

By: Senator(s) Parker, England, Blount,
Jackson (11th)

To: Economic and Workforce
Development

SENATE BILL NO. 2723
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 71-5-353, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE WAY IN WHICH MONIES IN THE MISSISSIPPI WORKS FUND
3 MAY BE SPENT; TO PROVIDE A MINIMUM OF \$5,000.00 FOR APPLICABILITY
4 OF THE REQUIREMENT THAT FUNDS EXPENDED FOR CONTRACTUAL SERVICES
5 RENDERED TO THE OFFICE OF WORKFORCE DEVELOPMENT BE PAID ONLY TO
6 SERVICE PROVIDERS WHO HAVE BEEN SELECTED ON A COMPETITIVE BASIS;
7 TO REVISE REQUIREMENTS FOR CONTRACTS FOR SERVICES ENTERED INTO
8 USING FUNDS FROM THE WORKFORCE INVESTMENT FUND BANK ACCOUNT; TO
9 AMEND SECTION 71-5-355, MISSISSIPPI CODE OF 1972, TO REVISE THE
10 DEFINITION OF "EXPOSURE CRITERION" BY DESIGNATING DECEMBER 31 AS
11 THE DATE FOR DETERMINING THE CASH BALANCE OF THE UNEMPLOYMENT
12 COMPENSATION FUND AVAILABLE FOR THE PAYMENT OF BENEFITS FOR
13 CALENDAR YEARS 2020 AND 2021; TO AMEND SECTION 43-17-1,
14 MISSISSIPPI CODE OF 1972, TO REQUIRE THE DEPARTMENT OF HUMAN
15 SERVICES TO COLLABORATE WITH THE OFFICE OF WORKFORCE DEVELOPMENT
16 ON TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) PROGRAMS RELATED
17 TO JOB PLACEMENT, JOB TRAINING AND JOB RETENTION; TO AMEND SECTION
18 47-5-541, MISSISSIPPI CODE OF 1972, AS AMENDED BY HOUSE BILL NO.
19 863, 2022 REGULAR SESSION, TO REQUIRE THE CHIEF EXECUTIVE OFFICER
20 OF THE CORPORATION FORMED UNDER THE MISSISSIPPI PRISON INDUSTRIES
21 ACT OF 1990 TO ESTABLISH EDUCATION, TRAINING AND WORKFORCE
22 DEVELOPMENT PROGRAMS IN COLLABORATION WITH THE OFFICE OF WORKFORCE
23 DEVELOPMENT AND OTHER RELEVANT STATE AND FEDERAL AGENCIES; AND FOR
24 RELATED PURPOSES.

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

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

28 71-5-353. (1) (a) Each employer shall pay unemployment
29 insurance contributions equal to five and four-tenths percent



30 (5.4%) of taxable wages paid by him each calendar year, except as
31 may be otherwise provided in Section 71-5-361 and except that each
32 newly subject employer shall pay unemployment insurance
33 contributions at the rate of one percent (1%) of taxable wages,
34 for his first year of liability, one and one-tenth percent (1.1%)
35 of taxable wages for his second year of liability, and one and
36 two-tenths percent (1.2%) of taxable wages for his third and
37 subsequent years of liability unless the employer's
38 experience-rating record has been chargeable throughout at least
39 the twelve (12) consecutive calendar months ending on the most
40 recent computation date at the time the rate for a year is
41 determined; thereafter the employer's contribution rate shall be
42 determined in accordance with the provisions of Section 71-5-355.

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



55 (2) (a) (i) There is hereby created in the Treasury of the
56 State of Mississippi special funds to be known as the "Mississippi
57 Workforce Enhancement Training Fund" and the "Mississippi Works
58 Fund" which consist of funds collected pursuant to subsection (3)
59 of this section.

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

- 68 1. Unemployment contributions;
- 69 2. Mississippi Workforce Enhancement Training
70 contributions, State Workforce Investment contributions and the
71 Mississippi Works contributions, known collectively as the
72 Mississippi Workforce Investment and Training contributions, on a
73 pro rata basis;
- 74 3. Interest and damages; then
- 75 4. Legal and processing costs.

