By: Representatives Bell (21st), McLean, Anthony

To: Workforce Development

HOUSE BILL NO. 1414
(As Passed the House)

AN ACT TO AMEND SECTIONS 71-5-353, 37-153-7 AND 71-5-453, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE MISSISSIPPI OFFICE OF WORKFORCE DEVELOPMENT SHALL ADMINISTER AND OVERSEE THE MISSISSIPPI WORKFORCE ENHANCEMENT TRAINING FUND; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 71-5-353, Mississippi Code of 1972, is amended as follows:

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

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

(2) (a) (i) There is hereby created in the Treasury of the State of Mississippi special funds to be known as the "Mississippi Workforce Enhancement Training Fund", the "Mississippi Works Fund" and the "Mississippi Office of Workforce Development Fund" which consist of funds collected pursuant to subsection (3) of this section and any other monies that may be appropriated to the funds from the Legislature.

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

1. Unemployment contributions;

2. Mississippi Workforce Enhancement Training contributions, Mississippi Office of Workforce Development contributions and the Mississippi Works contributions, known collectively as the Mississippi Workforce Investment and Training contributions, on a pro rata basis;

3. Interest and damages; then

4. Legal and processing costs.

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.

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

(b) Mississippi Workforce Enhancement Training contributions and Mississippi Office of Workforce Development contributions shall be distributed for calendar years after calendar year 2014 as follows, ninety-three and seventy-five one-hundredths percent (93.75%) shall be distributed to the Mississippi Workforce Enhancement Training Fund and the remainder shall be distributed to the Mississippi Office of Workforce Development Fund;

(c) All contributions collected for the State Workforce Enhancement Training Fund, the Mississippi Office of Workforce Development Fund and the Mississippi Works Fund will be initially deposited into the Mississippi Department of Employment Security bank account for clearing contribution collections and subsequently transferred to the Workforce Investment and Training Holding Account and will be held by the Mississippi Department of Employment Security in such account for a period of not less than thirty (30) days. After such period, the Mississippi Workforce Enhancement Training contributions *** * *** and the Mississippi Office of Workforce Development contributions shall be transferred to the Mississippi Office of Workforce Development Treasury Account and the Mississippi Works contributions shall be transferred to the Mississippi Department of Employment Security Mississippi Works Treasury Account. The Mississippi Office of Workforce Development contributions and the Mississippi Works contributions shall be transferred in the same ratio as each contribution type represents to the total authorized by paragraph (a)(ii)2 of this subsection to be collected for the period and within the time frame determined by the department; however, except in cases of extraordinary circumstances, these funds shall be transferred within fifteen (15) days. Interest earnings or interest credits on deposit amounts in the Workforce Investment and Training Holding Account shall be retained in the account to pay the banking costs of the account. If after the period of twelve (12) months interest earnings less banking costs exceeds Ten Thousand Dollars ($10,000.00), such excess amounts shall be transferred to the respective accounts within thirty (30) days following the end of each calendar year on the basis described in paragraph (b) of this subsection. Interest earnings and/or interest credits for the Mississippi Office of Workforce Development funds shall be used for the payment of banking costs and excess amounts shall be used in accordance with the rules and regulations of the Mississippi Office of Workforce Development expenditure policies.

(d) All enforcement procedures for the collection of delinquent unemployment contributions contained in Sections 71-5-363 through 71-5-383 shall be applicable in all respects for collections of delinquent unemployment insurance contributions designated for the Unemployment Compensation Fund, the Mississippi Workforce Enhancement Training Fund, the Mississippi Office of Workforce Development Fund and the Mississippi Works Fund.

