Adopted COMMITTEE AMENDMENT NO 1 PROPOSED TO

Senate Bill No. 2723

BY: Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

28 SECTION 1. Section 37-153-7, Mississippi Code of 1972, is 29 amended as follows:

30 37-153-7. (1) There is created the Mississippi Office of 31 Workforce Development (also known as "Accelerate Mississippi") and 32 the Mississippi State Workforce Investment Board, which shall 33 serve as the advisory board for the office. The Mississippi State 34 Workforce Investment Board shall be composed of thirty-one (31) 35 voting members, of which a majority shall be representatives of 36 business and industry in accordance with the federal Workforce 37 Innovation and Opportunity Act, or any successive acts.

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38 (2) The members of the State Workforce Investment Board39 shall include:

40 (a) The Governor, or his designee;

41 (b) Nineteen (19) members, appointed by the Governor,42 of whom:

43 (i) A majority shall be representatives of44 businesses in the state, who:

1. Are owners of businesses, chief executives 45 46 or operating officers of businesses, or other business executives 47 or employers with optimum policymaking or hiring authority, and 48 who, in addition, may be members of a local board described in 49 Section 3122(b)(2)(A)(i) of the federal Workforce Innovation and 50 Opportunity Act. At least two (2) of the members appointed under 51 this item 1. shall be small business owners, chief executives or 52 operating officers of businesses with less than fifty (50) 53 employees;

54 2. Represent businesses, including small businesses, or organizations representing businesses, which 55 56 provide employment opportunities that, at a minimum, include 57 high-quality, work-relevant training and development in 58 high-demand industry sectors or occupations in the state; and 59 3. Are appointed from among individuals 60 nominated by state business organizations and business trade 61 associations;

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62 (ii) Not less than twenty percent (20%) shall
63 consist of representatives of the workforce within the state,
64 which:

Includes labor organization
representatives who have been nominated by state labor
federations;

68 2. Includes a labor organization member or
69 training director from an apprenticeship program in the state,
70 which shall be a joint labor-management apprenticeship program if
71 such a program exists in the state;

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

May include representatives of
organizations, including organizations serving out-of-school
youth, who have demonstrated experience or expertise in addressing
the employment, training or education needs of eligible youth;
(iii) The balance shall include government
representatives, including the lead state officials with primary

85 responsibility for core programs, and chief elected officials

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86 (collectively representing both cities and counties, where 87 appropriate); 88 Four (4) representatives of businesses in the (C) *** * *** 89 state appointed by the Lieutenant Governor; 90 * * * 91 (*** * ***d) The following state officials: The Executive Director of the Mississippi 92 (i) 93 Department of Employment Security; 94 (ii) The Executive Director of the Department of 95 Rehabilitation Services; 96 (iii) The State Superintendent of Public 97 Education; 98 (iv) The Executive Director of the Mississippi 99 Development Authority; 100 The Executive Director of the Mississippi (V) 101 Community College Board; 102 (vi) The President of the Community College 103 Association; and 104 (vii) The Commissioner of the Institutions of 105 Higher Learning. 106 (* * *e) One (1) senator, appointed by the Lieutenant 107 Governor, and one (1) representative, appointed by the Speaker of 108 the House, shall serve on the state board in a nonvoting capacity.

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109 $(\star \star \star \underline{f})$ The Governor may appoint additional members 110 if required by the federal Workforce Innovation and Opportunity 111 Act, or any successive acts.

112 $(* * *\underline{g})$ Members of the board shall serve a term of 113 four (4) years, and shall not serve more than three (3) 114 consecutive terms.

115 $(* * *\underline{h})$ The membership of the board shall reflect the 116 diversity of the State of Mississippi.

117 $(* * *\underline{i})$ The Governor shall designate the Chairman of 118 the Mississippi State Workforce Investment Board from among the 119 business and industry voting members of the board, and a quorum of 120 the board shall consist of a majority of the voting members of the 121 board.

122 (***j) The voting members of the board who are not 123 state employees shall be entitled to reimbursement of their 124 reasonable expenses in the manner and amount specified in Section 125 25-3-41 and shall be entitled to receive per diem compensation as 126 authorized in Section 25-3-69.

127 (3) Members of the state board may be recalled by their
128 appointing authority for cause, including a felony conviction,
129 fraudulent or dishonest acts or gross abuse of discretion, failure
130 to meet board member qualifications, or chronic failure to attend
131 board meetings.

132 (4) The Mississippi Department of Employment Security shall133 establish limits on administrative costs for each portion of

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Mississippi's workforce development system consistent with the federal Workforce Investment Act or any future federal workforce legislation.

137 (5) The Mississippi State Workforce Investment Board shall
138 have the following duties. These duties are intended to be
139 consistent with the scope of duties provided in the federal
140 Workforce Innovation and Opportunity Act, amendments and successor
141 legislation to this act, and other relevant federal law:

142 Through the office, develop and submit to the (a) 143 Governor, Lieutenant Governor and Speaker of the House a strategic 144 plan for an integrated state workforce development system that 145 aligns resources and structures the system to more effectively and 146 efficiently meet the demands of Mississippi's employers and job 147 This plan will comply with the federal Workforce seekers. Investment Act of 1998, as amended, the federal Workforce 148 149 Innovation and Opportunity Act of 2014 and amendments and 150 successor legislation to these acts;

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

154 (i) Development of linkages in order to assure
155 coordination and nonduplication among programs and activities; and
156 (ii) Review local workforce development plans that
157 reflect the use of funds from the federal Workforce Investment
158 Act, Workforce Innovation and Opportunity Act, the Wagner-Peyser

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Act and the amendment or successor legislation to the acts, and the Mississippi Comprehensive Workforce Training and Education Consolidation Act;

162 Recommend to the office the designation of local (C)163 workforce investment areas as required in Section 116 of the 164 federal Workforce Investment Act of 1998 and the Workforce 165 Innovation and Opportunity Act of 2014. There shall be four (4) 166 workforce investment areas that are generally aligned with the 167 planning and development district structure in Mississippi. 168 Planning and development districts will serve as the fiscal agents 169 to manage Workforce Investment Act funds, oversee and support the 170 local workforce investment boards aligned with the area and the 171 local programs and activities as delivered by the one-stop 172 The planning and development employment and training system. districts will perform this function through the provisions of the 173 174 county cooperative service districts created under Sections 175 19-3-101 through 19-3-115; however, planning and development districts currently performing this function under the Interlocal 176 177 Cooperation Act of 1974, Sections 17-13-1 through 17-13-17, may 178 continue to do so;

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

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

186 Assist the Governor in the establishment and (f) 187 management of a one-stop employment and training system conforming 188 to the requirements of the federal Workforce Investment Act of 189 1998 and the Workforce Innovation and Opportunity Act of 2014, as 190 amended, recommending policy for implementing the Governor's 191 approved plan for employment and training activities and services 192 within the state. In developing this one-stop career operating 193 system, the Mississippi State Workforce Investment Board, in 194 conjunction with local workforce investment boards, shall: 195 Design broad guidelines for the delivery of (i)

196 workforce development programs;

197 (ii) Identify all existing delivery agencies and198 other resources;

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

202 (iv) Determine the best way to utilize the various 203 agencies to deliver services to recipients; and

204 (v) Develop a financial plan to support the 205 delivery system that shall, at a minimum, include an

206 accountability system;

22/HR31/SB2723A.J PAGE 8 (ENK/JAB) (g) To provide authority, in accordance with any executive order of the Governor, for developing the necessary collaboration among state agencies at the highest level for accomplishing the purposes of this chapter;

(h) To monitor the effectiveness of the workforcedevelopment centers and WIN job centers;

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

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

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

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

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

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

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

241 Each state agency director responsible for workforce training 242 activities shall advise the Mississippi Office of Workforce 243 Development and the State Workforce Investment Board of 244 appropriate federal and state requirements. Each state agency, 245 department and institution shall report any monies received for 246 workforce training activities or career and technical education 247 and a detailed itemization of how those monies were spent to the 248 The board shall compile the data and provide a state board. 249 report of the monies and expenditures to the Chairs of the House 250 and Senate Appropriations Committee, the Chair of the House 251 Workforce Development Committee and the Chair of the Senate 252 Economic and Workforce Development Committee by October 1 of each 253 year. Each such state agency director shall remain responsible 254 for the actions of his agency; however, each state agency and 255 director shall work cooperatively to fulfill the state's goals.