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



79 that event, the amount due is the MLPP amount computed by the
80 department.

81 Cost of collection and administration of the Mississippi
82 Workforce Enhancement Training contribution, the State Workforce
83 Investment contribution and the Mississippi Works contribution
84 shall be allocated based on a plan approved by the United States
85 Department of Labor (USDOL). The Mississippi Community College
86 Board shall pay the cost of collecting the Mississippi Workforce
87 Enhancement Training contributions, the State Workforce Investment
88 Board shall pay the cost of collecting the State Workforce
89 Investment contributions and the Mississippi Department of
90 Employment Security shall pay the cost of collecting the
91 Mississippi Works contributions. Payments shall be made
92 semiannually with the cost allocated to each based on a USDOL
93 approved plan on a pro rata basis, for periods ending in June and
94 December of each year. Payment shall be made by each organization
95 to the department no later than sixty (60) days after the billing
96 date. Cost shall be allocated under the USDOL's approved plan and
97 in the same ratio as each contribution type represents to the
98 total authorized by subparagraph (ii)2 of this paragraph to be
99 collected for the period.

100 (b) Mississippi Workforce Enhancement Training
101 contributions and State Workforce Investment contributions shall
102 be distributed as follows:



103 (i) For calendar year 2014, ninety-four and
104 seventy-five one-hundredths percent (94.75%) shall be distributed
105 to the Mississippi Workforce Enhancement Training Fund and the
106 remainder shall be distributed to the State Workforce Investment
107 Board bank account;

108 (ii) For calendar years subsequent to calendar
109 year 2014, ninety-three and seventy-five one-hundredths percent
110 (93.75%) shall be distributed to the Mississippi Workforce
111 Enhancement Training Fund and the remainder shall be distributed
112 to the State Workforce Investment Board bank account;

113 (iii) Workforce Enhancement Training contributions
114 and State Workforce Investment contributions for calendar years
115 2014 and 2015 shall be distributed as provided in subparagraphs
116 (i) and (ii) of this paragraph regardless of when the
117 contributions were collected.

118 (c) All contributions collected for the State Workforce
119 Enhancement Training Fund, the State Workforce Investment Fund and
120 the Mississippi Works Fund will be initially deposited into the
121 Mississippi Department of Employment Security bank account for
122 clearing contribution collections and subsequently transferred to
123 the Workforce Investment and Training Holding Account and will be
124 held by the Mississippi Department of Employment Security in such
125 account for a period of not less than thirty (30) days. After
126 such period, the Mississippi Workforce Enhancement Training
127 contributions shall be transferred to the Mississippi Community



128 College Board Treasury Account, with oversight provided by the
129 Mississippi Office of Workforce Development, the State Workforce
130 Investment contributions and the Mississippi Works contributions
131 shall be transferred to the Mississippi Department of Employment
132 Security Mississippi Works Treasury Account in the same ratio as
133 each contribution type represents to the total authorized by
134 paragraph (a)(ii)2 of this subsection to be collected for the
135 period and within the time frame determined by the department;
136 however, except in cases of extraordinary circumstances, these
137 funds shall be transferred within fifteen (15) days. Interest
138 earnings or interest credits on deposit amounts in the Workforce
139 Investment and Training Holding Account shall be retained in the
140 account to pay the banking costs of the account. If after the
141 period of twelve (12) months interest earnings less banking costs
142 exceeds Ten Thousand Dollars (\$10,000.00), such excess amounts
143 shall be transferred to the respective accounts within thirty (30)
144 days following the end of each calendar year on the basis
145 described in paragraph (b) of this subsection. Interest earnings
146 and/or interest credits for the State Workforce Investments funds
147 shall be used for the payment of banking costs and excess amounts
148 shall be used in accordance with the rules and regulations of the
149 State Workforce Investment Board expenditure policies.

150 (d) All enforcement procedures for the collection of
151 delinquent unemployment contributions contained in Sections
152 71-5-363 through 71-5-383 shall be applicable in all respects for



153 collections of delinquent unemployment insurance contributions
154 designated for the Unemployment Compensation Fund, the Mississippi
155 Workforce Enhancement Training Fund, the State Workforce
156 Investment Board Fund and the Mississippi Works Fund.

