CHAIRS
14 OF THE HOUSE AND SENATE APPROPRIATIONS COMMITTEE, THE CHAIR OF THE
15 HOUSE WORKFORCE DEVELOPMENT COMMITTEE AND THE CHAIR OF THE SENATE
16 ECONOMIC AND WORKFORCE DEVELOPMENT COMMITTEE BY OCTOBER 1 OF EACH
17 YEAR; TO REPLACE THE RULES COMMITTEE OF THE STATE WORKFORCE
18 INVESTMENT BOARD WITH AN EXECUTIVE COMMITTEE, AND TO DETERMINE THE
19 MEMBERSHIP AND DUTIES OF THE EXECUTIVE COMMITTEE; TO PROVIDE THAT
20 THE EXECUTIVE COMMITTEE SHALL SELECT AN EXECUTIVE DIRECTOR OF THE
21 OFFICE, AND TO ESTABLISH THE QUALIFICATIONS AND DUTIES OF THE
22 EXECUTIVE DIRECTOR; TO PROVIDE THAT THE OFFICE SHALL COLLABORATE
23 WITH THE MISSISSIPPI COMMUNITY COLLEGE BOARD IN ADMINISTERING AND
24 OVERSEEING THE MISSISSIPPI WORKFORCE ENHANCEMENT TRAINING FUND AND
25 MISSISSIPPI WORKS FUND; TO REQUIRE THE OFFICE TO FILE AN ANNUAL
26 REPORT WITH THE GOVERNOR, SECRETARY OF STATE AND LEGISLATURE BY
27 OCTOBER 1 OF EACH YEAR REGARDING ALL FUNDS APPROVED TO BE EXPENDED
28 ON WORKFORCE TRAINING DURING THE PRIOR CALENDAR YEAR; TO AMEND
29 SECTIONS 37-153-11, 37-153-13, 71-5-353 AND 71-5-453, MISSISSIPPI
30 CODE OF 1972, IN CONFORMITY TO THE ABOVE; TO AMEND SECTION 60,
31 CHAPTER 572, LAWS OF 2004, AS LAST AMENDED BY SECTION 58, CHAPTER
32 451, LAWS OF 2019, WHICH IS THE REPEALER FOR THE CHAPTER, TO
33 EXCLUDE THE SECTIONS OF THE CHAPTER CORRESPONDING TO SECTIONS
34 37-153-1 THROUGH 37-153-13; TO CREATE NEW SECTION 37-153-17,



35 MISSISSIPPI CODE OF 1972, TO CODIFY THE REPEALER OF SECTIONS
36 37-153-1 THROUGH 37-153-13, AND TO ADD SECTION 37-153-15 AS
37 SUBJECT TO THE REPEALER; AND FOR RELATED PURPOSES.

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

39 **SECTION 1.** Section 37-153-5, Mississippi Code of 1972, is
40 amended as follows:

41 37-153-5. For purposes of this chapter, the following words
42 and phrases shall have the meanings respectively ascribed in this
43 section unless the context clearly indicates otherwise:

44 (a) "State board" or "board" means the Mississippi
45 State Workforce Investment Board * * *.

46 (b) "District councils" means the Local Workforce
47 Development Councils * * *.

48 (c) "Local workforce investment board" means the board
49 that oversees the workforce development activities of local
50 workforce areas under the federal Workforce Investment Act.

51 (d) "Office" means the Mississippi Office of Workforce
52 Development, housed at the Department of Finance and
53 Administration.

54 **SECTION 2.** Section 37-153-7, Mississippi Code of 1972, is
55 amended as follows:

56 37-153-7. (1) There is created the Mississippi Office of
57 Workforce Development and the Mississippi State Workforce
58 Investment Board, which shall serve as the advisory board for the
59 office. The Mississippi State Workforce Investment Board shall be
60 composed of * * * thirty-one (31) voting members, of which a
61 majority shall be representatives of business and industry in



62 accordance with the federal Workforce * * * Innovation and
63 Opportunity Act, or any successive acts.

64 (2) The members of the State Workforce Investment Board
65 shall include:

66 (a) The Governor * * *, or his designee;

67 * * *

68 (b) Nineteen (19) members, appointed by the Governor,
69 of whom:

70 (i) A majority shall be representatives of
71 businesses in the state, who:

72 1. Are owners of businesses, chief executives
73 or operating officers of businesses, or other business executives
74 or employers with optimum policymaking or hiring authority, and
75 who, in addition, may be members of a local board described in
76 Section 3122(b)(2)(A)(i) of the federal Workforce Innovation and
77 Opportunity Act. At least two (2) of the members appointed under
78 this item 1. shall be small business owners, chief executives or
79 operating officers of businesses with less than fifty (50)
80 employees;

81 2. Represent businesses, including small
82 businesses, or organizations representing businesses, which
83 provide employment opportunities that, at a minimum, include
84 high-quality, work-relevant training and development in
85 high-demand industry sectors or occupations in the state; and



86 3. Are appointed from among individuals
87 nominated by state business organizations and business trade
88 associations;

89 (ii) Not less than twenty percent (20%) shall
90 consist of representatives of the workforce within the state,
91 which:

92 1. Includes labor organization
93 representatives who have been nominated by state labor
94 federations;

95 2. Includes a labor organization member or
96 training director from an apprenticeship program in the state,
97 which shall be a joint labor-management apprenticeship program if
98 such a program exists in the state;

99 3. May include representatives of
100 community-based organizations, including organizations serving
101 veterans or providing or supporting competitive, integrated
102 employment for individuals with disabilities, who have
103 demonstrated experience and expertise in addressing employment,
104 training or education needs of individuals with barriers to
105 employment; and

106 4. May include representatives of
107 organizations, including organizations serving out-of-school
108 youth, who have demonstrated experience or expertise in addressing
109 the employment, training or education needs of eligible youth;



110 (iii) The balance shall include government
111 representatives, including the lead state officials with primary
112 responsibility for core programs, and chief elected officials
113 (collectively representing both cities and counties, where
114 appropriate);

115 (c) Two (2) representatives of businesses in the state
116 appointed by the Lieutenant Governor;

117 (d) Two (2) representatives of businesses in the state
118 appointed by the Governor from a list of three (3) recommendations
119 from the Speaker of the House; and

120 (* * *e) The following state officials * * *:

121 (i) The Executive Director of the Mississippi
122 Department of Employment Security;

123 (ii) The Executive Director of the Department of
124 Rehabilitation Services;

125 (iii) The State Superintendent of Public
126 Education;

127 (iv) The Executive Director of the Mississippi
128 Development Authority;

129 * * *

130 (* * *y) The Executive Director of the
131 Mississippi Community College Board; * * *

132 (vi) The President of the Community College
133 Association; and



134 (vii) The Commissioner of the Institutions of
135 Higher Learning.