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

(a) The Chair of the State Workforce Investment Board;
(b) Two (2) business representatives currently serving
on the state board selected by the Governor;

(c) The * * four (4) business representatives
currently serving on the state board appointed by the Lieutenant
Governor;

265 ***

(***<u>d</u>) The two (2) legislators, who shall serve in a nonvoting capacity, one (1) of whom shall be appointed by the Lieutenant Governor from the membership of the Mississippi Senate and one (1) of whom shall be appointed by the Speaker of the House of Representatives from the membership of the Mississippi House of Representatives.

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

(a) Be a person with extensive experience in
development of economic, human and physical resources, and
promotion of industrial and commercial development. The executive

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281 director shall have a bachelor's degree from a state-accredited 282 institution and no less than eight (8) years of professional 283 experience related to workforce or economic development;

(b) Perform the functions necessary for the daily operation and administration of the office, with oversight from the executive committee and the State Workforce Investment Board, to fulfill the duties of the state board as described in Chapter 476, Laws of 2020;

(c) Hire staff needed for the performance of his or her duties under Chapter 476, Laws of 2020. The executive director, with approval from the executive committee, shall set the compensation of any hired employees from any funds made available for that purpose;

(d) Enter any part of the Mississippi Community College Board, individual community and junior colleges, or other workforce training facilities operated by the state or its subdivisions;

(e) Serve at the will and pleasure of the executivecommittee;

300 (f) Promulgate rules and regulations, subject to 301 oversight by the executive committee, not inconsistent with this 302 chapter, as may be necessary to enforce the provisions in Chapter 303 476, Laws of 2020; and

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304 (g) Perform any other actions he or she, in 305 consultation with the executive committee, deems necessary to 306 fulfill the duties under Chapter 476, Laws of 2020.

307 (9) The Office of Workforce Development * * * shall * * *
308 <u>administer and oversee</u> the Mississippi Workforce Enhancement
309 Training Fund and Mississippi Works Fund, as described in Section
310 71-5-353. The executive director shall maintain complete and
311 exclusive operational control of the office's functions.

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

(a) Information on the performance of the Mississippi
Workforce Enhancement Training Fund and the Mississippi Works
Fund, in terms of adding value to the local and state economy, the
contribution to future growth of the state economy, and movement
toward state goals, including increasing the labor force
participation rate; and

324 (b) With respect to specific workforce training325 projects:

326 (i) The location of the training;
327 (ii) The amount allocated to the project;
328 (iii) The purpose of the project;

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329 (iv) The specific business entity that is the330 beneficiary of the project; and

331 (v) The number of employees intended to be trained332 and actually trained, if applicable, in the course of the project.

(c) All information concerning a proposed project which
is provided to the executive director shall be kept confidential.
Such confidentiality shall not limit disclosure under the
Mississippi Public Records Act of 1983 of records describing the
nature, quantity, cost or other pertinent information related to
the activities of, or services performed using, the Mississippi
Workforce Enhancement Training Fund or the Mississippi Works Fund.

(11) Nothing in Chapter 476, Laws of 2020 [Senate Bill No.
2564] shall void or otherwise interrupt any contract, lease, grant
or other agreement previously entered into by the State Workforce
Investment Board, Mississippi Community College Board, individual
community or junior colleges, or other entities.

345 (12) The Office of Workforce Development shall be required 346 to submit a separate program budget with the budget request for 347 the Mississippi Department of Employment Security as provided in 348 Section 27-103-129, and the office shall have a separate line-item 349 budget in the appropriation bill for the Mississippi Department of 350 Employment Security.

351 SECTION 2. Section 71-5-353, Mississippi Code of 1972, is 352 amended as follows:

22/HR31/SB2723A.J PAGE 14 (ENK/JAB) 353 71-5-353. (1) (a) Each employer shall pay unemployment 354 insurance contributions equal to five and four-tenths percent 355 (5.4%) of taxable wages paid by him each calendar year, except as 356 may be otherwise provided in Section 71-5-361 and except that each 357 newly subject employer shall pay unemployment insurance 358 contributions at the rate of one percent (1%) of taxable wages, 359 for his first year of liability, one and one-tenth percent (1.1%) 360 of taxable wages for his second year of liability, and one and 361 two-tenths percent (1.2%) of taxable wages for his third and 362 subsequent years of liability unless the employer's 363 experience-rating record has been chargeable throughout at least 364 the twelve (12) consecutive calendar months ending on the most 365 recent computation date at the time the rate for a year is 366 determined; thereafter the employer's contribution rate shall be 367 determined in accordance with the provisions of Section 71-5-355.

368 (b) Notwithstanding the newly subject employer 369 contribution rate provided for in paragraph (a) of this 370 subsection, the contribution rate of all newly subject employers 371 shall be reduced by seven one-hundredths of one percent (.07%) for 372 calendar year 2013 only. The contribution rate of all newly 373 subject employers shall be reduced by three one-hundredths of one 374 percent (.03%) for calendar year 2014 only. For purposes of this chapter, "newly subject employers" means employers whose 375 376 unemployment insurance experience-rating record has not been 377 chargeable throughout at least the twelve (12) consecutive

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378 calendar months ending on the most recent computation date at the 379 time the contribution rate for a year is determined.

380 There is hereby created in the Treasury of the (2)(a) (i) 381 State of Mississippi special funds to be known as the "Mississippi 382 Workforce Enhancement Training Fund, " * * * the "Mississippi Works 383 Fund" and the "Accelerate Mississippi Administration Fund" which 384 consist of funds collected pursuant to subsection (3) of this 385 Monies in each of the special funds shall be expended section. 386 only upon appropriation by the Legislature.

387 (ii) Funds collected shall initially be deposited 388 into the Mississippi Department of Employment Security bank 389 account for clearing contribution collections and *** * *** later 390 appropriate amounts shall be transferred to the Mississippi 391 Workforce Investment and Training Fund Holding Account described 392 in Section 71-5-453. In the event any employer pays an amount 393 insufficient to cover the total contributions due, the amounts due 394 shall be satisfied in the following order:

396 2. Mississippi Workforce Enhancement Training 397 contributions, * * * <u>Accelerate Mississippi</u> contributions 398 and * * Mississippi Works contributions, known collectively as 399 the Mississippi Workforce Investment and Training contributions, 400 on a pro rata basis;

Unemployment contributions;

4013. Interest and damages; then

1.

402 4. Legal and processing costs.

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

408 The cost of collection and administration of the Mississippi 409 Workforce Enhancement Training contribution, the * * * Accelerate 410 Mississippi contribution and the Mississippi Works contribution 411 shall be allocated based on a plan approved by the United States Department of Labor (USDOL). The * * * Office of Workforce 412 413 Development shall pay the cost of collecting the Mississippi 414 Workforce Enhancement Training contributions, * * * the * * * 415 Accelerate Mississippi contributions and * * * the Mississippi 416 Works contributions. Payments shall be made semiannually with the cost allocated to each based on a USDOL approved plan on a pro 417 418 rata basis, for periods ending in June and December of each year. 419 Payment shall be made by each organization to the department no 420 later than sixty (60) days after the billing date. Cost shall be 421 allocated under the USDOL's approved plan and in the same ratio as 422 each contribution type represents to the total authorized by 423 subparagraph (ii)2 of this paragraph to be collected for the 424 period.

(b) Mississippi Workforce Enhancement Training
contributions and * * * <u>Accelerate Mississippi</u> contributions shall
be distributed * * * for calendar years * * * after 2014 as

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428 <u>follows</u>, ninety-three and seventy-five one-hundredths percent 429 (93.75%) shall be distributed to the Mississippi Workforce 430 Enhancement Training Fund and the remainder shall be distributed 431 to the * * * <u>Accelerate Mississippi Administration Fund.</u> 432 * * *

433 (C) All contributions collected for the State Workforce 434 Enhancement Training Fund, the * * * Accelerate Mississippi 435 Administration Fund and the Mississippi Works Fund will be 436 initially deposited into the Mississippi Department of Employment 437 Security bank account for clearing contribution collections 438 and *** * *** later transferred to the Workforce Investment and 439 Training Holding Account and will be held by the Mississippi 440 Department of Employment Security in such account for a period of 441 not less than thirty (30) days. After such period, the 442 Mississippi Workforce Enhancement Training contributions shall be 443 transferred to the * * * Mississippi Workforce Enhancement 444 Training Fund, * * * the * * * Accelerate Mississippi contributions shall be transferred to the Accelerate Mississippi 445 446 Administration Fund, and the Mississippi Works contributions shall 447 be transferred to the * * * Mississippi Works * * * Fund in the 448 same ratio as each contribution type represents to the total 449 authorized by paragraph (a) (ii) 2 of this subsection to be 450 collected for the period and within the time frame determined by 451 the department; however, except in cases of extraordinary 452 circumstances, these funds shall be transferred within fifteen

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453 (15) days. Interest earnings or interest credits on deposit 454 amounts in the Workforce Investment and Training Holding Account 455 shall be retained in the account to pay the banking costs of the 456 account. If after the period of twelve (12) months interest 457 earnings less banking costs exceeds Ten Thousand Dollars 458 (\$10,000.00), such excess amounts shall be transferred to the 459 respective accounts within thirty (30) days following the end of 460 each calendar year on the basis described in paragraph (b) of this 461 subsection. Interest earnings and/or interest credits for the * * * Accelerate Mississippi funds shall be used for the 462 463 payment of banking costs and excess amounts shall be used in 464 accordance with the rules and regulations of the State Workforce 465 Investment Board expenditure policies.

