

By: Representatives Hines, Anthony

To: Public Health and Human Services; Appropriations

HOUSE BILL NO. 179

1 AN ACT TO ESTABLISH A HEALTH CARE AND EDUCATION SHORTAGE
2 ASSISTANCE PROGRAM TO HELP ATTRACT PHYSICIANS, NURSES, EMERGENCY
3 MEDICAL TECHNICIANS AND OTHER HEALTH CARE WORKERS, SOCIAL WORKERS
4 AND TEACHERS TO WORK IN RURAL AREAS OF COUNTIES THAT HAD AN
5 UNEMPLOYMENT RATE OF MORE THAN TEN PERCENT IN THE PREVIOUS
6 CALENDAR YEAR AND CURRENTLY HAVE A SHORTAGE OF ANY OF THOSE
7 PROFESSIONALS; TO PROVIDE THAT FUNDING FOR THE PROGRAM WILL BE
8 PROVIDED FROM THE MISSISSIPPI WORKS FUND AND WILL BE DISBURSED TO
9 THE COUNTIES BY THE MISSISSIPPI DEPARTMENT OF EMPLOYMENT SECURITY
10 UPON APPROPRIATION BY THE LEGISLATURE FOR THAT PURPOSE; TO PROVIDE
11 THAT THE AMOUNT APPROPRIATED FOR THE PROGRAM SHALL BE NOT LESS
12 THAN FIVE MILLION DOLLARS FOR EACH FISCAL YEAR; TO PROVIDE THAT
13 ANY ELIGIBLE COUNTY THAT WISHES TO RECEIVE FUNDS UNDER THE PROGRAM
14 MUST ADOPT A RESOLUTION REQUESTING THE FUNDS AND SUBMIT AN
15 APPLICATION TO THE DEPARTMENT OF EMPLOYMENT SECURITY WITH A
16 DETAILED PLAN OF HOW THE FUNDS WILL BE USED; TO PROVIDE THAT IN
17 ORDER TO RECEIVE FUNDS UNDER THE PROGRAM, A COUNTY MUST PROVIDE
18 MATCHING FUNDS OF NOT LESS THAN THIRTY PERCENT OF THE AMOUNT OF
19 THE FUNDS PROVIDED TO THE COUNTY UNDER THE PROGRAM; TO BRING
20 FORWARD SECTION 71-5-353, MISSISSIPPI CODE OF 1972, WHICH PROVIDES
21 FOR WORKFORCE TRAINING FUNDS, FOR THE PURPOSES OF POSSIBLE
22 AMENDMENT; AND FOR RELATED PURPOSES.

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

24 **SECTION 1.** (1) There is established a health care and
25 education shortage assistance program to help attract physicians,
26 nurses, emergency medical technicians and other health care
27 workers, social workers and teachers to work in rural areas of
28 counties that had an unemployment rate of more than ten percent



29 (10%) in the previous calendar year and currently have a shortage
30 of any of those professionals.

31 (2) The program shall be administered in eligible counties
32 that wish to participate by the board of supervisors of the
33 county. Funding for the program shall be provided from the
34 Mississippi Works Fund created under Section 71-5-353, and shall
35 be disbursed to the counties by the Mississippi Department of
36 Employment Security upon appropriation by the Legislature for that
37 purpose. The amount appropriated for the program shall be not
38 less than Five Million Dollars (\$5,000,000.00) for each fiscal
39 year.

40 (3) Any eligible county that wishes to receive funds under
41 the program must adopt a resolution requesting the funds and
42 submit an application to the Department of Employment Security
43 with a detailed plan of how the funds will be used to attract
44 physicians, nurses, emergency medical technicians and other health
45 care workers, social workers and teachers to work in rural areas
46 of the county. In order to receive funds under the program, a
47 county must provide matching funds of not less than thirty percent
48 (30%) of the amount of the funds provided to the county under the
49 program.

50 **SECTION 2.** Section 71-5-353, Mississippi Code of 1972, is
51 brought forward as follows:

52 71-5-353. (1) (a) Each employer shall pay unemployment
53 insurance contributions equal to five and four-tenths percent



54 (5.4%) of taxable wages paid by him each calendar year, except as
55 may be otherwise provided in Section 71-5-361 and except that each
56 newly subject employer shall pay unemployment insurance
57 contributions at the rate of one percent (1%) of taxable wages,
58 for his first year of liability, one and one-tenth percent (1.1%)
59 of taxable wages for his second year of liability, and one and
60 two-tenths percent (1.2%) of taxable wages for his third and
61 subsequent years of liability unless the employer's
62 experience-rating record has been chargeable throughout at least
63 the twelve (12) consecutive calendar months ending on the most
64 recent computation date at the time the rate for a year is
65 determined; thereafter the employer's contribution rate shall be
66 determined in accordance with the provisions of Section 71-5-355.