136 * * *

137 (f) One (1) senator, appointed by the Lieutenant
138 Governor, and one (1) representative, appointed by the Speaker of
139 the House, shall serve on the state board in a nonvoting capacity.

140 (g) The Governor may appoint additional members if
141 required by the federal Workforce Innovation and Opportunity Act,
142 or any successive acts.

143 (h) Members of the board shall serve a term of four (4)
144 years, and shall not serve more than three (3) consecutive terms.

145 (* * *i) The membership of the board shall reflect the
146 diversity of the State of Mississippi.

147 (* * *j) The Governor shall designate the Chairman of
148 the Mississippi State Workforce Investment Board from among the
149 business and industry voting members of the board, and a quorum of
150 the board shall consist of a majority of the voting members of the
151 board.

152 (* * *k) The voting members of the board who are not
153 state employees shall be entitled to reimbursement of their
154 reasonable expenses * * * in the manner and amount specified in
155 Section 25-3-41 and shall be entitled to receive per diem
156 compensation as authorized in Section 25-3-69.

157 (3) Members of the state board may be recalled by their
158 appointing authority for cause, including a felony conviction,



159 fraudulent or dishonest acts or gross abuse of discretion, failure
160 to meet board member qualifications, or chronic failure to attend
161 board meetings.

162 (* * *4) The Mississippi Department of Employment Security
163 shall establish limits on administrative costs for each portion of
164 Mississippi's workforce development system consistent with the
165 federal Workforce Investment Act or any future federal workforce
166 legislation.

167 (* * *5) The Mississippi State Workforce Investment Board
168 shall have the following duties. These duties are intended to be
169 consistent with the scope of duties provided in the federal
170 Workforce Innovation and Opportunity Act, amendments and successor
171 legislation to this act, and other relevant federal law:

172 (a) Through the office, develop and submit to the
173 Governor, Lieutenant Governor and Speaker of the House a strategic
174 plan for an integrated state workforce development system that
175 aligns resources and structures the system to more effectively and
176 efficiently meet the demands of Mississippi's employers and job
177 seekers. This plan will comply with the federal Workforce
178 Investment Act of 1998, as amended, the federal Workforce
179 Innovation and Opportunity Act of 2014 and amendments and
180 successor legislation to these acts;

181 (b) Assist the Governor, Lieutenant Governor and
182 Speaker of the House in the development and continuous improvement
183 of the statewide workforce investment system that shall include:



184 (i) Development of linkages in order to assure
185 coordination and nonduplication among programs and activities; and

186 (ii) Review local workforce development plans that
187 reflect the use of funds from the federal Workforce Investment
188 Act, Workforce Innovation and Opportunity Act, the Wagner-Peyser
189 Act and the amendment or successor legislation to the acts, and
190 the Mississippi Comprehensive Workforce Training and Education
191 Consolidation Act;

192 (c) Recommend to the office the designation of local
193 workforce investment areas as required in Section 116 of the
194 federal Workforce Investment Act of 1998 and the Workforce
195 Innovation and Opportunity Act of 2014. There shall be four (4)
196 workforce investment areas that are generally aligned with the
197 planning and development district structure in Mississippi.
198 Planning and development districts will serve as the fiscal agents
199 to manage Workforce Investment Act funds, oversee and support the
200 local workforce investment boards aligned with the area and the
201 local programs and activities as delivered by the one-stop
202 employment and training system. The planning and development
203 districts will perform this function through the provisions of the
204 county cooperative service districts created under Sections
205 19-3-101 through 19-3-115; however, planning and development
206 districts currently performing this function under the Interlocal
207 Cooperation Act of 1974, Sections 17-13-1 through 17-13-17, may
208 continue to do so;



209 (d) Assist the Governor in the development of an
210 allocation formula for the distribution of funds for adult
211 employment and training activities and youth activities to local
212 workforce investment areas;

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

216 (f) Assist the Governor in the establishment and
217 management of a one-stop employment and training system conforming
218 to the requirements of the federal Workforce Investment Act of
219 1998 and the Workforce Innovation and Opportunity Act of 2014, as
220 amended, recommending policy for implementing the Governor's
221 approved plan for employment and training activities and services
222 within the state. In developing this one-stop career operating
223 system, the Mississippi State Workforce Investment Board, in
224 conjunction with local workforce investment boards, shall:

225 (i) Design broad guidelines for the delivery of
226 workforce development programs;

227 (ii) Identify all existing delivery agencies and
228 other resources;

229 (iii) Define appropriate roles of the various
230 agencies to include an analysis of service providers' strengths
231 and weaknesses;

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



234 (v) Develop a financial plan to support the
235 delivery system that shall, at a minimum, include an
236 accountability system;

237 * * *

238 (* * *g) To provide authority, in accordance with any
239 executive order of the Governor, for developing the necessary
240 collaboration among state agencies at the highest level for
241 accomplishing the purposes of this chapter;

242 (* * *h) To monitor the effectiveness of the workforce
243 development centers and WIN job centers;

244 (* * *i) To advise the Governor, public schools,
245 community/junior colleges and institutions of higher learning on
246 effective school-to-work transition policies and programs that
247 link students moving from high school to higher education and
248 students moving between community colleges and four-year
249 institutions in pursuit of academic and technical skills training;

250 (* * *j) To work with industry to identify barriers
251 that inhibit the delivery of quality workforce education and the
252 responsiveness of educational institutions to the needs of
253 industry;

254 (* * *k) To provide periodic assessments on
255 effectiveness and results of the overall Mississippi comprehensive
256 workforce development system and district councils; * * *



257 (l) Develop broad statewide development goals,
258 including a goal to raise the state's labor force participation
259 rate;

260 (m) Perform a comprehensive review of Mississippi's
261 workforce development efforts, including the amount spent and
262 effectiveness of programs supported by state or federal money; and

263 (* * *n) To assist the Governor in carrying out any
264 other responsibility required by the federal Workforce Investment
265 Act of 1998, as amended and the Workforce Innovation and
266 Opportunity Act, successor legislation and amendments.