466 All enforcement procedures for the collection of (d) delinquent unemployment contributions * * * shall be the 467 468 responsibility of the department under Sections 71-5-363 through 469 71-5-383, which shall be applicable in all respects for 470 collections of delinquent unemployment insurance contributions 471 designated for the Unemployment Compensation Fund, the Mississippi 472 Workforce Enhancement Training Fund, the * * * Accelerate 473 Mississippi Administration Fund and the Mississippi Works Fund. 474 (i) Except as otherwise provided for in this (e) 475 subparagraph (i), all monies deposited into the Mississippi 476 Workforce Enhancement Training Fund * * * shall be directed by the Mississippi Office of Workforce Development * * * in accordance 477

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478 with the Workforce Training Act of 1994 (Section 37-153-1 et seq.) 479 and under policies approved by the Mississippi Office of Workforce 480 Development for the following purposes: to provide training in 481 collaboration with * * * individual community and junior colleges 482 to employers and employees in order to enhance employee 483 productivity. Such training may be subject to a minimal 484 administrative fee to be paid from the Mississippi Workforce 485 Enhancement Training Fund as established by the Office of 486 Workforce Development. The initial priority of these funds shall 487 be for the benefit of existing businesses located within the 488 state. Employers may request training for existing employees 489 and/or newly hired employees from the Mississippi Office of Workforce Development. The office * * * will be responsible for 490 491 approving the training. A portion of the funds collected for the 492 Mississippi Workforce Enhancement Training Fund shall be used for 493 the development of performance measures to measure the 494 effectiveness of the use of the Mississippi Workforce Enhancement 495 Training Fund dollars. These performance measures shall be 496 uniform for all training projects and shall be reported to the 497 Governor, Lieutenant Governor, Speaker of the House, and members 498 of the Legislature. Nothing in this section or elsewhere in law 499 shall be interpreted as giving the Office of Workforce Development 500 or State Workforce Investment Board authority to direct the 501 Mississippi Community College Board or individual community or 502 junior colleges on how to expend other funds, aside from funds

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503 appropriated to the Mississippi Workforce Enhancement Training 504 Fund and Mississippi Works Fund, appropriated or received for 505 workforce training. The Mississippi Office of Workforce 506 Development, Mississippi Community College Board, individual 507 community or junior colleges, State Workforce Investment Board and 508 other agencies implementing or coordinating state-funded workforce 509 development programs under state law shall cooperate with each 510 other to promote effective workforce training in Mississippi, 511 under the direction of the office. Any subsequent changes to 512 these performance measures shall also be reported to the Governor, 513 Lieutenant Governor, Speaker of the House, and members of the 514 Legislature. A performance report for each training project and 515 community college, based upon these measures, shall be submitted 516 annually to the Governor, Lieutenant Governor, Speaker of the 517 House, and members of the Legislature.

(ii) Except as otherwise provided in this
paragraph (e), all funds deposited into the * * * <u>Accelerate</u>
<u>Mississippi Administration Fund</u> shall be used for administration
of State Workforce Investment Board business * * * <u>and</u> the Office
of Workforce Development * * *.

(iii) All funds deposited into the Mississippi
Department of Employment Security Mississippi Works Fund shall be
disbursed exclusively by the Executive Director of the Mississippi
Department of Employment Security, in accordance with the rules
and regulations promulgated by the Office of Workforce Development

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528 in support of workforce training activities approved by the 529 Mississippi Office of Workforce Development in support of economic 530 development activities. Funds allocated by the executive director 531 under this subparagraph (iii) shall only be * * * used for the 532 training of unemployed persons, for immediate training needs for 533 the net new jobs created by an employer, for the retention of jobs 534 or to create a work-ready applicant pool of Mississippians with credentials and/or postsecondary education in accordance with the 535 536 state's Workforce Investment and Opportunity Act plan. The 537 Executive Director of the Office of Workforce Development shall 538 give priority to the training of unemployed persons. * * * Not 539 more than Five Hundred Thousand Dollars (\$500,000.00) may be allocated annually for the training needs of any one (1) employer. 540 541 The Mississippi Office of Workforce Development, in collaboration with the Mississippi Public Community College System and its 542 543 partners, shall be the primary entity to facilitate 544 training. * * * Training conducted * * * using these Mississippi Works funds may be subject to a minimal administrative fee to be 545 546 paid from the Mississippi Works Fund as authorized by the 547 Mississippi Office of Workforce Development. All costs associated 548 with the administration of these funds shall be reimbursed to the 549 Mississippi Department of Employment Security from the Mississippi 550 Works Fund.

551 (iv) 1. The Department of Employment Security 552 shall be the fiscal agent for the receipt and disbursement of all

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553 funds in the * * * <u>Accelerate Mississippi Administration Fund</u>, 554 subject to the administrative oversight of the Office of Workforce 555 Development.

556 2. In managing the *** * *** Accelerate 557 Mississippi Administration Fund, the Office of Workforce 558 Development, in coordination with the Mississippi Department of 559 Employment Security as fiscal agent, shall ensure that any funds 560 expended for contractual services rendered to the Office of 561 Workforce Development shall be paid only to service providers who 562 have been selected on a competitive basis. Any contract for 563 services entered into using funds from the * * * Accelerate 564 Mississippi Administration Fund shall contain the deliverables 565 stated in terms that allow for the assessment of work performance 566 against measurable performance standards and shall include 567 milestones for completion of each deliverable under the contract. 568 For each contract for services entered into by the Office of 569 Workforce Development, the office shall develop a quality 570 assurance surveillance plan that specifies quality control 571 obligations of the contractor as well as measurable inspection and 572 acceptance criteria corresponding to the performance standards 573 contained in the contract's statement of work.

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

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(3) (a) (i) * * * Mississippi Workforce Enhancement
Training contributions, * * * <u>Accelerate Mississippi</u> contributions
and Mississippi Works contributions shall be collected at the
following rates:

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583 *** * *1.** For calendar years *** * *** after 2016, 584 at a rate of twenty one-hundredths percent (.20%), based upon 585 taxable wages, of which fifteen one-hundredths percent (.15%) 586 shall be the Workforce Enhancement Training contribution, 587 one-hundredths of one percent (.01%) shall be the * * * Accelerate 588 Mississippi contribution and four one-hundredths percent (.04%) 589 shall be the Mississippi Works contribution. The Mississippi 590 Works contribution shall be collected for calendar years in which 591 the general experience ratio, adjusted on the basis of the trust 592 fund adjustment factor and reduced by fifty percent (50%), results 593 in a general experience rate of less than two-tenths percent 594 (.2%). In all other years the Mississippi Works contribution 595 shall not be in effect.

596 (***<u>ii</u>) The Mississippi Workforce Enhancement 597 Training Fund contribution, the * * * <u>Accelerate Mississippi</u> 598 contribution and the Mississippi Works contribution shall be in 599 addition to the general experience rate plus the individual 600 experience rate of all employers but shall not be charged to 601 reimbursing or rate-paying political subdivisions or institutions

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602 of higher learning, or reimbursing nonprofit organizations, as 603 described in Sections 71-5-357 and 71-5-359.

604 All Mississippi Workforce Enhancement Training (b) 605 contributions, * * * Accelerate Mississippi contributions and 606 Mississippi Works contributions collected shall be deposited 607 initially into the Mississippi Department of Employment Security 608 bank account for clearing contribution collections and shall 609 within two (2) business days be transferred to the Workforce 610 Investment and Training Holding Account. Any Mississippi Workforce Enhancement Training Fund and/or * * * Accelerate 611 612 Mississippi Administration Fund and/or Mississippi Works Fund 613 transactions from the Mississippi Department of Employment Security bank account for clearing contribution collections that 614 615 are deposited into the Workforce Investment and Training Fund Holding Account and are not honored by a financial institution 616 617 will be transferred back to the Mississippi Department of 618 Employment Security bank account for clearing contribution 619 collections out of funds in the Mississippi Workforce Investment 620 and Training Fund Holding Account.