(e) (i) Except as otherwise provided for in this subparagraph (i), all monies deposited into the Mississippi Workforce Enhancement Training Fund Treasury Account shall be directed by the Mississippi Office of Workforce Development *** * *** in accordance with the Workforce Training Act of 1994 (Section 37-153-1 et seq.) and under policies approved by the Mississippi Office of Workforce Development for the following purposes: to provide training in collaboration with the Mississippi Community College Board and individual community and junior colleges to employers and employees in order to enhance employee productivity. <u>The individual community and junior colleges shall be the primary entity to facilitate training.</u> Such training may be subject to a minimal administrative fee of not more than five percent (5%) to be paid from the Mississippi Workforce Enhancement Training Fund as established by the Office of Workforce Development. The initial priority of these funds shall be for the benefit of existing businesses located within the state. Employers may request training for existing employees and/or newly hired employees from the Mississippi Office of Workforce Development. The office *** * *** will be responsible for approving the training. A portion of the funds collected for the Mississippi Workforce Enhancement Training Fund shall be used for the development of performance measures to measure the effectiveness of the use of the Mississippi Workforce Enhancement Training Fund dollars. These performance measures shall be uniform for all training projects and shall be reported to the Governor, Lieutenant Governor, Speaker of the House, and members of the Legislature. Nothing in this section or elsewhere in law shall be interpreted as giving the Office of Workforce Development or State Workforce Investment Board authority to direct the Mississippi Community College Board or individual community or junior colleges on how to expend other funds, aside from funds appropriated to the Mississippi Workforce Enhancement Training Fund and Mississippi Works Fund, appropriated or received for workforce training. The Mississippi Office of Workforce Development, Mississippi Community College Board, individual community or junior colleges, State Workforce Investment Board<u>, the Mississippi Department of Education</u> and other agencies implementing or coordinating state-funded workforce development programs under state law shall cooperate with each other to promote effective workforce training in Mississippi, under the direction of the office. Any subsequent changes to these performance measures shall also be reported to the Governor, Lieutenant Governor, Speaker of the House, and members of the Legislature. A performance report for each training project and community college, based upon these measures, shall be submitted annually to the Governor, Lieutenant Governor, Speaker of the House, and members of the Legislature.

(ii) Except as otherwise provided in this paragraph (e), all funds deposited into the Mississippi Office of Workforce Development Fund shall be used for any of the following purposes: administration of State Workforce Investment Board business, the Office of Workforce Development, grants related to training, the Mississippi K-12 Workforce Development Grant Program, and other projects as determined appropriate by 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, in support of workforce training activities approved by the Mississippi Office of Workforce Development in support of economic development activities. Funds allocated by the executive director under this subparagraph (iii) shall only be utilized for the training of unemployed persons, for immediate training needs for the net new jobs created by an employer, for the retention of jobs, to create a work-ready applicant pool of Mississippians with credentials and/or postsecondary education in accordance with the state's Workforce Investment and Opportunity Act plan, or for the support of local economic and community development activities related to workforce development in the state. The Mississippi Office of Workforce Development, in collaboration with the Mississippi Public Community College System and its partners, shall be the primary entity to facilitate training. Training conducted utilizing these Mississippi Works funds may be subject to a minimal administrative fee of not more than five percent (5%) to be paid from the Mississippi Works Fund as authorized by the Mississippi Office of Workforce Development. All costs associated with the administration of these funds shall be reimbursed to the Mississippi Department of Employment Security from the Mississippi Works Fund.

(iv) 1. The Department of Employment Security shall be the fiscal agent for the receipt and disbursement of all funds remaining in the State Workforce Investment Board bank account, subject to the administrative oversight of the Office of Workforce Development. The Mississippi Department of Employment Security shall be the fiscal agent for all funds appropriated to it for use by the Office of Workforce Development.

2. The Office of Workforce Development, in coordination with the Mississippi Department of Employment Security as fiscal agent, shall ensure that any funds expended for contractual services rendered to the Office of Workforce Development over Five Thousand Dollars ($5,000.00) shall be paid only to service providers who have been selected on a competitive basis. Any contract for services entered into using funds appropriated to the Mississippi Department of Employment Security for the Office of Workforce Development shall meet the requirements established in policies approved by the State Workforce Investment Board's executive committee deemed to be practical, feasible and in the public interest.