157 (e) (i) Except as otherwise provided for in this
158 subparagraph (i), all monies deposited into the Mississippi
159 Workforce Enhancement Training Fund Treasury Account shall be
160 directed by the Mississippi Office of Workforce Development, in
161 collaboration with the Mississippi Community College Board, in
162 accordance with the Workforce Training Act of 1994 (Section
163 37-153-1 et seq.) and under policies approved by the Mississippi
164 Office of Workforce Development for the following purposes: to
165 provide training in collaboration with the Mississippi Community
166 College Board and individual community and junior colleges to
167 employers and employees in order to enhance employee productivity.
168 Such training may be subject to a minimal administrative fee to be
169 paid from the Mississippi Workforce Enhancement Training Fund as
170 established by the Office of Workforce Development. The initial
171 priority of these funds shall be for the benefit of existing
172 businesses located within the state. Employers may request
173 training for existing employees and/or newly hired employees from
174 the Mississippi Office of Workforce Development. The office, in
175 consultation with the Mississippi Community College Board, will be
176 responsible for approving the training. A portion of the funds
177 collected for the Mississippi Workforce Enhancement Training Fund



178 shall be used for the development of performance measures to
179 measure the effectiveness of the use of the Mississippi Workforce
180 Enhancement Training Fund dollars. These performance measures
181 shall be uniform for all training projects and shall be reported
182 to the Governor, Lieutenant Governor, Speaker of the House, and
183 members of the Legislature. Nothing in this section or elsewhere
184 in law shall be interpreted as giving the Office of Workforce
185 Development or State Workforce Investment Board authority to
186 direct the Mississippi Community College Board or individual
187 community or junior colleges on how to expend other funds, aside
188 from funds appropriated to the Mississippi Workforce Enhancement
189 Training Fund and Mississippi Works Fund, appropriated or received
190 for workforce training. The Mississippi Office of Workforce
191 Development, Mississippi Community College Board, individual
192 community or junior colleges, State Workforce Investment Board and
193 other agencies implementing or coordinating state-funded workforce
194 development programs under state law shall cooperate with each
195 other to promote effective workforce training in Mississippi,
196 under the direction of the office. Any subsequent changes to
197 these performance measures shall also be reported to the Governor,
198 Lieutenant Governor, Speaker of the House, and members of the
199 Legislature. A performance report for each training project and
200 community college, based upon these measures, shall be submitted
201 annually to the Governor, Lieutenant Governor, Speaker of the
202 House, and members of the Legislature.



203 (ii) Except as otherwise provided in this
204 paragraph (e), all funds deposited into the State Workforce
205 Investment Board bank account shall be used for administration of
206 State Workforce Investment Board business, the Office of Workforce
207 Development, grants related to training, and other projects as
208 determined appropriate by the State Workforce Investment Board and
209 shall be nonexpiring. Policies for grants and other projects
210 shall be approved through a majority vote of the State Workforce
211 Investment Board.

212 (iii) All funds deposited into the Mississippi
213 Department of Employment Security Mississippi Works Fund shall be
214 disbursed exclusively by the Executive Director of the Mississippi
215 Department of Employment Security, in accordance with the rules
216 and regulations promulgated by the Office of Workforce Development
217 in support of workforce training activities approved by the
218 Mississippi Office of Workforce Development in support of economic
219 development activities. Funds allocated by the executive director
220 under this subparagraph (iii) shall only be utilized for the
221 training of unemployed persons, for immediate training needs for
222 the net new jobs created by an employer, for the retention of
223 jobs, to create a work-ready applicant pool of Mississippians with
224 credentials and/or postsecondary education in accordance with the
225 state's Workforce Investment and Opportunity Act plan, or for the
226 support of local economic and community development activities
227 related to workforce development in the state. * * * The



228 Mississippi Office of Workforce Development, in collaboration with
229 the Mississippi Public Community College System and its partners,
230 shall be the primary entity to facilitate training. * * *
231 Training conducted utilizing these Mississippi Works funds may be
232 subject to a minimal administrative fee to be paid from the
233 Mississippi Works Fund as authorized by the Mississippi Office of
234 Workforce Development. All costs associated with the
235 administration of these funds shall be reimbursed to the
236 Mississippi Department of Employment Security from the Mississippi
237 Works Fund.