621 (c) Suspension of the Workforce Enhancement Training 622 Fund contributions required pursuant to this chapter shall occur 623 if the insured unemployment rate exceeds an average of five and 624 five-tenths percent (5.5%) for the three (3) consecutive months 625 immediately preceding the effective date of the new rate year 626 following such occurrence and shall remain suspended throughout

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627 the duration of that rate year. Such suspension shall continue 628 until such time as the three (3) consecutive months immediately 629 preceding the effective date of the next rate year that has an 630 insured unemployment rate of less than an average of four and 631 five-tenths percent (4.5%). Upon such occurrence, reactivation 632 shall be effective upon the first day of the rate year following 633 the event that lifts suspension and shall be in effect for that 634 year and shall continue until such time as a subsequent suspension 635 event as described in this chapter occurs.

636 (d) Notwithstanding any other provision contained 637 herein, contribution collections for the * * * Accelerate 638 Mississippi Administration Fund, Mississippi Works Fund and 639 Mississippi Workforce Enhancement Training Fund shall not be 640 suspended, under any circumstances, for tax rate year 2021, and the resulting contribution rate of twenty one-hundredths percent 641 642 (.20%) shall be added to the employer's general and individual 643 experience rate to obtain the total unemployment insurance rate 644 for 2021.

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

649 **SECTION 3.** Section 71-5-355, Mississippi Code of 1972, is 650 amended as follows:

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651 71-5-355. (1) As used in this section, the following words 652 and phrases shall have the following meanings, unless the context 653 clearly requires otherwise:

(a) "Tax year" means any period beginning on January 1and ending on December 31 of a year.

(b) "Computation date" means June 30 of any calendar
year immediately preceding the tax year during which the
particular contribution rates are effective.

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9 (c) "Effective date" means January 1 of the tax year.

(d) Except as hereinafter provided, "payroll" means the
total of all wages paid for employment by an employer as defined
in Section 71-5-11, subsection H, plus the total of all
remuneration paid by such employer excluded from the definition of
wages by Section 71-5-351. For the computation of modified rates,
"payroll" means the total of all wages paid for employment by an
employer as defined in Section 71-5-11, subsection H.

667 For the computation of modified rates, "eligible (e) 668 employer" means an employer whose experience-rating record has 669 been chargeable with benefits throughout the thirty-six (36) 670 consecutive calendar-month period ending on the computation date, except that any employer who has not been subject to the 671 672 Mississippi Employment Security Law for a period of time 673 sufficient to meet the thirty-six (36) consecutive calendar-month 674 requirement shall be an eligible employer if his or her experience-rating record has been chargeable throughout not less 675

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676 than the twelve (12) consecutive calendar-month period ending on 677 the computation date. No employer shall be considered eligible 678 for a contribution rate less than five and four-tenths percent 679 (5.4%) with respect to any tax year, who has failed to file any 680 two (2) quarterly reports within the qualifying period by 681 September 30 following the computation date. No employer or 682 employing unit shall be eligible for a contribution rate of less 683 than five and four-tenths percent (5.4%) for the tax year in which 684 the employing unit is found by the department to be in violation 685 of Section 71-5-19(2) or (3) and for the next two (2) succeeding 686 tax years. No representative of such employing unit who was a 687 party to a violation as described in Section 71-5-19(2) or (3), if 688 such representative was or is an employing unit in this state, 689 shall be eligible for a contribution rate of less than five and 690 four-tenths percent (5.4%) for the tax year in which such 691 violation was detected by the department and for the next two (2) 692 succeeding tax years.

693 With respect to any tax year, "reserve ratio" means (f) 694 the ratio which the total amount available for the payment of 695 benefits in the Unemployment Compensation Fund, excluding any 696 amount which has been credited to the account of this state under 697 Section 903 of the Social Security Act, as amended, and which has 698 been appropriated for the expenses of administration pursuant to 699 Section 71-5-457 whether or not withdrawn from such account, on 700 October 31 (close of business) of each calendar year bears to the

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701 aggregate of the taxable payrolls of all employers for the twelve 702 (12) calendar months ending on June 30 next preceding.

(g) "Modified rates" means the rates of employer unemployment insurance contributions determined under the provisions of this chapter and the rates of newly subject employers, as provided in Section 71-5-353.

707 For the computation of modified rates, "qualifying (h) 708 period" means a period of not less than the thirty-six (36) 709 consecutive calendar months ending on the computation date 710 throughout which an employer's experience-rating record has been 711 chargeable with benefits; except that with respect to any eligible 712 employer who has not been subject to this article for a period of 713 time sufficient to meet the thirty-six (36) consecutive 714 calendar-month requirement, "qualifying period" means the period 715 ending on the computation date throughout which his or her 716 experience-rating record has been chargeable with benefits, but in 717 no event less than the twelve (12) consecutive calendar-month 718 period ending on the computation date throughout which his or her 719 experience-rating record has been so chargeable.

(i) The "exposure criterion" (EC) is defined as the cash balance of the Unemployment Compensation Fund which is available for the payment of benefits as of November 16 of each calendar year or the next working day if November 16 falls on a holiday or a weekend, divided by the total wages, exclusive of wages paid by all state agencies, all political subdivisions,

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726 reimbursable nonprofit corporations, and tax-exempt public service 727 employment, for the twelve-month period ending June 30 immediately 728 preceding such date. The EC shall be computed to four (4) decimal 729 places and rounded up if any fraction remains. Notwithstanding 730 any other provision contained herein, the date for determining the 731 cash balance of the Unemployment Compensation Fund which is 732 available for the payment of benefits for the calendar years 2020 733 and 2021 shall be December 31.

734 The "cost rate criterion" (CRC) is defined as (i) 735 follows: Beginning with January 1974, the benefits paid for the 736 twelve-month period ending December 1974 are summed and divided by 737 the total wages for the twelve-month period ending on June 30, 1975. Similar ratios are computed by subtracting the earliest 738 739 month's benefit payments and adding the benefits of the next month 740 in the sequence and dividing each sum of twelve (12) months' benefits by the total wages for the twelve-month period ending on 741 742 the June 30 which is nearest to the final month of the period used 743 to compute the numerator. If December is the final month of the 744 period used to compute the numerator, then the twelve-month period 745 ending the following June 30 will be used for the denominator. 746 Benefits and total wages used in the computation of the cost rate 747 criterion shall exclude all benefits and total wages applicable to 748 state agencies, political subdivisions, reimbursable nonprofit 749 corporations, and tax-exempt PSE employment.

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The CRC shall be computed as the average for the highest monthly value of the cost rate criterion computations during each of the economic cycles since the calendar year 1974 as defined by the National Bureau of Economic Research. The CRC shall be computed to four (4) decimal places and any remainder shall be rounded up.

756 The CRC shall be adjusted only through annual computations 757 and additions of future economic cycles.

758 (k) "Size of fund index" (SOFI) is defined as the ratio 759 of the exposure criterion (EC) to the cost rate criterion (CRC). 760 The target size of fund index will be fixed at 1.0. If the 761 insured unemployment rate (IUR) exceeds a four and five-tenths 762 percent (4.5%) average for the most recent completed July to June 763 period, the target SOFI will be .8 and will remain at that level 764 until the computed SOFI (the average exposure criterion of the 765 current year and the preceding year divided by the average cost 766 rate criterion) equals 1.0 or the average IUR falls to four and 767 five-tenths percent (4.5%) or less for any period July to June. 768 However, if the IUR falls below two and five-tenths percent (2.5%) 769 for any period July to June the target SOFI shall be 1.2 until 770 such time as the computed SOFI is equal to or greater than 1.0 or 771 the IUR is equal to or greater than two and five-tenths percent 772 (2.5%), at which point the target SOFI shall return to 1.0.

773 (1) No employer's unemployment contribution general774 experience rate plus individual unemployment experience rate shall

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775 exceed five and four-tenths percent (5.4%). Accrual rules shall 776 apply for purposes of computing contribution rates including 777 associated functions.

778 (m) The term "general experience rate" has the same 779 meaning as the minimum tax rate.

780 (2) Modified rates:

(a) For any tax year, when the reserve ratio on the preceding November 16, in the case of any tax year, equals or exceeds three percent (3%), the modified rates, as hereinafter prescribed, shall be in effect. In computation of this reserve ratio, any remainder shall be rounded down.

(b) Modified rates shall be determined for the tax year
for each eligible employer on the basis of his or her
experience-rating record in the following manner:

(i) The department shall maintain an
experience-rating record for each employer. Nothing in this
chapter shall be construed to grant any employer or individuals
performing services for him or her any prior claim or rights to
the amounts paid by the employer into the fund.