3. Any commodities over Five Thousand Dollars ($5,000.00) procured for the office to further its purpose shall be procured competitively, in accordance with office policies approved by the State Workforce Investment Board's executive committee deemed to be practical, feasible and in the public interest.

(3) (a) (i) Mississippi Workforce Enhancement Training contributions and Mississippi Office of Workforce Development contributions shall be collected for calendar years after calendar year 2016 at a rate of twenty one-hundredths percent (.20%), based upon taxable wages, of which fifteen one-hundredths percent (.15%) shall be the Workforce Enhancement Training contribution, one-hundredths of one percent (.01%) shall be the Mississippi

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

(ii) The Mississippi Workforce Enhancement Training Fund contribution, the Mississippi Office of Workforce Development Fund contribution and the Mississippi Works contribution shall be in addition to the general experience rate plus the individual experience rate of all employers but shall not be charged to reimbursing or rate-paying political subdivisions or institutions of higher learning, or reimbursing nonprofit organizations, as described in Sections 71-5-357 and 71-5-359.

(b) All Mississippi Workforce Enhancement Training contributions, Mississippi Office of Workforce Development contributions and Mississippi Works contributions collected shall be deposited initially into the Mississippi Department of Employment Security bank account for clearing contribution collections and shall within two (2) business days be transferred to the Workforce Investment and Training Holding Account. Any Mississippi Workforce Enhancement Training Fund and/or Mississippi

Office of Workforce Development Fund and/or Mississippi Works Fund transactions from the Mississippi Department of Employment Security bank account for clearing contribution collections that are deposited into the Workforce Investment and Training Fund Holding Account and are not honored by a financial institution will be transferred back to the Mississippi Department of Employment Security bank account for clearing contribution collections out of funds in the Mississippi Workforce Investment and Training Fund Holding Account.

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

(d) Notwithstanding any other provision contained herein, contribution collections for the Mississippi Office of Workforce Development Fund, Mississippi Works Fund and Mississippi Workforce Enhancement Training Fund shall not be suspended, under any circumstances, for tax rate year 2021, and the resulting contribution rate of twenty one-hundredths percent (.20%) shall be added to the employer's general and individual experience rate to obtain the total unemployment insurance rate 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.

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

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

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

(a) The Governor, or his designee;

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

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

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

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

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

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

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

2. Includes a labor organization member or training director from an apprenticeship program in the state, which shall be a joint labor-management apprenticeship program if 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

4. 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 responsibility for core programs, and chief elected officials (collectively representing both cities and counties, where appropriate);

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

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

(e) The following state officials or their designees:

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

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

(iii) The State Superintendent of Public Education;

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

(v) The Executive Director of the Mississippi Community College Board;

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

(vii) The Commissioner of Higher Education.

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

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

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

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

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

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

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

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

(5) The Mississippi State Workforce Investment Board shall have the following duties, which are intended to be consistent with the scope of duties provided in the federal Workforce

Innovation and Opportunity Act, amendments and successor legislation to this act, and other relevant federal law:

(a) Through the office, develop and submit to the Governor, Lieutenant Governor and Speaker of the House a strategic plan for an integrated state workforce development system that aligns resources and structures the system to more effectively and efficiently meet the demands of Mississippi's employers and job seekers. This plan will comply with the federal Workforce Investment Act of 1998, as amended, the federal Workforce Innovation and Opportunity Act of 2014 and amendments and 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:

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

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

(c) Recommend to the office the designation of local workforce investment areas as required in Section 116 of the federal Workforce Investment Act of 1998 and the Workforce

Innovation and Opportunity Act of 2014. There shall be four (4) workforce investment areas that are generally aligned with the planning and development district structure in Mississippi. Planning and development districts will serve as the fiscal agents to manage Workforce Investment Act funds, oversee and support the local workforce investment boards aligned with the area and the local programs and activities as delivered by the one-stop employment and training system. The planning and development districts will perform this function through the provisions of the county cooperative service districts created under Sections 19-3-101 through 19-3-115; however, planning and development districts currently performing this function under the Interlocal Cooperation Act of 1974, Sections 17-13-1 through 17-13-17, may 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;

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

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

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

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

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

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

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

(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 article;

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

(i) To advise the Governor, public schools, community and 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;

(l) 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

(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.