238 (iv) 1. The Department of Employment Security
239 shall be the fiscal agent for the receipt and disbursement of all
240 funds in the State Workforce Investment Board bank account,
241 subject to the administrative oversight of the Office of Workforce
242 Development.

243 2. In managing the State Workforce Investment
244 Board bank account, the Office of Workforce Development, in
245 coordination with the Mississippi Department of Employment
246 Security as fiscal agent, shall ensure that any funds expended for
247 contractual services rendered to the Office of Workforce
248 Development over Five Thousand Dollars (\$5,000.00) shall be paid
249 only to service providers who have been selected on a competitive
250 basis. Any contract for services entered into using funds from
251 the Workforce Investment Fund bank account shall * * * meet the
252 requirements for state contracts set out in Section 31-7-1 et seq.



253 3. Any commodities procured for the office
254 shall be procured in accordance with the provisions of Section
255 31-7-13.

256 (v) In addition to other expenditures, the Office
257 of Workforce Development shall expend from the State Workforce
258 Investment Board bank account for the use and benefit of the
259 Office of Workforce Development, such funds as are necessary to
260 prepare and develop a study of workforce development needs that
261 will consist of the following:

262 1. An identification of the state's workforce
263 development needs through a well-documented quantitative and
264 qualitative analysis of:

265 a. The current and projected workforce
266 training needs of existing and identified potential Mississippi
267 industries, with priority given to assessing the needs of existing
268 in-state industry and business. Where possible, the analysis
269 should include a verification and expansion of existing
270 information previously developed by workforce training and service
271 providers, as well as analysis of existing workforce data, such as
272 the data collected through the Statewide Longitudinal Data
273 System * * *;

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



278 factors currently limiting the state's ability to provide a
279 trained and ready workforce * * *; and

280 c. The needs of workforce service and
281 training providers in improving their ability to offer
282 industry-relevant training, including an assessment of the
283 practical limits of keeping training programs on the leading edge
284 and eliminating those programs with marginal workforce relevance.

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

288 a. Development of a list of
289 strengths/weaknesses/opportunities/threats (SWOT) of the current
290 workforce development delivery system relative to the identified
291 needs;

292 b. Identification of strategic options
293 for workforce development services based on the results of the
294 SWOT analysis; and

295 c. Development of results-oriented
296 measures for each option that can be baselined and, if
297 implemented, tracked over time, with quantifiable milestones and
298 goals.

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



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

304 4. Following the preparation of the report,
305 the State Workforce Investment Board shall make a recommendation
306 to the House and Senate Appropriations Committees on future uses
307 of funds deposited to the State Workforce Investment Fund account.
308 Such future uses may include:

309 a. The development of promotion
310 strategies for workforce development programs;

311 b. Initiatives designed to reduce the
312 state's dropout rate, including the development of a statewide
313 career awareness program;

314 c. The long-term monitoring of the
315 state's workforce development programs to determine whether they
316 are addressing the needs of business, industry, and the workers of
317 the state; and

318 d. The study of the potential
319 restructuring of the state's workforce programs and delivery
320 systems.

321 (3) (a) (i) Mississippi Workforce Enhancement Training
322 contributions and State Workforce Investment contributions shall
323 be collected at the following rates:

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



327 be the Workforce Enhancement Training contribution and
328 one-hundredths of one percent (.01%) shall be the State Workforce
329 Investment contribution; and

330 2. For calendar year 2015 only, the rate of
331 sixteen one-hundredths of one percent (.16%), based upon taxable
332 wages of which fifteen one-hundredths of one percent (.15%) shall
333 be the Workforce Enhancement Training contribution and
334 one-hundredths of one percent (.01%) shall be the State Workforce
335 Investment contribution.