(ii) Benefits paid to an eligible individual shall be charged against the experience-rating record of his or her base period employers in the proportion to which the wages paid by each base period employer bears to the total wages paid to the individual by all the base period employers, provided that

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799 benefits shall not be charged to an employer's experience-rating 800 record if the department finds that the individual: 801 1. Voluntarily left the employ of such 802 employer without good cause attributable to the employer or to 803 accept other work; 804 2. Was discharged by such employer for 805 misconduct connected with his or her work; 806 Refused an offer of suitable work by such 3. 807 employer without good cause, and the department further finds that 808 such benefits are based on wages for employment for such employer 809 prior to such voluntary leaving, discharge or refusal of suitable 810 work, as the case may be; 811 4. Had base period wages which included wages 812 for previously uncovered services as defined in Section 813 71-5-511(e) to the extent that the Unemployment Compensation Fund is reimbursed for such benefits pursuant to Section 121 of Public 814 815 Law 94-566; 816 Extended benefits paid under the 5. 817 provisions of Section 71-5-541 which are not reimbursable from 818 federal funds shall be charged to the experience-rating record of 819 base period employers; 820 Is still working for such employer on a 6. 821 regular part-time basis under the same employment conditions as 822 hired. Provided, however, that benefits shall be charged against

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823 an employer if an eligible individual is paid benefits who is 824 still working for such employer on a part-time "as-needed" basis; 825 7. Was hired to replace a United States 826 serviceman or servicewoman called into active duty and was laid 827 off upon the return to work by that serviceman or servicewoman, 828 unless such employer is a state agency or other political 829 subdivision or instrumentality of the state; 830 Was paid benefits during any week while in 8. 831 training with the approval of the department, under the provisions of Section 71-5-513B, or for any week while in training approved 832 under Section 236(a)(1) of the Trade Act of 1974, under the 833 834 provisions of Section 71-5-513C; 835 9. Is not required to serve the one-week 836 waiting period as described in Section 71-5-505(2). In that 837 event, only the benefits paid in lieu of the waiting period week 838 may be noncharged; or 839 10. Was paid benefits as a result of a 840 fraudulent claim, provided notification was made to the 841 Mississippi Department of Employment Security in writing or by 842 email by the employer, within ten (10) days of the mailing of the 843 notice of claim filed to the employer's last-known address. 844 Notwithstanding any other provision (iii) 845 contained herein, an employer shall not be noncharged when the 846 department finds that the employer or the employer's agent of record was at fault for failing to respond timely or adequately to 847

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848 the request of the department for information relating to an 849 unemployment claim that was subsequently determined to be 850 improperly paid, unless the employer or the employer's agent of 851 record shows good cause for having failed to respond timely or 852 adequately to the request of the department for information. For 853 purposes of this subparagraph "good cause" means an event that 854 prevents the employer or employer's agent of record from timely 855 responding, and includes a natural disaster, emergency or similar 856 event, or an illness on the part of the employer, the employer's 857 agent of record, or their staff charged with responding to such 858 inquiries when there is no other individual who has the knowledge 859 or ability to respond. Any agency error that resulted in a delay 860 in, or the failure to deliver notice to, the employer or the 861 employer's agent of record shall also be considered good cause for 862 purposes of this subparagraph.

863 (iv) The department shall compute a benefit ratio 864 for each eligible employer, which shall be the quotient obtained 865 by dividing the total benefits charged to his or her 866 experience-rating record during the period his or her 867 experience-rating record has been chargeable, but not less than 868 the twelve (12) consecutive calendar-month period nor more than 869 the thirty-six (36) consecutive calendar-month period ending on 870 the computation date, by his or her total taxable payroll for the 871 same period on which all unemployment insurance contributions due 872 have been paid on or before the September 30 immediately following

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873 the computation date. Such benefit ratio shall be computed to the 874 tenth of a percent (.1%), rounding any remainder to the next 875 higher tenth.

876 The unemployment insurance contribution (V) 1. 877 rate for each eligible employer shall be the sum of two (2) rates: 878 his or her individual experience rate in the range from zero 879 percent (0%) to five and four-tenths percent (5.4%), plus a 880 general experience rate. In no event shall the resulting 881 unemployment insurance rate be in excess of five and four-tenths 882 percent (5.4%), however, it is the intent of this section to 883 provide the ability for employers to have a tax rate, the general 884 experience rate plus the individual experience rate, of up to five 885 and four-tenths percent (5.4%).

2. The employer's individual experience rate shall be equal to his or her benefit ratio as computed under paragraph (b)(iv) of this subsection (2).

889 3. The general experience rate shall be 890 determined in the following manner: The department shall 891 determine annually, for the thirty-six (36) consecutive 892 calendar-month period ending on the computation date, the amount 893 of benefits which were not charged to the record of any employer 894 and of benefits which were ineffectively charged to the employer's 895 experience-rating record. For the purposes of this item 3, the 896 term "ineffectively charged benefits" shall include:

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a. The total of the amounts of benefits
charged to the experience-rating records of all eligible employers
which caused their benefit ratios to exceed five and four-tenths
percent (5.4%);

901 b. The total of the amounts of benefits 902 charged to the experience-rating records of all ineligible 903 employers which would cause their benefit ratios to exceed five 904 and four-tenths percent (5.4%) if they were eligible employers; 905 and

906 The total of the amounts of benefits с. 907 charged or chargeable to the experience-rating record of any 908 employer who has discontinued his or her business or whose coverage has been terminated within such period; provided, that 909 910 solely for the purposes of determining the amounts of 911 ineffectively charged benefits as herein defined, a "benefit 912 ratio" shall be computed for each ineligible employer, which shall 913 be the quotient obtained by dividing the total benefits charged to 914 his or her experience-rating record throughout the period ending 915 on the computation date, during which his or her experience-rating 916 record has been chargeable with benefits, by his or her total 917 taxable payroll for the same period on which all unemployment 918 insurance contributions due have been paid on or before the 919 September 30 immediately following the computation date; and 920 provided further, that such benefit ratio shall be computed to the

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921 tenth of one percent (.1%) and any remainder shall be rounded to 922 the next higher tenth.

923 The ratio of the sum of these amounts (subsection 924 (2) (b) (v) 3a, b and c) to the taxable wages paid during the same 925 period divided by all eligible employers whose benefit ratio did 926 not exceed five and four-tenths percent (5.4%), computed to the 927 next higher tenth of one percent (.1%), shall be the general 928 experience rate; however, the general experience rate for rate 929 year 2014 shall be two tenths of one percent (.2%) and to that 930 will be added the employer's individual experience rate for the 931 total unemployment insurance rate.

932 Except as otherwise provided in this 4. a. 933 item 4, the general experience rate shall be adjusted by use of 934 the size of fund index factor. This factor may be positive or 935 negative, and shall be determined as follows: From the target 936 SOFI, as defined in subsection (1)(k) of this section, subtract 937 the simple average of the current and preceding years' exposure 938 criterions divided by the cost rate criterion, as defined in 939 subsection (1)(j) of this section. The result is then multiplied 940 by the product of the CRC, as defined in subsection (1)(j) of this 941 section, and total wages for the twelve-month period ending June 942 30 divided by the taxable wages for the twelve-month period ending 943 This is the percentage positive or negative added to the June 30. 944 general experience rate. The sum of the general experience rate and the trust fund adjustment factor shall be multiplied by fifty 945

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946 percent (50%) and this product shall be computed to one (1) 947 decimal place, and rounded to the next higher tenth. 948 b. Notwithstanding the minimum rate 949 provisions as set forth in subsection (1)(1) of this section, the 950 general experience rate of all employers shall be reduced by seven 951 one-hundredths of one percent (.07%) for calendar year 2013 only. 952 The general experience rate shall be zero 5. 953 percent (0%) unless the general experience ratio for any tax year 954 as computed and adjusted on the basis of the trust fund adjustment 955 factor and reduced by fifty percent (50%) is an amount equal to or 956 greater than two-tenths of one percent (.2%), then the general 957 experience rate shall be the computed general experience ratio and 958 adjusted on the basis of the trust fund adjustment factor and 959 reduced by fifty percent (50%); however, in no case shall the sum 960 of the general experience plus the individual experience 961 unemployment insurance rate exceed five and four-tenths percent 962 (5.4%). For rate years subsequent to 2014, Mississippi Workforce 963 Enhancement Training contribution rate, and/or State Workforce 964 Investment contribution rate, and/or Mississippi Works 965 contribution rate, when in effect, shall be added to the 966 unemployment contribution rate, regardless of whether the addition 967 of this contribution rate causes the total contribution rate for 968 the employer to exceed five and four-tenths percent (5.4%). 969 6. The department shall include in its annual

970 rate notice to employers a brief explanation of the elements of

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971 the general experience rate, and shall include in its regular 972 publications an annual analysis of benefits not charged to the 973 record of any employer, and of the benefit experience of employers 974 by industry group whose benefit ratio exceeds four percent (4%), 975 and of any other factors which may affect the size of the general 976 experience rate.