67 (b) Notwithstanding the newly subject employer
68 contribution rate provided for in paragraph (a) of this
69 subsection, the contribution rate of all newly subject employers
70 shall be reduced by seven one-hundredths of one percent (.07%) for
71 calendar year 2013 only. The contribution rate of all newly
72 subject employers shall be reduced by three one-hundredths of one
73 percent (.03%) for calendar year 2014 only. For purposes of this
74 chapter, "newly subject employers" means employers whose
75 unemployment insurance experience-rating record has not been
76 chargeable throughout at least the twelve (12) consecutive
77 calendar months ending on the most recent computation date at the
78 time the contribution rate for a year is determined.



79 (2) (a) (i) There is hereby created in the Treasury of the
80 State of Mississippi special funds to be known as the "Mississippi
81 Workforce Enhancement Training Fund" and the "Mississippi Works
82 Fund" which consist of funds collected pursuant to subsection (3)
83 of this section.

84 (ii) Funds collected shall initially be deposited
85 into the Mississippi Department of Employment Security bank
86 account for clearing contribution collections and subsequently
87 appropriate amounts shall be transferred to the Mississippi
88 Workforce Investment and Training Fund Holding Account described
89 in Section 71-5-453. In the event any employer pays an amount
90 insufficient to cover the total contributions due, the amounts due
91 shall be satisfied in the following order:

- 92 1. Unemployment contributions;
- 93 2. Mississippi Workforce Enhancement Training
94 contributions, State Workforce Investment contributions and the
95 Mississippi Works contributions, known collectively as the
96 Mississippi Workforce Investment and Training contributions, on a
97 pro rata basis;
- 98 3. Interest and damages; then
- 99 4. Legal and processing costs.

100 The amount of unemployment insurance contributions due for
101 any period will be the amount due according to the actual
102 computations unless the employer is participating in the MLPP. In



103 that event, the amount due is the MLPP amount computed by the
104 department.

105 Cost of collection and administration of the Mississippi
106 Workforce Enhancement Training contribution, the State Workforce
107 Investment contribution and the Mississippi Works contribution
108 shall be allocated based on a plan approved by the United States
109 Department of Labor (USDOL). The Mississippi Community College
110 Board shall pay the cost of collecting the Mississippi Workforce
111 Enhancement Training contributions, the State Workforce Investment
112 Board shall pay the cost of collecting the State Workforce
113 Investment contributions and the Mississippi Department of
114 Employment Security shall pay the cost of collecting the
115 Mississippi Works contributions. Payments shall be made
116 semiannually with the cost allocated to each based on a USDOL
117 approved plan on a pro rata basis, for periods ending in June and
118 December of each year. Payment shall be made by each organization
119 to the department no later than sixty (60) days after the billing
120 date. Cost shall be allocated under the USDOL's approved plan and
121 in the same ratio as each contribution type represents to the
122 total authorized by subparagraph (ii)2 of this paragraph to be
123 collected for the period.

124 (b) Mississippi Workforce Enhancement Training
125 contributions and State Workforce Investment contributions shall
126 be distributed as follows:



127 (i) For calendar year 2014, ninety-four and
128 seventy-five one-hundredths percent (94.75%) shall be distributed
129 to the Mississippi Workforce Enhancement Training Fund and the
130 remainder shall be distributed to the State Workforce Investment
131 Board bank account;

132 (ii) For calendar years subsequent to calendar
133 year 2014, ninety-three and seventy-five one-hundredths percent
134 (93.75%) shall be distributed to the Mississippi Workforce
135 Enhancement Training Fund and the remainder shall be distributed
136 to the State Workforce Investment Board bank account;

137 (iii) Workforce Enhancement Training contributions
138 and State Workforce Investment contributions for calendar years
139 2014 and 2015 shall be distributed as provided in subparagraphs
140 (i) and (ii) of this paragraph regardless of when the
141 contributions were collected.