267 (* * *6) The Mississippi State Workforce Investment Board
268 shall coordinate all training programs and funds * * * within its
269 purview, consistent with the federal Workforce Investment Act,
270 Workforce Innovation and Opportunity Act, amendments and successor
271 legislation to these acts, and other relevant federal law.

272 Each state agency director responsible for workforce training
273 activities shall advise the Mississippi Office of Workforce
274 Development and the State Workforce Investment Board of
275 appropriate federal and state requirements. Each state agency,
276 department and institution shall report any monies received for
277 workforce training activities or career and technical education
278 and a detailed itemization of how those monies were spent to the
279 state board. The board shall compile the data and provide a
280 report of the monies and expenditures to the Chairs of the House
281 and Senate Appropriations Committee, the Chair of the House



282 Workforce Development Committee and the Chair of the Senate
283 Economic and Workforce Development Committee by October 1 of each
284 year. Each such state agency director shall remain responsible
285 for the actions of his agency; however, each state agency and
286 director shall work cooperatively * * * to fulfill the state's
287 goals.

288 (* * *7) The State Workforce Investment Board shall
289 establish * * * an executive committee * * *, which shall consist
290 of the following State Workforce Investment Board members:

291 (a) The * * * Chair of the State Workforce Investment
292 Board;

293 (b) * * * Two (2) business representatives currently
294 serving on the state board selected by the Governor;

295 (c) * * * The two (2) business representatives
296 currently serving on the state board appointed by the Lieutenant
297 Governor;

298 (d) * * * The two (2) business representatives
299 currently serving on the state board appointed by the Governor
300 from a list of three (3) recommendations from the Speaker of the
301 House;

302 * * *

303 (* * *e) The two (2) legislators, who shall serve in a
304 nonvoting capacity, one (1) of whom shall be appointed by the
305 Lieutenant Governor from the membership of the Mississippi Senate
306 and one (1) of whom shall be appointed by the Speaker of the House



307 of Representatives from the membership of the Mississippi House of
308 Representatives.

309 * * *

310 (8) The executive committee shall select an executive
311 director of the Office of Workforce Development, with the advice
312 and consent of a majority of the State Workforce Investment Board.
313 The executive committee shall seek input from economic development
314 organizations across the state when selecting the executive
315 director. The executive director shall:

316 (a) Be a person with extensive experience in
317 development of economic, human and physical resources, and
318 promotion of industrial and commercial development. The executive
319 director shall have a bachelor's degree from a state-accredited
320 institution and no less than eight (8) years of professional
321 experience related to workforce or economic development;

322 (b) Perform the functions necessary for the daily
323 operation and administration of the office, with oversight from
324 the executive committee and the State Workforce Investment Board,
325 to fulfill the duties of the state board as described in this act;

326 (c) Hire staff needed for the performance of his or her
327 duties under this act. The executive director, with approval from
328 the executive committee, shall set the compensation of any hired
329 employees from any funds made available for that purpose;

330 (d) Enter any part of the Mississippi Community College
331 Board, individual community and junior colleges, or other



332 workforce training facilities operated by the state or its
333 subdivisions;

334 (e) Serve at the will and pleasure of the executive
335 committee;

336 (f) Promulgate rules and regulations, subject to
337 oversight by the executive committee, not inconsistent with this
338 chapter, as may be necessary to enforce the provisions in this
339 act; and

340 (g) Perform any other actions he or she, in
341 consultation with the executive committee, deems necessary to
342 fulfill the duties under this act.

343 (9) The Office of Workforce Development and Mississippi
344 Community College Board shall collaborate in the administration
345 and oversight of the Mississippi Workforce Enhancement Training
346 Fund and Mississippi Works Fund, as described in Section 71-5-353.
347 The executive director shall maintain complete and exclusive
348 operational control of the office's functions.

349 (10) The office shall file an annual report with the
350 Governor, Secretary of State, President of the Senate, Secretary
351 of the Senate, Speaker of the House, and Clerk of the House not
352 later than October 1 of each year regarding all funds approved by
353 the office to be expended on workforce training during the prior
354 calendar year. The report shall include:

355 (a) Information on the performance of the Mississippi
356 Workforce Enhancement Training Fund and the Mississippi Works



357 Fund, in terms of adding value to the local and state economy, the
358 contribution to future growth of the state economy, and movement
359 toward state goals, including increasing the labor force
360 participation rate; and

361 (b) With respect to specific workforce training
362 projects:

363 (i) The location of the training;

364 (ii) The amount allocated to the project;

365 (iii) The purpose of the project;

366 (iv) The specific business entity that is the
367 beneficiary of the project; and

368 (v) The number of employees intended to be trained
369 and actually trained, if applicable, in the course of the project.

370 (c) All information concerning a proposed project which
371 is provided to the executive director shall be kept confidential.

372 Such confidentiality shall not limit disclosure under the

373 Mississippi Public Records Act of 1983 of records describing the

374 nature, quantity, cost or other pertinent information related to

375 the activities of, or services performed using, the Mississippi

376 Workforce Enhancement Training Fund or the Mississippi Works Fund.

377 (11) Nothing in this act shall void or otherwise interrupt

378 any contract, lease, grant or other agreement previously entered

379 into by the State Workforce Investment Board, Mississippi

380 Community College Board, individual community or junior colleges,

381 or other entities.