977 Notwithstanding any other provision 7. 978 contained herein, the general experience rate for calendar year 979 2021 shall be zero percent (0%). Charges attributed to each 980 employer's individual experience rate for the period March 8, 981 2020, through June 30, 2020, will not impact the employer's 982 individual experience rate calculations for purposes of 983 calculating the total unemployment insurance rate for 2021 and the 984 two (2) subsequent tax rate years. Moreover, charges attributed 985 to each employer's individual experience rate for the period July 986 1, 2020, through December 31, 2020, will not impact the employer's 987 individual experience rate calculations for purposes of 988 calculating the total unemployment insurance rate for 2022 and the 989 two (2) subsequent tax rate years.

990 (vi) When any employing unit in any manner 991 succeeds to or acquires the organization, trade, business or 992 substantially all the assets thereof of an employer, excepting any 993 assets retained by such employer incident to the liquidation of 994 his or her obligations, whether or not such acquiring employing 995 unit was an employer within the meaning of Section 71-5-11,

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996 subsection H, prior to such acquisition, and continues such 997 organization, trade or business, the experience-rating and payroll 998 records of the predecessor employer shall be transferred as of the 999 date of acquisition to the successor employer for the purpose of 1000 rate determination.

(vii) When any employing unit succeeds to or acquires a distinct and severable portion of an organization, trade or business, the experience-rating and payroll records of such portion, if separately identifiable, shall be transferred to the successor upon:

1006 1. The mutual consent of the predecessor and 1007 the successor;

1008 2. Approval of the department;

10093. Continued operation of the transferred1010portion by the successor after transfer; and

4. The execution and the filing with the department by the predecessor employer of a waiver relinquishing all rights to have the experience-rating and payroll records of the transferred portion used for the purpose of determining modified rates of contribution for such predecessor.

1016 (viii) If the successor was an employer subject to 1017 this chapter prior to the date of acquisition, it shall continue 1018 to pay unemployment insurance contributions at the rate applicable 1019 to it from the date the acquisition occurred until the end of the 1020 then current tax year. If the successor was not an employer prior

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1021 to the date of acquisition, it shall pay unemployment insurance 1022 contributions at the rate applicable to the predecessor or, if 1023 more than one (1) predecessor and the same rate is applicable to 1024 both, the rate applicable to the predecessor or predecessors, from 1025 the date the acquisition occurred until the end of the then 1026 current tax year. If the successor was not an employer prior to 1027 the date the acquisition occurred and simultaneously acquires the 1028 businesses of two (2) or more employers to whom different rates of 1029 unemployment insurance contributions are applicable, it shall pay 1030 unemployment insurance contributions from the date of the 1031 acquisition until the end of the current tax year at a rate 1032 computed on the basis of the combined experience-rating and 1033 payroll records of the predecessors as of the computation date for 1034 In all cases the rate of unemployment insurance such tax year. 1035 contributions applicable to such successor for each succeeding tax 1036 year shall be computed on the basis of the combined 1037 experience-rating and payroll records of the successor and the 1038 predecessor or predecessors.

(ix) The department shall notify each employer quarterly of the benefits paid and charged to his or her experience-rating record; and such notification, in the absence of an application for redetermination filed within thirty (30) days after the date of such notice, shall be final, conclusive and binding upon the employer for all purposes. A redetermination, made after notice and opportunity for a fair hearing, by a hearing

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1046 officer designated by the department who shall consider and decide 1047 these and related applications and protests; and the finding of fact in connection therewith may be introduced into any subsequent 1048 1049 administrative or judicial proceedings involving the determination 1050 of the rate of unemployment insurance contributions of any 1051 employer for any tax year, and shall be entitled to the same 1052 finality as is provided in this subsection with respect to the 1053 findings of fact in proceedings to redetermine the contribution 1054 rate of an employer.

1055 (X) The department shall notify each employer of 1056 his or her rate of contribution as determined for any tax year as 1057 soon as reasonably possible after September 1 of the preceding 1058 Such determination shall be final, conclusive and binding vear. 1059 upon such employer unless, within thirty (30) days after the date of such notice to his or her last-known address, the employer 1060 1061 files with the department an application for review and 1062 redetermination of his or her contribution rate, setting forth his 1063 or her reasons therefor. If the department grants such review, 1064 the employer shall be promptly notified thereof and shall be 1065 afforded an opportunity for a fair hearing by a hearing officer 1066 designated by the department who shall consider and decide these 1067 and related applications and protests; but no employer shall be allowed, in any proceeding involving his or her rate of 1068 1069 unemployment insurance contributions or contribution liability, to 1070 contest the chargeability to his or her account of any benefits

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1071 paid in accordance with a determination, redetermination or 1072 decision pursuant to Sections 71-5-515 through 71-5-533 except upon the ground that the services on the basis of which such 1073 1074 benefits were found to be chargeable did not constitute services 1075 performed in employment for him or her, and then only in the event 1076 that he or she was not a party to such determination, 1077 redetermination, decision or to any other proceedings provided in 1078 this chapter in which the character of such services was 1079 determined. The employer shall be promptly notified of the denial of this application or of the redetermination, both of which shall 1080 1081 become final unless, within ten (10) days after the date of notice 1082 thereof, there shall be an appeal to the department itself. Anv 1083 such appeal shall be on the record before said designated hearing 1084 officer, and the decision of said department shall become final 1085 unless, within thirty (30) days after the date of notice thereof 1086 to the employer's last-known address, there shall be an appeal to 1087 the Circuit Court of the First Judicial District of Hinds County, Mississippi, in accordance with the provisions of law with respect 1088 1089 to review of civil causes by certiorari.

1090 (3) Notwithstanding any other provision of law, the 1091 following shall apply regarding assignment of rates and transfers 1092 of experience:

(a) (i) If an employer transfers its trade or business, or a portion thereof, to another employer and, at the time of the transfer, there is substantially common ownership,

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1096 management or control of the two (2) employers, then the 1097 unemployment experience attributable to the transferred trade or 1098 business shall be transferred to the employer to whom such 1099 business is so transferred. The rates of both employers shall be 1100 recalculated and made effective on January 1 of the year following 1101 the year the transfer occurred.

(ii) If, following a transfer of experience under subparagraph (i) of this paragraph (a), the department determines that a substantial purpose of the transfer of trade or business was to obtain a reduced liability of unemployment insurance contributions, then the experience-rating accounts of the employers involved shall be combined into a single account and a single rate assigned to such account.

1109 (b) Whenever a person who is not an employer or an 1110 employing unit under this chapter at the time it acquires the 1111 trade or business of an employer, the unemployment experience of 1112 the acquired business shall not be transferred to such person if the department finds that such person acquired the business solely 1113 1114 or primarily for the purpose of obtaining a lower rate of 1115 unemployment insurance contributions. Instead, such person shall 1116 be assigned the new employer rate under Section 71-5-353, unless 1117 assignment of the new employer rate results in an increase of less than two percent (2%), in which case such person would be assigned 1118 1119 the new employer rate plus an additional two percent (2%) penalty 1120 for the rate year. In determining whether the business was

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1121 acquired solely or primarily for the purpose of obtaining a lower 1122 rate of unemployment insurance contributions, the department shall use objective factors which may include the cost of acquiring the 1123 1124 business, whether the person continued the business enterprise of 1125 the acquired business, how long such business enterprise was 1126 continued, or whether a substantial number of new employees were 1127 hired for performance of duties unrelated to the business activity 1128 conducted prior to acquisition.

(c) (i) If a person knowingly violates or attempts to violate paragraph (a) or (b) of this subsection or any other provision of this chapter related to determining the assignment of a contribution rate, or if a person knowingly advises another person in a way that results in a violation of such provision, the person shall be subject to the following penalties:

1135 1. If the person is an employer, then such 1136 employer shall be assigned the highest rate assignable under this 1137 chapter for the rate year during which such violation or attempted violation occurred and the three (3) rate years immediately 1138 1139 following this rate year. However, if the person's business is 1140 already at such highest rate for any year, or if the amount of 1141 increase in the person's rate would be less than two percent (2%) 1142 for such year, then the person's tax rate shall be increased by 1143 two percent (2%) for such year. The penalty rate will apply to the successor business as well as the related entity from which 1144

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1145 the employees were transferred in an effort to obtain a lower rate 1146 of unemployment insurance contributions.

