

By: Representative Faulkner

To: Workforce Development;
Ways and Means

HOUSE BILL NO. 738

1 AN ACT TO BAN CRIMINAL HISTORY CHECKS AS PART OF THE
 2 PRELIMINARY JOB APPLICATION PROCESS EXCEPT AS REQUIRED BY LAW; TO
 3 AUTHORIZE AN INCOME TAX CREDIT FOR TAXPAYERS EMPLOYING PERSONS WHO
 4 HAVE BEEN CONVICTED OF A FELONY AND HAVE BEEN UNEMPLOYED FOR SIX
 5 CONSECUTIVE MONTHS IMMEDIATELY PRIOR TO BEING EMPLOYED BY SUCH
 6 TAXPAYERS; TO PROVIDE THE AMOUNT OF THE TAX CREDIT; TO LIMIT THE
 7 AMOUNT OF THE TAX CREDIT THAT MAY BE CLAIMED IN A TAXABLE YEAR; TO
 8 AUTHORIZE ANY TAX CREDIT CLAIMED BUT NOT USED IN ANY TAXABLE YEAR
 9 TO BE CARRIED FORWARD FOR FIVE CONSECUTIVE YEARS; AND FOR RELATED
 10 PURPOSES.

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

12 **SECTION 1.** (1) A public or private employer may not inquire
 13 into or consider or require disclosure of the criminal record or
 14 criminal history of an applicant for employment until the
 15 applicant has been selected for an interview by the employer or,
 16 if there is not an interview, before a conditional offer of
 17 employment is made to the applicant.

18 (2) This section does not apply to the Department of
 19 Corrections or to employers who have a statutory duty to conduct a
 20 criminal history background check or otherwise take into
 21 consideration a potential employee's criminal history during the
 22 hiring process.



23 (3) This section does not prohibit an employer from
24 notifying applicants that law or the employer's policy will
25 disqualify an individual with a particular criminal history
26 background from employment in particular positions.

27 **SECTION 2.** (1) Subject to the provisions of this section, a
28 taxpayer that employs a person who is a convicted felon who has
29 been unemployed for six (6) consecutive months immediately before
30 being employed by the taxpayer, including any time spent
31 incarcerated, shall be allowed an annual credit against the taxes
32 imposed under this chapter. The credit shall be for an annual
33 amount of Two Thousand Five Hundred Dollars (\$2,500.00) for five
34 (5) years for each person so employed and may be claimed by the
35 taxpayer once for each person hired. The tax credit may not be
36 claimed for hiring a person whose employment was previously
37 utilized to claim the tax credit. The tax credit shall not exceed
38 the amount of tax imposed upon the taxpayer for the taxable year
39 reduced by the sum of all other credits allowable to the taxpayer
40 under this chapter, except credit for tax payments made by or on
41 behalf of the taxpayer. Any tax credit claimed under this section
42 but not used in any taxable year may be carried forward for five
43 (5) consecutive years from the close of the tax year in which the
44 credits were earned. In order to be eligible to claim a tax
45 credit for an employee, the taxpayer must employ the employee for
46 at least six (6) consecutive months during the year for which the
47 credit is claimed and the employee must work an average of at



48 least thirty (30) hours per week for the taxpayer during that
49 time.

50 (2) The tax credits provided for in this section shall be in
51 addition to any other credit authorized under law.

52 (3) Any taxpayer who is eligible for the credit authorized
53 in this section before January 1, 2027, shall be eligible for the
54 credit authorized in this section, and shall be allowed to carry
55 forward the credit after January 1, 2027, as provided for in
56 subsection (1) of this section, notwithstanding the repeal of this
57 section as provided in subsection (4) of this section.

58 (4) This section shall be repealed from and after January 1,
59 2027.

60 **SECTION 3.** Section 2 of this act shall be codified as a new
61 section in Chapter 7, Title 27, Mississippi Code of 1972.

62 **SECTION 4.** Sections 2 and 3 of this act shall take effect
63 and be in force from and after January 1, 2023, and the remainder
64 of this act shall take effect and be in force from and after July
65 1, 2023.