382 **SECTION 3.** Section 37-153-11, Mississippi Code of 1972, is
383 amended as follows:

384 37-153-11. (1) There are created workforce development
385 centers to provide assessment, training and placement services to
386 individuals needing retraining, training and upgrading for small
387 business and local industry. Each workforce development center
388 shall be affiliated with a separate public community or junior
389 college district and shall coordinate with the Office of Workforce
390 Development.

391 (2) Each workforce development center shall be staffed and
392 organized locally by the affiliated community college. The
393 workforce development center shall serve as staff to the
394 affiliated district council.

395 (3) Each workforce development center, working in concert
396 with its affiliated district council, shall offer and arrange
397 services to accomplish the purposes of this chapter, including,
398 but not limited to, the following:

399 (a) For individuals needing training and retraining:

400 (i) Recruiting, assessing, counseling and
401 referring to training or jobs;

402 (ii) Preemployment training for those with no
403 experience in the private enterprise system;

404 (iii) Basic literacy skills training and high
405 school equivalency education;



406 (iv) Vocational and technical training, full-time
407 or part-time; and

408 (v) Short-term skills training for educationally
409 and economically disadvantaged adults in cooperation with
410 federally established employment and training programs;

411 (b) For specific small businesses, industries or firms
412 within the district:

413 (i) Job analysis, testing and curriculum
414 development;

415 (ii) Development of specific long-range training
416 plans;

417 (iii) Industry or firm-related preemployment
418 training;

419 (iv) Workplace basic skills and literacy training;

420 (v) Customized skills training;

421 (vi) Assistance in developing the capacity for
422 total quality management training;

423 (vii) Technology transfer information and referral
424 services to business of local applications of new research in
425 cooperation with the University Research Center, the state's
426 universities and other laboratories; and

427 (viii) Development of business plans;

428 (c) For public schools within the district technical
429 assistance to secondary schools in curriculum coordination,



430 development of tech prep programs, instructional development and
431 resource coordination; and

432 (d) For economic development, a local forum and
433 resource center for all local industrial development groups to
434 meet and promote regional economic development.

435 (4) Each workforce development center shall compile and make
436 accessible to the Office of Workforce Development and Mississippi
437 State Workforce Investment Board necessary information for use in
438 evaluating outcomes of its efforts and in improving the quality of
439 programs at each community college, and shall include information
440 on literacy initiatives. Each workforce development center shall,
441 through an interagency management information system, maintain
442 records on new small businesses, placement, length of time on the
443 job after placement and wage rates of those placed in a form
444 containing such information as established by the state council.

445 (5) The Mississippi Community College Board is authorized to
446 designate one or more workforce development centers at the request
447 of affiliated community or junior colleges to provide skills
448 training to individuals to enhance their ability to be employed in
449 the motion picture industry in this state.

450 **SECTION 4.** Section 37-153-13, Mississippi Code of 1972, is
451 amended as follows:

452 37-153-13. The Mississippi Community College Board, in
453 collaboration with the Office of Workforce Development, is
454 designated as the primary support agency to the workforce



455 development centers. The Mississippi Community College Board, in
456 collaboration with the Office of Workforce Development, may
457 exercise the following powers:

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

460 (b) To provide the workforce development centers
461 consistent standards and benchmarks to guide development of the
462 local workforce development system and to provide a means by which
463 the outcomes of local services can be measured;

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

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

469 (ii) Establishing rigorous and comprehensive local
470 preemployment training programs;

471 (iii) Developing local institutional capacity to
472 deliver total quality management training;

473 (iv) Developing local institutional capacity to
474 transfer new technologists into the marketplace;

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

477 (vi) Developing data for strategic planning;

478 (d) To collaborate with the Mississippi Development
479 Authority, Office of Workforce Development, individual community



480 and junior colleges, and other economic development and
481 educational organizations and political subdivisions to increase
482 the * * * economic development potential and the state's labor
483 force participation rate;

484 (e) To administer presented and approved certification
485 programs by the community colleges for tax credits and partnership
486 funding for corporate training;

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

492 (g) To develop internal capacity to provide services
493 and to contract for services from universities and other providers
494 directly to local institutions;

495 (h) To develop and administer an incentive
496 certification program;

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

499 (j) To collaborate, partner and contract for services
500 with community-based organizations and disadvantaged businesses in
501 the delivery of workforce training and career information
502 especially to youth, as defined by the federal Workforce
503 Investment Act, and to those adults who are in low income jobs or
504 whose individual skill levels are so low as to be unable initially



505 to be aided by a workforce development center. Community-based
506 organizations and disadvantaged businesses must meet
507 performance-based certification requirements set by the
508 Mississippi Community College Board, in collaboration with the
509 Office of Workforce Development.

510 **SECTION 5.** Section 71-5-353, Mississippi Code of 1972, is
511 amended as follows:

512 71-5-353. (1) (a) Each employer shall pay unemployment
513 insurance contributions equal to five and four-tenths percent
514 (5.4%) of taxable wages paid by him each calendar year, except as
515 may be otherwise provided in Section 71-5-361 and except that each
516 newly subject employer shall pay unemployment insurance
517 contributions at the rate of one percent (1%) of taxable wages,
518 for his first year of liability, one and one-tenth percent (1.1%)
519 of taxable wages for his second year of liability, and one and
520 two-tenths percent (1.2%) of taxable wages for his third and
521 subsequent years of liability unless the employer's
522 experience-rating record has been chargeable throughout at least
523 the twelve (12) consecutive calendar months ending on the most
524 recent computation date at the time the rate for a year is
525 determined; thereafter the employer's contribution rate shall be
526 determined in accordance with the provisions of Section 71-5-355.