2. 1147 If the person is not an employer, such 1148 person shall be subject to a civil money penalty of not more than Five Thousand Dollars (\$5,000.00). Each such transaction for 1149 1150 which advice was given and each occurrence or reoccurrence after 1151 notification being given by the department shall be a separate 1152 offense and punishable by a separate penalty. Any such fine shall 1153 be deposited in the penalty and interest account established under 1154 Section 71-5-114.

(ii) For purposes of this paragraph (c), the term knowingly" means having actual knowledge of or acting with deliberate ignorance or reckless disregard for the prohibition involved.

(iii) For purposes of this paragraph (c), the term violates or attempts to violate" includes, but is not limited to, intent to evade, misrepresentation or willful nondisclosure.

(iv) In addition to the penalty imposed by subparagraph (i) of this paragraph (c), any violation of this subsection may be punishable by a fine of not more than Ten Thousand Dollars (\$10,000.00) or by imprisonment for not more than five (5) years, or by both such fine and imprisonment. This subsection shall prohibit prosecution under any other criminal statute of this state.

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(d) The department shall establish procedures to identify the transfer or acquisition of a business for purposes of this subsection.

1172 (e) For purposes of this subsection:

1173(i) "Person" has the meaning given such term by1174Section 7701(a)(1) of the Internal Revenue Code of 1986; and

1175 (ii) "Employing unit" has the meaning as set forth 1176 in Section 71-5-11.

(f) This subsection shall be interpreted and applied in such a manner as to meet the minimum requirements contained in any guidance or regulations issued by the United States Department of Labor.

1181 SECTION 4. Section 71-5-453, Mississippi Code of 1972, is
1182 amended as follows:

71-5-453. The department shall be the treasurer and 1183 1184 custodian of the fund, and shall administer such fund in 1185 accordance with the directions of the department, and shall issue 1186 its warrants upon it in accordance with such regulations as the 1187 department shall prescribe. The department shall maintain within 1188 the fund three (3) separate accounts: (a) a clearing account, (b) 1189 an unemployment trust fund account, and (c) a benefit payment 1190 account. All monies payable to the fund, upon receipt thereof by 1191 the department, shall be immediately deposited in the clearing 1192 Refunds payable pursuant to Section 71-5-383 may be paid account. 1193 from the clearing account by the department. Transfers pursuant

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1194 to Section 71-5-114 of all interest, penalties and damages 1195 collected shall be made to the Special Employment Security 1196 Administration Fund as soon as practicable after the end of each 1197 calendar quarter. Workforce Enhancement Training 1198 contributions, * * * Accelerate Mississippi contributions and 1199 Mississippi Works contributions shall be deposited into the Workforce Investment and Training Holding Account as described in 1200 1201 this section. All other monies in the clearing account shall be 1202 immediately deposited with the Secretary of the Treasury of the 1203 United States of America to the Unemployment Trust Fund account 1204 for the State of Mississippi, established and maintained pursuant 1205 to Section 904 of the Social Security Act, as amended, any 1206 provisions of law in this state relating to the deposit, 1207 administration, release or disbursement of monies in the 1208 possession or custody of this state to the contrary 1209 notwithstanding. The benefit account shall consist of all monies 1210 requisitioned from this state's account in the Unemployment Trust Fund. Except as herein otherwise provided, monies in the clearing 1211 1212 and benefit accounts may be deposited by the department, in any 1213 bank or public depository in which general funds of the state may 1214 be deposited, but no public deposit insurance charge or premium 1215 shall be paid out of the fund. The department shall be liable for the faithful performance of its duties in connection with the 1216 1217 Unemployment Compensation Fund under this chapter. An Workforce 1218 Investment and Training Holding Account shall be established by

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1219 and maintained under the control of the Mississippi Department of 1220 Employment Security. Contributions collected pursuant to the provisions in this chapter for the Workforce Enhancement Training 1221 1222 Fund, * * * Accelerate Mississippi Administration Fund and the 1223 Mississippi Works Fund shall be transferred from the clearing 1224 account into the Workforce Investment and Training Holding Account 1225 on the same schedule and under the same conditions as funds 1226 transferred to the Unemployment Compensation Fund. Such funds 1227 shall remain on deposit in the holding account for a period of 1228 thirty (30) days. After such period, Workforce Enhancement 1229 Training contributions shall be transferred to the * * * 1230 Mississippi Workforce Enhancement Training Fund, Accelerate 1231 Mississippi contributions shall be transferred to the Accelerate 1232 Mississippi Administration Fund, and Mississippi Works 1233 contributions shall be transferred to the Mississippi Works Fund. 1234 Such transfers shall occur within fifteen (15) days after the 1235 funds have resided in the Workforce Investment and Training 1236 Holding Account for thirty (30) days. One (1) such transfer shall 1237 be made monthly, but the department, in its discretion, may make 1238 additional transfers in any month. In the event such funds 1239 transferred are subsequently determined to be erroneously paid or 1240 collected, or if deposit of such funds is denied or rejected by 1241 the banking institution for any reason, or deposits are unable to clear drawer's account for any reason, the funds must be 1242 1243 reimbursed by the recipient of such funds within thirty (30) days

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1244 of mailing of notice by the department demanding such refund, 1245 unless funds are available in the Workforce Investment and 1246 Training Holding Account. In that event such amounts shall be 1247 immediately withdrawn from the Workforce Investment and Training 1248 Holding Account by the department and redeposited into the 1249 clearing account.

1250 SECTION 5. Section 43-17-1, Mississippi Code of 1972, is 1251 amended as follows:

1252 43-17-1. The State of Mississippi hereby accepts all of (1) 1253 the mandatory provisions and benefits, with the exception of those 1254 provisions under which the state may exercise its options, of 1255 Title I of an act passed by the Senate and House of 1256 Representatives of the United States of America, in Congress 1257 assembled, entitled: "The Personal Responsibility and Work 1258 Opportunity Reconciliation Act of 1996 (Public Law 104-193)," and 1259 known as the Temporary Assistance to Needy Families (TANF) 1260 program.

1261 The Department of Human Services shall have all (2)1262 necessary authority to cooperate with the federal government in 1263 the administration of Public Law 104-193 and all subsequent 1264 federal amendments thereto, to administer any legislation pursuant 1265 thereto enacted by the State of Mississippi, and to administer the 1266 funds provided by the federal government and the State of 1267 Mississippi under the provisions of Section 43-17-1 et seq., for 1268 providing temporary assistance for needy families with minor

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1269 children. The Department of Human Services shall have full 1270 authority to formulate state plans consistent with state law as 1271 necessary to administer and operate federal grant funds which 1272 provide temporary assistance for needy families with minor 1273 children under Title IV-A of the federal Social Security Act. The 1274 Department of Human Services shall identify in any state plan 1275 submitted to implement the TANF program those requirements or 1276 restrictions, including persons excluded from program 1277 participation which are required under federal law, and those 1278 program requirements or restrictions which the federal law 1279 authorizes but does not require.

1280 (3) Any funds received by the State of Mississippi under the 1281 provisions of Public Law 104-193 shall be subject to appropriation 1282 by the Legislature and consistent with the terms and conditions 1283 required under such appropriation.

1284 (4) The purpose of the Mississippi Temporary Assistance to 1285 Needy Families (TANF) program shall be to:

(a) Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives when such care is beneficial and may be monitored on a random basis by the Department of Human Services or the State Department of Health;

(b) End the dependence of needy families on government
benefits by promoting job preparation, work and marriage through,
among other things, job placement, job training and job retention;

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(c) Prevent and reduce the incidence of out-of-wedlock
pregnancies and establish annual numerical goals for preventing
and reducing the incidence of these pregnancies;

1297 (d) Encourage the formation and maintenance of 1298 two-parent families; and

1299 (e) Prevent program fraud and abuse.

1300 The Department of Human Services shall develop outcome (5) 1301 and output indicators for each program established under the 1302 authority of this section. These measures shall provide 1303 legislators and administrators with information which measures the 1304 success or failure of the department in implementing the programs 1305 implemented under the authority of this section. The department 1306 shall annually report to the Legislature the outputs and outcomes 1307 of these programs, with the first report due by December 15, 1997. 1308 Such reports shall include recommendations for making programs more effective or efficient which can be effected in accordance 1309 1310 with federal law.

(6) Assistance may be granted under this chapter to any dependent child and a caretaker relative who are living in a suitable family home meeting the standards of care and health and work requirements fixed by the laws of this state, and the rules and regulations of the State Department of Human Services.