142 (c) All contributions collected for the State Workforce
143 Enhancement Training Fund, the State Workforce Investment Fund and
144 the Mississippi Works Fund will be initially deposited into the
145 Mississippi Department of Employment Security bank account for
146 clearing contribution collections and subsequently transferred to
147 the Workforce Investment and Training Holding Account and will be
148 held by the Mississippi Department of Employment Security in such
149 account for a period of not less than thirty (30) days. After
150 such period, the Mississippi Workforce Enhancement Training
151 contributions shall be transferred to the Mississippi Community



152 College Board Treasury Account, with oversight provided by the
153 Mississippi Office of Workforce Development, the State Workforce
154 Investment contributions and the Mississippi Works contributions
155 shall be transferred to the Mississippi Department of Employment
156 Security Mississippi Works Treasury Account in the same ratio as
157 each contribution type represents to the total authorized by
158 paragraph (a)(ii)2 of this subsection to be collected for the
159 period and within the time frame determined by the department;
160 however, except in cases of extraordinary circumstances, these
161 funds shall be transferred within fifteen (15) days. Interest
162 earnings or interest credits on deposit amounts in the Workforce
163 Investment and Training Holding Account shall be retained in the
164 account to pay the banking costs of the account. If after the
165 period of twelve (12) months interest earnings less banking costs
166 exceeds Ten Thousand Dollars (\$10,000.00), such excess amounts
167 shall be transferred to the respective accounts within thirty (30)
168 days following the end of each calendar year on the basis
169 described in paragraph (b) of this subsection. Interest earnings
170 and/or interest credits for the State Workforce Investments funds
171 shall be used for the payment of banking costs and excess amounts
172 shall be used in accordance with the rules and regulations of the
173 State Workforce Investment Board expenditure policies.

174 (d) All enforcement procedures for the collection of
175 delinquent unemployment contributions contained in Sections
176 71-5-363 through 71-5-383 shall be applicable in all respects for



177 collections of delinquent unemployment insurance contributions
178 designated for the Unemployment Compensation Fund, the Mississippi
179 Workforce Enhancement Training Fund, the State Workforce
180 Investment Board Fund and the Mississippi Works Fund.

181 (e) (i) Except as otherwise provided for in this
182 subparagraph (i), all monies deposited into the Mississippi
183 Workforce Enhancement Training Fund Treasury Account shall be
184 directed by the Mississippi Office of Workforce Development, in
185 collaboration with the Mississippi Community College Board, in
186 accordance with the Workforce Training Act of 1994 (Section
187 37-153-1 et seq.) and under policies approved by the Mississippi
188 Office of Workforce Development for the following purposes: to
189 provide training in collaboration with the Mississippi Community
190 College Board and individual community and junior colleges to
191 employers and employees in order to enhance employee productivity.
192 Such training may be subject to a minimal administrative fee to be
193 paid from the Mississippi Workforce Enhancement Training Fund as
194 established by the Office of Workforce Development. The initial
195 priority of these funds shall be for the benefit of existing
196 businesses located within the state. Employers may request
197 training for existing employees and/or newly hired employees from
198 the Mississippi Office of Workforce Development. The office, in
199 consultation with the Mississippi Community College Board, will be
200 responsible for approving the training. A portion of the funds
201 collected for the Mississippi Workforce Enhancement Training Fund



202 shall be used for the development of performance measures to
203 measure the effectiveness of the use of the Mississippi Workforce
204 Enhancement Training Fund dollars. These performance measures
205 shall be uniform for all training projects and shall be reported
206 to the Governor, Lieutenant Governor, Speaker of the House, and
207 members of the Legislature. Nothing in this section or elsewhere
208 in law shall be interpreted as giving the Office of Workforce
209 Development or State Workforce Investment Board authority to
210 direct the Mississippi Community College Board or individual
211 community or junior colleges on how to expend other funds, aside
212 from funds appropriated to the Mississippi Workforce Enhancement
213 Training Fund and Mississippi Works Fund, appropriated or received
214 for workforce training. The Mississippi Office of Workforce
215 Development, Mississippi Community College Board, individual
216 community or junior colleges, State Workforce Investment Board and
217 other agencies implementing or coordinating state-funded workforce
218 development programs under state law shall cooperate with each
219 other to promote effective workforce training in Mississippi,
220 under the direction of the office. Any subsequent changes to
221 these performance measures shall also be reported to the Governor,
222 Lieutenant Governor, Speaker of the House, and members of the
223 Legislature. A performance report for each training project and
224 community college, based upon these measures, shall be submitted
225 annually to the Governor, Lieutenant Governor, Speaker of the
226 House, and members of the Legislature.



227 (ii) Except as otherwise provided in this
228 paragraph (e), all funds deposited into the State Workforce
229 Investment Board bank account shall be used for administration of
230 State Workforce Investment Board business, the Office of Workforce
231 Development, grants related to training, and other projects as
232 determined appropriate by the State Workforce Investment Board and
233 shall be nonexpiring. Policies for grants and other projects
234 shall be approved through a majority vote of the State Workforce
235 Investment Board.