527 (b) Notwithstanding the newly subject employer
528 contribution rate provided for in paragraph (a) of this
529 subsection, the contribution rate of all newly subject employers



530 shall be reduced by seven one-hundredths of one percent (.07%) for
531 calendar year 2013 only. The contribution rate of all newly
532 subject employers shall be reduced by three one-hundredths of one
533 percent (.03%) for calendar year 2014 only. For purposes of this
534 chapter, "newly subject employers" means employers whose
535 unemployment insurance experience-rating record has not been
536 chargeable throughout at least the twelve (12) consecutive
537 calendar months ending on the most recent computation date at the
538 time the contribution rate for a year is determined.

539 (2) (a) (i) There is hereby created in the Treasury of the
540 State of Mississippi special funds to be known as the "Mississippi
541 Workforce Enhancement Training Fund" and the "Mississippi Works
542 Fund" which consist of funds collected pursuant to subsection (3)
543 of this section.

544 (ii) Funds collected shall initially be deposited
545 into the Mississippi Department of Employment Security bank
546 account for clearing contribution collections and subsequently
547 appropriate amounts shall be transferred to the Mississippi
548 Workforce Investment and Training Fund Holding Account described
549 in Section 71-5-453. In the event any employer pays an amount
550 insufficient to cover the total contributions due, the amounts due
551 shall be satisfied in the following order:

- 552 1. Unemployment contributions;
- 553 2. Mississippi Workforce Enhancement Training
- 554 contributions, State Workforce Investment contributions and the



555 Mississippi Works contributions, known collectively as the
556 Mississippi Workforce Investment and Training contributions, on a
557 pro rata basis;

558 3. Interest and damages; then

559 4. Legal and processing costs.

560 The amount of unemployment insurance contributions due for
561 any period will be the amount due according to the actual
562 computations unless the employer is participating in the MLPP. In
563 that event, the amount due is the MLPP amount computed by the
564 department.

565 Cost of collection and administration of the Mississippi
566 Workforce Enhancement Training contribution, the State Workforce
567 Investment contribution and the Mississippi Works contribution
568 shall be allocated based on a plan approved by the United States
569 Department of Labor (USDOL). The Mississippi Community College
570 Board shall pay the cost of collecting the Mississippi Workforce
571 Enhancement Training contributions, the State Workforce Investment
572 Board shall pay the cost of collecting the State Workforce
573 Investment contributions and the Mississippi Department of
574 Employment Security shall pay the cost of collecting the
575 Mississippi Works contributions. Payments shall be made
576 semiannually with the cost allocated to each based on a USDOL
577 approved plan on a pro rata basis, for periods ending in June and
578 December of each year. Payment shall be made by each organization
579 to the department no later than sixty (60) days after the billing



580 date. Cost shall be allocated under the USDOL's approved plan and
581 in the same ratio as each contribution type represents to the
582 total authorized by subparagraph (ii) * * *2. of this paragraph to
583 be collected for the period.

584 (b) Mississippi Workforce Enhancement Training
585 contributions and State Workforce Investment contributions shall
586 be distributed as follows:

587 (i) For calendar year 2014, ninety-four and
588 seventy-five one-hundredths percent (94.75%) shall be distributed
589 to the Mississippi Workforce Enhancement Training Fund and the
590 remainder shall be distributed to the State Workforce Investment
591 Board bank account;

592 (ii) For calendar years subsequent to calendar
593 year 2014, ninety-three and seventy-five one-hundredths percent
594 (93.75%) shall be distributed to the Mississippi Workforce
595 Enhancement Training Fund and the remainder shall be distributed
596 to the State Workforce Investment Board bank account;

597 (iii) Workforce Enhancement Training contributions
598 and State Workforce Investment contributions for calendar years
599 2014 and 2015 shall be distributed as provided in subparagraphs
600 (i) and (ii) of this paragraph regardless of when the
601 contributions were collected.

602 (c) All contributions collected for the State Workforce
603 Enhancement Training Fund, the State Workforce Investment Fund and
604 the Mississippi Works Fund will be initially deposited into the



605 Mississippi Department of Employment Security bank account for
606 clearing contribution collections and subsequently transferred to
607 the Workforce Investment and Training Holding Account and will be
608 held by the Mississippi Department of Employment Security in such
609 account for a period of not less than thirty (30) days. After
610 such period, the Mississippi Workforce Enhancement Training
611 contributions shall be transferred to the Mississippi Community
612 College Board Treasury Account, with oversight provided by the
613 Mississippi Office of Workforce Development, the State Workforce
614 Investment contributions and the Mississippi Works contributions
615 shall be transferred to the Mississippi Department of Employment
616 Security Mississippi Works Treasury Account in the same ratio as
617 each contribution type represents to the total authorized by
618 paragraph (a) (ii) * * *2. of this subsection to be collected for
619 the period and within the time frame determined by the department;
620 however, except in cases of extraordinary circumstances, these
621 funds shall be transferred within fifteen (15) days. Interest
622 earnings or interest credits on deposit amounts in the Workforce
623 Investment and Training Holding Account shall be retained in the
624 account to pay the banking costs of the account. If after the
625 period of twelve (12) months interest earnings less banking costs
626 exceeds Ten Thousand Dollars (\$10,000.00), such excess amounts
627 shall be transferred to the respective accounts within thirty (30)
628 days following the end of each calendar year on the basis
629 described in paragraph (b) of this subsection. Interest earnings



630 and/or interest credits for the State Workforce Investments funds
631 shall be used for the payment of banking costs and excess amounts
632 shall be used in accordance with the rules and regulations of the
633 State Workforce Investment Board expenditure policies.

634 (d) All enforcement procedures for the collection of
635 delinquent unemployment contributions contained in Sections
636 71-5-363 through 71-5-383 shall be applicable in all respects for
637 collections of delinquent unemployment insurance contributions
638 designated for the Unemployment Compensation Fund, the Mississippi
639 Workforce Enhancement Training Fund, the State Workforce
640 Investment Board Fund and the Mississippi Works Fund.