1316(7) The Department of Human Services shall collaborate with1317the Office of Workforce Development on TANF programs related to

1318 job placement, job training and job retention.

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1319 SECTION 6. Section 47-5-541, Mississippi Code of 1972, is 1320 amended as follows:

47-5-541. The corporation shall be governed by a board 1321 (1)1322 The board of directors of the nonprofit corporation of directors. 1323 shall be composed of the following eleven (11) members who shall 1324 be appointed by the Governor with the advice and consent of the 1325 Senate: one (1) representative of the manufacturing industry, one 1326 (1) representative of the agriculture industry, one (1) 1327 representative of the banking and finance industry, one (1) 1328 representative of the labor industry, one (1) representative from 1329 the marketing industry and six (6) members from the state at 1330 In addition, the State Commissioner of Corrections and the large. 1331 President of Mississippi Delta Community College shall be ex 1332 officio members of the board of directors with full voting privileges. In making initial appointments, three (3) members 1333 1334 shall be appointed for a term of two (2) years; four (4) members 1335 shall be appointed for a term of three (3) years; and four (4) 1336 members shall be appointed for a term of four (4) years; to be 1337 designated by the Governor at the time of appointment; and all 1338 succeeding terms shall be for four (4) years from the expiration 1339 date of the previous term. Initial appointments shall be made 1340 within thirty (30) days after passage of Sections 47-5-531 through 1341 47-5-575. Any vacancy shall be filled by the Governor, with the 1342 advice and consent of the Senate. The officers of the corporation shall consist of a chairman, vice chairman and a 1343

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1344 secretary-treasurer. The officers shall be selected by the 1345 members of the board. However, the Commissioner of Corrections 1346 and the President of Mississippi Delta Community College shall not 1347 be eligible to serve as an officer of the corporation.

1348 (2)The board of directors shall select and employ a chief 1349 executive officer of the corporation who shall serve at the 1350 pleasure of the board. The board shall set the compensation of the chief executive officer. The chief executive officer shall be 1351 1352 responsible for the general business and entire operations of the 1353 corporation, and shall be responsible for operating the 1354 corporation in compliance with the bylaws of the corporation and 1355 in compliance with any provision of law. The board shall be 1356 authorized and empowered to do only those acts provided by law and 1357 by the bylaws of the corporation. Except as otherwise specifically provided by law, such board shall have the authority 1358 1359 to establish prison industries, to cease the operation of any 1360 industry which it deems unsuitable or unprofitable, to enter into any lease or contract for the corporation and it shall have the 1361 1362 full authority to establish prices for any industry good.

1363 (3) No member of the board of directors shall vote on any 1364 matter that comes before the board that could result in pecuniary 1365 benefit for himself or for any entity in which such member has an 1366 interest.

1367 (4) In addition to the board of directors, an advisory board1368 may be set up for the benefit of each industry which is

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established pursuant to the provisions of Sections 47-5-531 through 47-5-575. Such boards shall be advisory only, and may be set up in the discretion of the board of directors of the corporation.

(5) Each member of the board of directors of the corporation shall receive per diem as provided in Section 25-3-69 for each day or fraction thereof spent in actual discharge of his official duties and shall be reimbursed for mileage and actual expenses incurred in the performance of his official duties in accordance with the requirements of Section 25-3-41, Mississippi Code of 1379 1972.

(6) The board of directors shall make and publish policies,
rules and regulations governing all business functions, including
but not limited to accounting, marketing, purchasing and
personnel, not inconsistent with the terms of Sections 47-5-531
through 47-5-575, as may be necessary for the efficient
administration and operation of the corporation.

1386 (7) The chief executive officer of the corporation shall:
1387 (a) Employ all necessary employees of the corporation
1388 and dismiss them as is necessary;

(b) Administer the daily operations of the corporation,
 including establishing education, training and workforce
 development programs in collaboration with the Office of Workforce

1392 Development and other relevant state and federal agencies;

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1393 (c) Upon approval of the board of directors, execute1394 any contracts on behalf of the corporation; and

1395 (d) Take any further actions which are necessary and1396 proper toward the achievement of the corporation purposes.

(8) A member of the board of directors of the corporation shall not be liable for any civil damages for any personal injury or property damage caused to a person as a result of any acts or omissions committed in good faith in the exercise of their duties as members of the board of directors of the corporation, except where a member of the board engages in acts or omissions which are intentional, willful, wanton, reckless or grossly negligent.

1404 SECTION 7. Subject to appropriation, there shall be created 1405 a three-year virtual statewide career and technical education 1406 pilot program designed to offer public school students career pathways that incorporate live, teacher-led virtual sessions, use 1407 1408 project-based learning models and help prepare students for 1409 certification exams. The virtual statewide career and technical 1410 education pilot program shall allow students access through 1411 virtual office visits with professionals in a variety of fields 1412 and have the capacity to connect students with colleges and 1413 businesses. The virtual statewide career and technical education 1414 pilot program may be offered to students through a virtual career and technical education consortium through which the Office of 1415 1416 Workforce Development, in collaboration with the State Department of Education, work with individual school districts to provide the 1417

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1418 program. All courses offered through the virtual statewide career 1419 and technical education pilot program shall be approved in the 1420 same manner as in-person career and technical courses are 1421 currently approved. The Joint Committee on Performance Evaluation 1422 and Expenditure Review (PEER) shall conduct a performance review 1423 and audit and develop a report to the 2026 Regular Session of the 1424 Legislature on or before January 1, 2026, on the educational 1425 effectiveness, cost-effectiveness and return on investment to the State of Mississippi of the virtual statewide career and technical 1426 1427 education pilot program funded under this section, with 1428 recommendations on the expansion of the pilot program.

1429SECTION 8. This act shall take effect and be in force from1430and after July 1, 2022, and shall stand repealed on June 30, 2022.

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

1 AN ACT TO AMEND SECTION 37-153-7, MISSISSIPPI CODE OF 1972, 2 TO REVISE CERTAIN APPOINTMENTS TO THE STATE WORKFORCE INVESTMENT 3 BOARD; TO AMEND SECTION 71-5-353, MISSISSIPPI CODE OF 1972, TO 4 CREATE THE "ACCELERATE MISSISSIPPI ADMINISTRATION FUND"; TO REVISE 5 THE WAY IN WHICH MONIES IN THE MISSISSIPPI WORKS FUND MAYBE SPENT; 6 TO PROVIDE THAT THE OFFICE OF WORKFORCE DEVELOPMENT SHALL HAVE A 7 SEPARATE BUDGET PROGRAM WITHIN THE BUDGET REQUEST OF AND A 8 LINE-ITEM APPROPRIATION IN THE DEPARTMENT OF EMPLOYMENT SECURITY'S 9 APPROPRIATION BILL; TO AMEND SECTIONS 71-5-355 AND 71-5-453, MISSISSIPPI CODE OF 1972, TO DESIGNATE DECEMBER 31 AS THE DATE FOR 10 11 CALCULATING THE EXPOSURE CRITERION FOR CALENDAR YEARS 2020 AND 12 2021; TO AMEND SECTION 43-17-1, MISSISSIPPI CODE OF 1972, TO 13 REQUIRE THE DEPARTMENT OF HUMAN SERVICES TO COLLABORATE WITH THE 14 OFFICE OF WORKFORCE DEVELOPMENT ON TEMPORARY ASSISTANCE TO NEEDY 15 FAMILIES (TANF) PROGRAMS RELATED TO JOB PLACEMENT, JOB TRAINING 16 AND JOB RETENTION; TO AMEND SECTION 47-5-541, MISSISSIPPI CODE OF 17 1972, TO REQUIRE THE CHIEF EXECUTIVE OFFICER OF THE CORPORATION 18 FORMED UNDER THE MISSISSIPPI PRISON INDUSTRIES ACT OF 1990 TO

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19 ESTABLISH EDUCATION, TRAINING AND WORKFORCE DEVELOPMENT PROGRAMS 20 IN COLLABORATION WITH THE OFFICE OF WORKFORCE DEVELOPMENT AND 21 OTHER RELEVANT STATE AND FEDERAL AGENCIES; TO CREATE A THREE-YEAR 22 VIRTUAL STATEWIDE CAREER AND TECHNICAL EDUCATION PILOT PROGRAM DESIGNED TO OFFER PUBLIC SCHOOL STUDENTS CAREER PATHWAYS THAT 23 INCORPORATE LIVE, TEACHER-LEAD VIRTUAL SESSIONS, USE PROJECT-BASED 24 25 LEARNING MODELS AND HELP PREPARE STUDENTS FOR CERTIFICATION EXAMS; 26 AND FOR RELATED PURPOSES.