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

(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 two (2) business representatives currently serving on the state board appointed by the Lieutenant Governor;

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

(e) 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 director shall have a bachelor's degree from a state-accredited institution and no less than eight (8) years of professional 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 executive committee;

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

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

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(*** * ***9) The office shall file an annual and a quarterly report with the Governor, Secretary of State, President of the Senate, Speaker of the House, Chairman of the House Workforce Development Committee and Chairman of the Senate Economic and

Workforce Development Committee. The annual report shall be filed 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 quarterly and annual reports 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;

(b) With respect to specific workforce training projects:

(i) The location of the training;

(ii) The amount allocated to the project;

(iii) The purpose of the project;

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

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

(vi) The types of funds used for the project;

(c) With respect to the grants that have been awarded under the Mississippi K-12 Workforce Development Grant Program created in Section 37-153-221:

(i) The entity that was awarded the grant;

(ii) The amount allocated to the grant;

(iii) The purpose of the grant;

(iv) How the grant has been used since it was awarded; and

(d) With respect to the office's authority to select tools and resources, including necessary online platforms and similar systems in furtherance of the mission of the office:

(i) The policies that the office has adopted or amended on the process for the selection of tools and resources, including necessary online platforms and similar systems in furtherance of the mission of the office;

(ii) The eligible entities that the office determined may provide services, such as companies, nonprofit organizations, or other similar groups;

(iii) Any tools and resources, including necessary online platforms and similar systems in furtherance of the mission of the office, that have been selected by the office; and

(iv) What entity received the benefit of the tools and resources that were selected.

(e) All information concerning a proposed project which is provided to the executive director shall be kept confidential. Except as provided in subsections (13) and (14), 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.

(* * *10) In addition to other powers and duties provided in this section, the Office of Workforce Development shall also have the following powers and duties:

(a) Direct access to accounting and banking statements for all funds under its direction to ensure accurate and efficient management of funds and to improve internal control;

(b) The ability to enter into nondisclosure agreements to effectively support economic development activities and the proprietary nature of customized training for existing and new industry;

(c) To adopt and promulgate such rules and regulations as may be necessary or desirable for the purpose of implementing the Mississippi K-12 Workforce Development Grant Program created in Section 37-153-221;

(d) To receive contributions, donations, gifts, bequests of money, other forms of financial assistance and property, equipment, materials or manpower from persons, foundations, trust funds, corporations, organizations and other sources, public or private, made to the office, and may expend or use the same in accordance with the conditions prescribed by the donor, provided that no such condition is contrary to any provision of law;

(e) To contract with state agencies, governing authorities or economic and workforce development entities for shared programmatic efforts and support service or joint employment of personnel in order to further the office's purposes;

(f) To determine, subject to appropriation, the need for and, if desired, the selection of tools and resources, including necessary online platforms and similar systems in furtherance of the mission of the office, through processes established in policies adopted by the office that are deemed to be practical, feasible and in the public interest. These processes shall outline eligible entities that may provide such services, such as companies, nonprofit organizations, or other similar groups and shall ensure the office determines metrics for success, including deliverables as required by the office;

(g) To implement the career coaching program provided for in Section 37-73-3;

(h) To provide career coaches with access to technology to develop customized career pathways and connect students with post-secondary and employment opportunities matching their skills and interests; and

(i) To implement and oversee programs providing support to community and junior colleges for training needs that may arise when new businesses locate in Mississippi, to include providing support to existing industries that may lose employees as a result of the new business.

Through December 31, 2026, the provisions of Section 27-104-7 related to rental agreements or leasing of real property for the purpose of conducting agency business shall not apply to the office.

(* * *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.