641 (e) (i) Except as otherwise provided for in this
642 subparagraph (i), all monies deposited into the Mississippi
643 Workforce Enhancement Training Fund Treasury Account shall
644 be * * * directed by the Mississippi * * * Office of Workforce
645 Development, in collaboration with the Mississippi Community
646 College Board, in accordance with the Workforce Training Act of
647 1994 (Section 37-153-1 et seq.) * * * and under policies approved
648 by the Mississippi * * * Office of Workforce Development for the
649 following purposes: to provide training * * * in collaboration
650 with the Mississippi Community College Board and individual
651 community and junior colleges to employers and employees in order
652 to enhance employee productivity. Such training may be subject to
653 a minimal administrative fee to be paid from the Mississippi
654 Workforce Enhancement Training Fund as established by the * * *



655 Office of Workforce Development. The initial priority of these
656 funds shall be for the benefit of existing businesses located
657 within the state. Employers may request training for existing
658 employees and/or newly hired employees from the Mississippi * * *
659 Office of Workforce Development. The office, in consultation with
660 the Mississippi Community College Board, will be responsible for
661 approving the training. A portion of the funds collected for the
662 Mississippi Workforce Enhancement Training Fund shall be used for
663 the development of performance measures to measure the
664 effectiveness of the use of the Mississippi Workforce Enhancement
665 Training Fund dollars. These performance measures shall be
666 uniform for all * * * training projects and shall be reported to
667 the Governor, Lieutenant Governor, Speaker of the House, and
668 members of the Legislature. Nothing in this section or elsewhere
669 in law shall be interpreted as giving the Office of Workforce
670 Development or State Workforce Investment Board authority to
671 direct the Mississippi Community College Board or individual
672 community or junior colleges on how to expend * * * other funds,
673 aside from funds appropriated to the Mississippi Workforce
674 Enhancement Training Fund and Mississippi Works Fund, appropriated
675 or received for workforce training * * *. The Mississippi Office
676 of Workforce Development, Mississippi Community College Board,
677 individual community or junior colleges * * *, State Workforce
678 Investment Board and other agencies implementing or coordinating
679 state-funded workforce development programs under state law shall



680 cooperate with each other * * * to promote effective workforce
681 training in Mississippi, under the direction of the office. Any
682 subsequent changes to these performance measures shall also be
683 reported to the Governor, Lieutenant Governor, Speaker of the
684 House, and members of the Legislature. A performance report for
685 each training project and community college, based upon these
686 measures, shall be submitted annually to the Governor, Lieutenant
687 Governor, Speaker of the House, and members of the Legislature.

688 (ii) Except as otherwise provided in this
689 paragraph (e), all funds deposited into the State Workforce
690 Investment Board bank account shall be used for administration of
691 State Workforce Investment Board business, the Office of Workforce
692 Development, grants related to training, and other projects as
693 determined appropriate by the State Workforce Investment Board and
694 shall be nonexpiring. Policies for grants and other projects
695 shall be approved through a majority vote of the State Workforce
696 Investment Board.

697 (iii) All funds deposited into the Mississippi
698 Department of Employment Security Mississippi Works Fund shall be
699 disbursed exclusively by the Executive Director of the Mississippi
700 Department of Employment Security, in accordance with the rules
701 and regulations promulgated by the * * * Office of Workforce
702 Development in support of workforce training activities approved
703 by the Mississippi * * * Office of Workforce Development in
704 support of economic development activities. Funds allocated by



705 the executive director under this subparagraph (iii) shall only be
706 utilized for the training of unemployed persons, for immediate
707 training needs for the net new jobs created by an employer, for
708 the retention of jobs or to create a work-ready applicant pool of
709 Mississippians with credentials and/or postsecondary education in
710 accordance with the state's Workforce Investment and Opportunity
711 Act plan. The Executive Director of the Office of Workforce
712 Development shall give priority to the training of unemployed
713 persons. Not more than twenty-five percent (25%) of the funds may
714 be allocated for the retention of jobs and/or creation of a
715 work-ready applicant pool. Not more than Five Hundred Thousand
716 Dollars (\$500,000.00) may be allocated annually for the training
717 needs of any one (1) employer. The Mississippi Office of
718 Workforce Development, in collaboration with the Mississippi
719 Public Community College System and its partners, shall be the
720 primary * * * entity to facilitate training. In no case shall
721 these funds be used to supplant workforce funds available from any
722 other sources, including, but not limited to, local, state or
723 federal sources that are available for workforce training and
724 development. Training conducted utilizing these Mississippi Works
725 funds may be subject to a minimal administrative fee to be paid
726 from the Mississippi Works Fund as authorized by the
727 Mississippi * * * Office of * * * Workforce Development. All
728 costs associated with the administration of these funds shall be



729 reimbursed to the Mississippi Department of Employment Security
730 from the Mississippi Works Fund.

731 (iv) 1. The Department of Employment Security
732 shall be the fiscal agent for the receipt and disbursement of all
733 funds in the State Workforce Investment Board bank account,
734 subject to the administrative oversight of the Office of Workforce
735 Development.

736 2. In managing the State Workforce Investment
737 Board bank account, the * * * Office of Workforce Development, in
738 coordination with the Mississippi Department of Employment
739 Security as fiscal agent, shall ensure that any funds expended for
740 contractual services rendered to the * * * Office of Workforce
741 Development shall be paid only to service providers who have been
742 selected on a competitive basis. Any contract for services
743 entered into using funds from the Workforce Investment Fund bank
744 account shall contain the deliverables stated in terms that allow
745 for the assessment of work performance against measurable
746 performance standards and shall include milestones for completion
747 of each deliverable under the contract. For each contract for
748 services entered into by the * * * Office of Workforce
749 Development, the * * * office shall develop a quality assurance
750 surveillance plan that specifies quality control obligations of
751 the contractor as well as measurable inspection and acceptance
752 criteria corresponding to the performance standards contained in
753 the contract's statement of work.



754 3. Any commodities procured for the * * *
755 office shall be procured in accordance with the provisions of
756 Section 31-7-13.