236 (iii) All funds deposited into the Mississippi
237 Department of Employment Security Mississippi Works Fund shall be
238 disbursed exclusively by the Executive Director of the Mississippi
239 Department of Employment Security, in accordance with the rules
240 and regulations promulgated by the Office of Workforce Development
241 in support of workforce training activities approved by the
242 Mississippi Office of Workforce Development in support of economic
243 development activities. Funds allocated by the executive director
244 under this subparagraph (iii) shall only be utilized for the
245 training of unemployed persons, for immediate training needs for
246 the net new jobs created by an employer, for the retention of
247 jobs, to create a work-ready applicant pool of Mississippians with
248 credentials and/or postsecondary education in accordance with the
249 state's Workforce Investment and Opportunity Act plan, or for the
250 support of local economic and community development activities
251 related to workforce development in the state. The Mississippi



252 Office of Workforce Development, in collaboration with the
253 Mississippi Public Community College System and its partners,
254 shall be the primary entity to facilitate training. Training
255 conducted utilizing these Mississippi Works funds may be subject
256 to a minimal administrative fee to be paid from the Mississippi
257 Works Fund as authorized by the Mississippi Office of Workforce
258 Development. All costs associated with the administration of
259 these funds shall be reimbursed to the Mississippi Department of
260 Employment Security from the Mississippi Works Fund.

261 (iv) 1. The Department of Employment Security
262 shall be the fiscal agent for the receipt and disbursement of all
263 funds in the State Workforce Investment Board bank account,
264 subject to the administrative oversight of the Office of Workforce
265 Development.

266 2. In managing the State Workforce Investment
267 Board bank account, the Office of Workforce Development, in
268 coordination with the Mississippi Department of Employment
269 Security as fiscal agent, shall ensure that any funds expended for
270 contractual services rendered to the Office of Workforce
271 Development over Five Thousand Dollars (\$5,000.00) shall be paid
272 only to service providers who have been selected on a competitive
273 basis. Any contract for services entered into using funds from
274 the Workforce Investment Fund bank account shall meet the
275 requirements for state contracts set out in Section 31-7-1 et seq.



276 3. Any commodities procured for the office
277 shall be procured in accordance with the provisions of Section
278 31-7-13.

279 (v) In addition to other expenditures, the Office
280 of Workforce Development shall expend from the State Workforce
281 Investment Board bank account for the use and benefit of the
282 Office of Workforce Development, such funds as are necessary to
283 prepare and develop a study of workforce development needs that
284 will consist of the following:

285 1. An identification of the state's workforce
286 development needs through a well-documented quantitative and
287 qualitative analysis of:

288 a. The current and projected workforce
289 training needs of existing and identified potential Mississippi
290 industries, with priority given to assessing the needs of existing
291 in-state industry and business. Where possible, the analysis
292 should include a verification and expansion of existing
293 information previously developed by workforce training and service
294 providers, as well as analysis of existing workforce data, such as
295 the data collected through the Statewide Longitudinal Data System;

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



300 factors currently limiting the state's ability to provide a
301 trained and ready workforce; and

302 c. The needs of workforce service and
303 training providers in improving their ability to offer
304 industry-relevant training, including an assessment of the
305 practical limits of keeping training programs on the leading edge
306 and eliminating those programs with marginal workforce relevance.

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

310 a. Development of a list of
311 strengths/weaknesses/opportunities/threats (SWOT) of the current
312 workforce development delivery system relative to the identified
313 needs;

314 b. Identification of strategic options
315 for workforce development services based on the results of the
316 SWOT analysis; and

317 c. Development of results-oriented
318 measures for each option that can be baselined and, if
319 implemented, tracked over time, with quantifiable milestones and
320 goals.

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



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

326 4. Following the preparation of the report,
327 the State Workforce Investment Board shall make a recommendation
328 to the House and Senate Appropriations Committees on future uses
329 of funds deposited to the State Workforce Investment Fund account.
330 Such future uses may include:

331 a. The development of promotion
332 strategies for workforce development programs;

333 b. Initiatives designed to reduce the
334 state's dropout rate, including the development of a statewide
335 career awareness program;

336 c. The long-term monitoring of the
337 state's workforce development programs to determine whether they
338 are addressing the needs of business, industry, and the workers of
339 the state; and

340 d. The study of the potential
341 restructuring of the state's workforce programs and delivery
342 systems.