(* * *12) Any records of the office which contain client information from the Mississippi Development Authority or local economic development entities concerning development projects shall be exempt from the provisions of the Mississippi Public Records Act of 1983 for a period of two (2) years after receipt of the information by the office. Confidential client information as described in this section shall not include the information which must be disclosed by the certified applicant related to a qualified economic development project in the annual report described in Section 57-1-759.

(* * *13) Confidential client information in public records held by the office shall be exempt from the provisions of the Mississippi Public Records Act of 1983 during any period of review and negotiation on a project proposal facilitated by the Mississippi Development Authority or local economic development entities and for a period of thirty (30) days after approval, disapproval or abandonment of the proposal not to exceed one (1) year.

SECTION 3. Section 71-5-453, Mississippi Code of 1972, is amended as follows:

71-5-453. The department shall be the treasurer and custodian of the fund, and shall administer such fund in accordance with the directions of the department, and shall issue its warrants upon it in accordance with such regulations as the department shall prescribe. The department shall maintain within the fund three (3) separate accounts: (a) a clearing account, (b) an unemployment trust fund account, and (c) a benefit payment account. All monies payable to the fund, upon receipt thereof by the department, shall be immediately deposited in the clearing account. Refunds payable pursuant to Section 71-5-383 may be paid from the clearing account by the department. Transfers pursuant to Section 71-5-114 of all interest, penalties and damages collected shall be made to the Special Employment Security Administration Fund as soon as practicable after the end of each calendar quarter. Workforce Enhancement Training contributions, Mississippi Office of Workforce Development contributions and Mississippi Works contributions shall be deposited into the Workforce Investment and Training Holding Account as described in this section. All other monies in the clearing account shall be immediately deposited with the Secretary of the Treasury of the United States of America to the Unemployment Trust Fund account for the State of Mississippi, established and maintained pursuant to Section 904 of the Social Security Act, as amended, any provisions of law in this state relating to the deposit, administration, release or disbursement of monies in the possession or custody of this state to the contrary notwithstanding. The benefit account shall consist of all monies requisitioned from this state's account in the Unemployment Trust Fund. Except as herein otherwise provided, monies in the clearing and benefit accounts may be deposited by the department, in any bank or public depository in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of the fund. The department shall be liable for the faithful performance of its duties in connection with the Unemployment Compensation Fund under this chapter. A Workforce Investment and Training Holding Account shall be established by and maintained under the control of the Mississippi Department of Employment Security. Contributions collected pursuant to the provisions in this chapter for the Workforce Enhancement Training Fund, Mississippi Office of Workforce Development Fund and the Mississippi Works Fund shall be transferred from the clearing account into the Workforce Investment and Training Holding Account on the same schedule and under the same conditions as funds transferred to the Unemployment Compensation Fund. Such funds shall remain on deposit in the holding account for a period of thirty (30) days. After such period, Workforce Enhancement

Training contributions shall be transferred to the * * * Mississippi Office of Workforce Development Treasury Account for the Workforce Enhancement Training Fund. The Mississippi Office of Workforce Development contributions shall be transferred to the Mississippi Office of Workforce Development Treasury Account for the Mississippi Office of Workforce Development Fund. The Mississippi Works contributions shall be transferred to the Mississippi Department of Employment Security Treasury Account for the Mississippi Works Fund. Such transfers shall occur within fifteen (15) days after the funds have resided in the Workforce Investment and Training Holding Account for thirty (30) days. One (1) such transfer shall be made monthly, but the department, in its discretion, may make additional transfers in any month. In the event such funds transferred are subsequently determined to be erroneously paid or collected, or if deposit of such funds is denied or rejected by the banking institution for any reason, or deposits are unable to clear drawer's account for any reason, the funds must be reimbursed by the recipient of such funds within thirty (30) days of mailing of notice by the department demanding such refund, unless funds are available in the Workforce Investment and Training Holding Account. In that event such amounts shall be immediately withdrawn from the Workforce Investment and Training Holding Account by the department and redeposited into the clearing account.

SECTION 4. This act shall take effect and be in force from and after July 1, 2025.

ST: Workforce Enhancement Training Fund; revise administration of and make technical changes to.