757 (v) In addition to other expenditures, the * * *
758 Office of Workforce Development shall expend from the State
759 Workforce Investment Board bank account for the use and benefit of
760 the * * * Office of Workforce Development, such funds as are
761 necessary to prepare and develop a study of workforce development
762 needs that will consist of the following:

763 1. An identification of the state's workforce
764 development needs through a well-documented quantitative and
765 qualitative analysis of:

766 a. The current and projected workforce
767 training needs of existing and identified potential Mississippi
768 industries, with priority given to assessing the needs of existing
769 in-state industry and business. Where possible, the analysis
770 should include a verification and expansion of existing
771 information previously developed by workforce training and service
772 providers, as well as analysis of existing workforce data, such as
773 the data collected through the Statewide Longitudinal Data System.

774 b. The needs of the state's workers and
775 residents requiring additional workforce training to improve their
776 work skills in order to compete for better employment
777 opportunities, including a priority-based analysis of the critical



778 factors currently limiting the state's ability to provide a
779 trained and ready workforce.

780 c. The needs of workforce service and
781 training providers in improving their ability to offer
782 industry-relevant training, including an assessment of the
783 practical limits of keeping training programs on the leading edge
784 and eliminating those programs with marginal workforce relevance.

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

788 a. Development of a list of
789 strengths/weaknesses/opportunities/threats (SWOT) of the current
790 workforce development delivery system relative to the identified
791 needs;

792 b. Identification of strategic options
793 for workforce development services based on the results of the
794 SWOT analysis; and

795 c. Development of results-oriented
796 measures for each option that can be baselined and, if
797 implemented, tracked over time, with quantifiable milestones and
798 goals.

799 3. Preparation of a report presenting all
800 subjects set out in this subparagraph to be delivered to the
801 Lieutenant Governor, Speaker of the House of Representatives,



802 Chairman of the Senate Finance Committee and Chairman of the House
803 Appropriations Committee no later than February 1, 2015.

804 4. Following the preparation of the report,
805 the State Workforce Investment Board shall make a recommendation
806 to the House and Senate Appropriations Committees on future uses
807 of funds deposited to the State Workforce Investment Fund account.
808 Such future uses may include:

809 a. The development of promotion
810 strategies for workforce development programs;

811 b. Initiatives designed to reduce the
812 state's dropout rate, including the development of a statewide
813 career awareness program;

814 c. The long-term monitoring of the
815 state's workforce development programs to determine whether they
816 are addressing the needs of business, industry, and the workers of
817 the state; and

818 d. The study of the potential
819 restructuring of the state's workforce programs and delivery
820 systems.

821 (3) (a) (i) Mississippi Workforce Enhancement Training
822 contributions and State Workforce Investment contributions shall
823 be collected at the following rates:

824 1. For calendar year 2014 only, the rate of
825 nineteen one-hundredths of one percent (.19%) based upon taxable
826 wages of which eighteen one-hundredths of one percent (.18%) shall



827 be the Workforce Enhancement Training contribution and
828 one-hundredths of one percent (.01%) shall be the State Workforce
829 Investment contribution; and

830 2. For calendar year 2015 only, the rate of
831 sixteen one-hundredths of one percent (.16%), based upon taxable
832 wages of which fifteen one-hundredths of one percent (.15%) shall
833 be the Workforce Enhancement Training contribution and
834 one-hundredths of one percent (.01%) shall be the State Workforce
835 Investment contribution.

836 (ii) Mississippi Workforce Enhancement Training
837 contributions, State Workforce Investment contributions and
838 Mississippi Works contributions shall be collected at the
839 following rates:

840 1. For calendar year 2016 only, at a rate of
841 twenty-four one-hundredths percent (.24%), based upon taxable
842 wages, of which fifteen one-hundredths percent (.15%) shall be the
843 Workforce Enhancement Training contribution, one-hundredths of one
844 percent (.01%) shall be the State Workforce Investment
845 contribution and eight one-hundredths percent (.08%) shall be the
846 Mississippi Works contribution.

847 2. For calendar years subsequent to calendar
848 year 2016, at a rate of twenty one-hundredths percent (.20%),
849 based upon taxable wages, of which fifteen one-hundredths percent
850 (.15%) shall be the Workforce Enhancement Training contribution,
851 one-hundredths of one percent (.01%) shall be the State Workforce



852 Investment contribution and four one-hundredths percent (.04%)
853 shall be the Mississippi Works contribution. The Mississippi
854 Works contribution shall be collected for calendar years in which
855 the general experience ratio, adjusted on the basis of the trust
856 fund adjustment factor and reduced by fifty percent (50%), results
857 in a general experience rate of less than two-tenths percent
858 (.2%). In all other years the Mississippi Works contribution
859 shall not be in effect.

860 (iii) The Mississippi Workforce Enhancement
861 Training Fund contribution, the State Workforce Investment
862 contribution and the Mississippi Works contribution shall be in
863 addition to the general experience rate plus the individual
864 experience rate of all employers but shall not be charged to
865 reimbursing or rate-paying political subdivisions or institutions
866 of higher learning, or reimbursing nonprofit organizations, as
867 described in Sections 71-5-357 and 71-5-359.

868 (b) All Mississippi Workforce Enhancement Training
869 contributions, State Workforce Investment contributions and
870 Mississippi Works contributions collected shall be deposited
871 initially into the Mississippi Department of Employment Security
872 bank account for clearing contribution collections and shall
873 within two (2) business days be transferred to the Workforce
874 Investment and Training Holding Account. Any Mississippi
875 Workforce Enhancement Training Fund and/or State Workforce
876 Investment Board bank account and/or Mississippi Works Fund



877 transactions from the Mississippi Department of Employment
878 Security bank account for clearing contribution collections that
879 are deposited into the Workforce Investment and Training Fund
880 Holding Account and are not honored by a financial institution
881 will be transferred back to the Mississippi Department of
882 Employment Security bank account for clearing contribution
883 collections out of funds in the Mississippi Workforce Investment
884 and Training Fund Holding Account.