336 (ii) Mississippi Workforce Enhancement Training
337 contributions, State Workforce Investment contributions and
338 Mississippi Works contributions shall be collected at the
339 following rates:

340 1. For calendar year 2016 only, at a rate of
341 twenty-four one-hundredths percent (.24%), based upon taxable
342 wages, of which fifteen one-hundredths percent (.15%) shall be the
343 Workforce Enhancement Training contribution, one-hundredths of one
344 percent (.01%) shall be the State Workforce Investment
345 contribution and eight one-hundredths percent (.08%) shall be the
346 Mississippi Works contribution.

347 2. For calendar years subsequent to calendar
348 year 2016, at a rate of twenty one-hundredths percent (.20%),
349 based upon taxable wages, of which fifteen one-hundredths percent
350 (.15%) shall be the Workforce Enhancement Training contribution,
351 one-hundredths of one percent (.01%) shall be the State Workforce



352 Investment contribution and four one-hundredths percent (.04%)
353 shall be the Mississippi Works contribution. The Mississippi
354 Works contribution shall be collected for calendar years in which
355 the general experience ratio, adjusted on the basis of the trust
356 fund adjustment factor and reduced by fifty percent (50%), results
357 in a general experience rate of less than two-tenths percent
358 (.2%). In all other years the Mississippi Works contribution
359 shall not be in effect.

360 (iii) The Mississippi Workforce Enhancement
361 Training Fund contribution, the State Workforce Investment
362 contribution and the Mississippi Works contribution shall be in
363 addition to the general experience rate plus the individual
364 experience rate of all employers but shall not be charged to
365 reimbursing or rate-paying political subdivisions or institutions
366 of higher learning, or reimbursing nonprofit organizations, as
367 described in Sections 71-5-357 and 71-5-359.

368 (b) All Mississippi Workforce Enhancement Training
369 contributions, State Workforce Investment contributions and
370 Mississippi Works contributions collected shall be deposited
371 initially into the Mississippi Department of Employment Security
372 bank account for clearing contribution collections and shall
373 within two (2) business days be transferred to the Workforce
374 Investment and Training Holding Account. Any Mississippi
375 Workforce Enhancement Training Fund and/or State Workforce
376 Investment Board bank account and/or Mississippi Works Fund



377 transactions from the Mississippi Department of Employment
378 Security bank account for clearing contribution collections that
379 are deposited into the Workforce Investment and Training Fund
380 Holding Account and are not honored by a financial institution
381 will be transferred back to the Mississippi Department of
382 Employment Security bank account for clearing contribution
383 collections out of funds in the Mississippi Workforce Investment
384 and Training Fund Holding Account.

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

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



402 Investment Fund, Mississippi Works Fund and Mississippi Workforce
403 Enhancement Training Fund shall not be suspended, under any
404 circumstances, for tax rate year 2021, and the resulting
405 contribution rate of twenty one-hundredths percent (.20%) shall be
406 added to the employer's general and individual experience rate to
407 obtain the total unemployment insurance rate for 2021.

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

412 **SECTION 2.** Section 71-5-355, Mississippi Code of 1972, is
413 amended as follows:

414 71-5-355. (1) As used in this section, the following words
415 and phrases shall have the following meanings, unless the context
416 clearly requires otherwise:

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

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

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

423 (d) Except as hereinafter provided, "payroll" means the
424 total of all wages paid for employment by an employer as defined
425 in Section 71-5-11, subsection H, plus the total of all
426 remuneration paid by such employer excluded from the definition of



427 wages by Section 71-5-351. For the computation of modified rates,
428 "payroll" means the total of all wages paid for employment by an
429 employer as defined in Section 71-5-11, subsection H.