343 (3) (a) (i) Mississippi Workforce Enhancement Training
344 contributions and State Workforce Investment contributions shall
345 be collected at the following rates:

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



349 be the Workforce Enhancement Training contribution and
350 one-hundredths of one percent (.01%) shall be the State Workforce
351 Investment contribution; and

352 2. For calendar year 2015 only, the rate of
353 sixteen one-hundredths of one percent (.16%), based upon taxable
354 wages of which fifteen one-hundredths of one percent (.15%) shall
355 be the Workforce Enhancement Training contribution and
356 one-hundredths of one percent (.01%) shall be the State Workforce
357 Investment contribution.

358 (ii) Mississippi Workforce Enhancement Training
359 contributions, State Workforce Investment contributions and
360 Mississippi Works contributions shall be collected at the
361 following rates:

362 1. For calendar year 2016 only, at a rate of
363 twenty-four one-hundredths percent (.24%), based upon taxable
364 wages, of which fifteen one-hundredths percent (.15%) shall be the
365 Workforce Enhancement Training contribution, one-hundredths of one
366 percent (.01%) shall be the State Workforce Investment
367 contribution and eight one-hundredths percent (.08%) shall be the
368 Mississippi Works contribution.

369 2. For calendar years subsequent to calendar
370 year 2016, at a rate of twenty one-hundredths percent (.20%),
371 based upon taxable wages, of which fifteen one-hundredths percent
372 (.15%) shall be the Workforce Enhancement Training contribution,
373 one-hundredths of one percent (.01%) shall be the State Workforce



374 Investment contribution and four one-hundredths percent (.04%)
375 shall be the Mississippi Works contribution. The Mississippi
376 Works contribution shall be collected for calendar years in which
377 the general experience ratio, adjusted on the basis of the trust
378 fund adjustment factor and reduced by fifty percent (50%), results
379 in a general experience rate of less than two-tenths percent
380 (.2%). In all other years the Mississippi Works contribution
381 shall not be in effect.

382 (iii) The Mississippi Workforce Enhancement
383 Training Fund contribution, the State Workforce Investment
384 contribution and the Mississippi Works contribution shall be in
385 addition to the general experience rate plus the individual
386 experience rate of all employers but shall not be charged to
387 reimbursing or rate-paying political subdivisions or institutions
388 of higher learning, or reimbursing nonprofit organizations, as
389 described in Sections 71-5-357 and 71-5-359.

390 (b) All Mississippi Workforce Enhancement Training
391 contributions, State Workforce Investment contributions and
392 Mississippi Works contributions collected shall be deposited
393 initially into the Mississippi Department of Employment Security
394 bank account for clearing contribution collections and shall
395 within two (2) business days be transferred to the Workforce
396 Investment and Training Holding Account. Any Mississippi
397 Workforce Enhancement Training Fund and/or State Workforce
398 Investment Board bank account and/or Mississippi Works Fund



399 transactions from the Mississippi Department of Employment
400 Security bank account for clearing contribution collections that
401 are deposited into the Workforce Investment and Training Fund
402 Holding Account and are not honored by a financial institution
403 will be transferred back to the Mississippi Department of
404 Employment Security bank account for clearing contribution
405 collections out of funds in the Mississippi Workforce Investment
406 and Training Fund Holding Account.

407 (c) Suspension of the Workforce Enhancement Training
408 Fund contributions required pursuant to this chapter shall occur
409 if the insured unemployment rate exceeds an average of five and
410 five-tenths percent (5.5%) for the three (3) consecutive months
411 immediately preceding the effective date of the new rate year
412 following such occurrence and shall remain suspended throughout
413 the duration of that rate year. Such suspension shall continue
414 until such time as the three (3) consecutive months immediately
415 preceding the effective date of the next rate year that has an
416 insured unemployment rate of less than an average of four and
417 five-tenths percent (4.5%). Upon such occurrence, reactivation
418 shall be effective upon the first day of the rate year following
419 the event that lifts suspension and shall be in effect for that
420 year and shall continue until such time as a subsequent suspension
421 event as described in this chapter occurs.

422 (d) Notwithstanding any other provision contained
423 herein, contribution collections for the State Workforce



424 Investment Fund, Mississippi Works Fund and Mississippi Workforce
425 Enhancement Training Fund shall not be suspended, under any
426 circumstances, for tax rate year 2021, and the resulting
427 contribution rate of twenty one-hundredths percent (.20%) shall be
428 added to the employer's general and individual experience rate to
429 obtain the total unemployment insurance rate for 2021.

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

434 **SECTION 3.** This act shall take effect and be in force from
435 and after July 1, 2023.