885 (c) Suspension of the Workforce Enhancement Training
886 Fund contributions required pursuant to this chapter shall occur
887 if the insured unemployment rate exceeds an average of five and
888 five-tenths percent (5.5%) for the three (3) consecutive months
889 immediately preceding the effective date of the new rate year
890 following such occurrence and shall remain suspended throughout
891 the duration of that rate year. Such suspension shall continue
892 until such time as the three (3) consecutive months immediately
893 preceding the effective date of the next rate year that has an
894 insured unemployment rate of less than an average of four and
895 five-tenths percent (4.5%). Upon such occurrence, reactivation
896 shall be effective upon the first day of the rate year following
897 the event that lifts suspension and shall be in effect for that
898 year and shall continue until such time as a subsequent suspension
899 event as described in this chapter occurs.

900 (4) All collections due or accrued prior to any suspension
901 of the Mississippi Workforce Enhancement Training Fund will be



902 collected based upon the law at the time the contributions
903 accrued, regardless of when they are actually collected.

904 **SECTION 6.** Section 71-5-453, Mississippi Code of 1972, is
905 amended as follows:

906 71-5-453. The department shall be the treasurer and
907 custodian of the fund, and shall administer such fund in
908 accordance with the directions of the department, and shall issue
909 its warrants upon it in accordance with such regulations as the
910 department shall prescribe. The department shall maintain within
911 the fund three (3) separate accounts: (a) a clearing account, (b)
912 an unemployment trust fund account, and (c) a benefit payment
913 account. All monies payable to the fund, upon receipt thereof by
914 the department, shall be immediately deposited in the clearing
915 account. Refunds payable pursuant to Section 71-5-383 may be paid
916 from the clearing account by the department. Transfers pursuant
917 to Section 71-5-114 of all interest, penalties and damages
918 collected shall be made to the Special Employment Security
919 Administration Fund as soon as practicable after the end of each
920 calendar quarter. Workforce Enhancement Training contributions,
921 State Workforce Investment contributions and Mississippi Works
922 contributions shall be deposited into the Workforce Investment and
923 Training Holding Account as described in this section. All other
924 monies in the clearing account shall be immediately deposited with
925 the Secretary of the Treasury of the United States of America to
926 the Unemployment Trust Fund account for the State of Mississippi,



927 established and maintained pursuant to Section 904 of the Social
928 Security Act, as amended, any provisions of law in this state
929 relating to the deposit, administration, release or disbursement
930 of monies in the possession or custody of this state to the
931 contrary notwithstanding. The benefit account shall consist of
932 all monies requisitioned from this state's account in the
933 Unemployment Trust Fund. Except as herein otherwise provided,
934 monies in the clearing and benefit accounts may be deposited by
935 the department, in any bank or public depository in which general
936 funds of the state may be deposited, but no public deposit
937 insurance charge or premium shall be paid out of the fund. The
938 department shall be liable for the faithful performance of its
939 duties in connection with the Unemployment Compensation Fund under
940 this chapter. A Workforce Investment and Training Holding Account
941 shall be established by and maintained under the control of the
942 Mississippi Department of Employment Security. Contributions
943 collected pursuant to the provisions in this chapter for the
944 Workforce Enhancement Training Fund, State Workforce Investment
945 Fund and the Mississippi Works Fund shall be transferred from the
946 clearing account into the Workforce Investment and Training
947 Holding Account on the same schedule and under the same conditions
948 as funds transferred to the Unemployment Compensation Fund. Such
949 funds shall remain on deposit in the holding account for a period
950 of thirty (30) days. After such period, Workforce Enhancement
951 Training contributions shall be transferred to the appropriate



952 Mississippi * * * Community College Board Treasury Account, with
953 oversight provided by the Mississippi Office of Workforce
954 Development, by the department. The State Workforce Investment
955 contributions shall be transferred to the State Workforce
956 Investment Board bank account established by the department, and
957 the department shall have the authority to deposit and disburse
958 funds from the State Workforce Investment Board bank account as
959 directed by the State Workforce Investment Board. The Mississippi
960 Works contributions shall be transferred to the Mississippi
961 Department of Employment Security Treasury Account for the
962 Mississippi Works Fund. Such transfers shall occur within fifteen
963 (15) days after the funds have resided in the Workforce Investment
964 and Training Holding Account for thirty (30) days. One (1) such
965 transfer shall be made monthly, but the department, in its
966 discretion, may make additional transfers in any month. In the
967 event such funds transferred are subsequently determined to be
968 erroneously paid or collected, or if deposit of such funds is
969 denied or rejected by the banking institution for any reason, or
970 deposits are unable to clear drawer's account for any reason, the
971 funds must be reimbursed by the recipient of such funds within
972 thirty (30) days of mailing of notice by the department demanding
973 such refund, unless funds are available in the Workforce
974 Investment and Training Holding Account. In that event such
975 amounts shall be immediately withdrawn from the Workforce



976 Investment and Training Holding Account by the department and
977 redeposited into the clearing account.

978 **SECTION 7.** Section 60, Chapter 572, Laws of 2004, as amended
979 by Section 58, Chapter 30, Laws of the First Extraordinary Session
980 of 2008, as amended by Section 58, Chapter 559, Laws of 2010
981 Regular Session, as amended by Section 59, Chapter 471, Laws of
982 2011, as amended by Section 58, Chapter 515, Laws of 2012, as
983 amended by Section 58, Chapter 451, Laws of 2019, is amended as
984 follows:

985 Section 60. Sections 8 through 59 of this act shall stand
986 repealed on July 1, 2023.

987 **SECTION 8.** The following shall be codified as Section
988 37-153-17, Mississippi Code of 1972:

989 37-153-17. Sections 37-153-1, 37-153-3, 37-153-5, 37-153-7,
990 37-153-9, 37-153-11, 37-153-13 and 37-153-15 shall stand repealed
991 on July 1, 2023.

992 **SECTION 9.** This act shall take effect and be in force from
993 and after July 1, 2020.