430 (e) For the computation of modified rates, "eligible
431 employer" means an employer whose experience-rating record has
432 been chargeable with benefits throughout the thirty-six (36)
433 consecutive calendar-month period ending on the computation date,
434 except that any employer who has not been subject to the
435 Mississippi Employment Security Law for a period of time
436 sufficient to meet the thirty-six (36) consecutive calendar-month
437 requirement shall be an eligible employer if his or her
438 experience-rating record has been chargeable throughout not less
439 than the twelve (12) consecutive calendar-month period ending on
440 the computation date. No employer shall be considered eligible
441 for a contribution rate less than five and four-tenths percent
442 (5.4%) with respect to any tax year, who has failed to file any
443 two (2) quarterly reports within the qualifying period by
444 September 30 following the computation date. No employer or
445 employing unit shall be eligible for a contribution rate of less
446 than five and four-tenths percent (5.4%) for the tax year in which
447 the employing unit is found by the department to be in violation
448 of Section 71-5-19(2) or (3) and for the next two (2) succeeding
449 tax years. No representative of such employing unit who was a
450 party to a violation as described in Section 71-5-19(2) or (3), if
451 such representative was or is an employing unit in this state,



452 shall be eligible for a contribution rate of less than five and
453 four-tenths percent (5.4%) for the tax year in which such
454 violation was detected by the department and for the next two (2)
455 succeeding tax years.

456 (f) With respect to any tax year, "reserve ratio" means
457 the ratio which the total amount available for the payment of
458 benefits in the Unemployment Compensation Fund, excluding any
459 amount which has been credited to the account of this state under
460 Section 903 of the Social Security Act, as amended, and which has
461 been appropriated for the expenses of administration pursuant to
462 Section 71-5-457 whether or not withdrawn from such account, on
463 October 31 (close of business) of each calendar year bears to the
464 aggregate of the taxable payrolls of all employers for the twelve
465 (12) calendar months ending on June 30 next preceding.

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

470 (h) For the computation of modified rates, "qualifying
471 period" means a period of not less than the thirty-six (36)
472 consecutive calendar months ending on the computation date
473 throughout which an employer's experience-rating record has been
474 chargeable with benefits; except that with respect to any eligible
475 employer who has not been subject to this article for a period of
476 time sufficient to meet the thirty-six (36) consecutive



477 calendar-month requirement, "qualifying period" means the period
478 ending on the computation date throughout which his or her
479 experience-rating record has been chargeable with benefits, but in
480 no event less than the twelve (12) consecutive calendar-month
481 period ending on the computation date throughout which his or her
482 experience-rating record has been so chargeable.

483 (i) The "exposure criterion" (EC) is defined as the
484 cash balance of the Unemployment Compensation Fund which is
485 available for the payment of benefits as of November 16 of each
486 calendar year or the next working day if November 16 falls on a
487 holiday or a weekend, divided by the total wages, exclusive of
488 wages paid by all state agencies, all political subdivisions,
489 reimbursable nonprofit corporations, and tax-exempt public service
490 employment, for the twelve-month period ending June 30 immediately
491 preceding such date. The EC shall be computed to four (4) decimal
492 places and rounded up if any fraction remains. Notwithstanding
493 any other provision contained herein, the date for determining the
494 cash balance of the Unemployment Compensation Fund which is
495 available for the payment of benefits for the calendar years 2020
496 and 2021 shall be December 31.

497 (j) The "cost rate criterion" (CRC) is defined as
498 follows: Beginning with January 1974, the benefits paid for the
499 twelve-month period ending December 1974 are summed and divided by
500 the total wages for the twelve-month period ending on June 30,
501 1975. Similar ratios are computed by subtracting the earliest



502 month's benefit payments and adding the benefits of the next month
503 in the sequence and dividing each sum of twelve (12) months'
504 benefits by the total wages for the twelve-month period ending on
505 the June 30 which is nearest to the final month of the period used
506 to compute the numerator. If December is the final month of the
507 period used to compute the numerator, then the twelve-month period
508 ending the following June 30 will be used for the denominator.
509 Benefits and total wages used in the computation of the cost rate
510 criterion shall exclude all benefits and total wages applicable to
511 state agencies, political subdivisions, reimbursable nonprofit
512 corporations, and tax-exempt PSE employment.

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

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

521 (k) "Size of fund index" (SOFI) is defined as the ratio
522 of the exposure criterion (EC) to the cost rate criterion (CRC).
523 The target size of fund index will be fixed at 1.0. If the
524 insured unemployment rate (IUR) exceeds a four and five-tenths
525 percent (4.5%) average for the most recent completed July to June
526 period, the target SOFI will be .8 and will remain at that level



527 until the computed SOFI (the average exposure criterion of the
528 current year and the preceding year divided by the average cost
529 rate criterion) equals 1.0 or the average IUR falls to four and
530 five-tenths percent (4.5%) or less for any period July to June.
531 However, if the IUR falls below two and five-tenths percent (2.5%)
532 for any period July to June the target SOFI shall be 1.2 until
533 such time as the computed SOFI is equal to or greater than 1.0 or
534 the IUR is equal to or greater than two and five-tenths percent
535 (2.5%), at which point the target SOFI shall return to 1.0.

536 (1) No employer's unemployment contribution general
537 experience rate plus individual unemployment experience rate shall
538 exceed five and four-tenths percent (5.4%). Accrual rules shall
539 apply for purposes of computing contribution rates including
540 associated functions.

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

543 (2) Modified rates:

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

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



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

557 (ii) Benefits paid to an eligible individual shall
558 be charged against the experience-rating record of his or her base
559 period employers in the proportion to which the wages paid by each
560 base period employer bears to the total wages paid to the
561 individual by all the base period employers, provided that
562 benefits shall not be charged to an employer's experience-rating
563 record if the department finds that the individual:

564 1. Voluntarily left the employ of such
565 employer without good cause attributable to the employer or to
566 accept other work;

567 2. Was discharged by such employer for
568 misconduct connected with his or her work;

569 3. Refused an offer of suitable work by such
570 employer without good cause, and the department further finds that
571 such benefits are based on wages for employment for such employer
572 prior to such voluntary leaving, discharge or refusal of suitable
573 work, as the case may be;

574 4. Had base period wages which included wages
575 for previously uncovered services as defined in Section
576 71-5-511(e) to the extent that the Unemployment Compensation Fund



577 is reimbursed for such benefits pursuant to Section 121 of Public
578 Law 94-566;

579 5. Extended benefits paid under the
580 provisions of Section 71-5-541 which are not reimbursable from
581 federal funds shall be charged to the experience-rating record of
582 base period employers;

583 6. Is still working for such employer on a
584 regular part-time basis under the same employment conditions as
585 hired. Provided, however, that benefits shall be charged against
586 an employer if an eligible individual is paid benefits who is
587 still working for such employer on a part-time "as-needed" basis;

588 7. Was hired to replace a United States
589 serviceman or servicewoman called into active duty and was laid
590 off upon the return to work by that serviceman or servicewoman,
591 unless such employer is a state agency or other political
592 subdivision or instrumentality of the state;

593 8. Was paid benefits during any week while in
594 training with the approval of the department, under the provisions
595 of Section 71-5-513B, or for any week while in training approved
596 under Section 236(a)(1) of the Trade Act of 1974, under the
597 provisions of Section 71-5-513C;

598 9. Is not required to serve the one-week
599 waiting period as described in Section 71-5-505(2). In that
600 event, only the benefits paid in lieu of the waiting period week
601 may be noncharged; or



602 10. Was paid benefits as a result of a
603 fraudulent claim, provided notification was made to the
604 Mississippi Department of Employment Security in writing or by
605 email by the employer, within ten (10) days of the mailing of the
606 notice of claim filed to the employer's last-known address.

607 (iii) Notwithstanding any other provision
608 contained herein, an employer shall not be noncharged when the
609 department finds that the employer or the employer's agent of
610 record was at fault for failing to respond timely or adequately to
611 the request of the department for information relating to an
612 unemployment claim that was subsequently determined to be
613 improperly paid, unless the employer or the employer's agent of
614 record shows good cause for having failed to respond timely or
615 adequately to the request of the department for information. For
616 purposes of this subparagraph "good cause" means an event that
617 prevents the employer or employer's agent of record from timely
618 responding, and includes a natural disaster, emergency or similar
619 event, or an illness on the part of the employer, the employer's
620 agent of record, or their staff charged with responding to such
621 inquiries when there is no other individual who has the knowledge
622 or ability to respond. Any agency error that resulted in a delay
623 in, or the failure to deliver notice to, the employer or the
624 employer's agent of record shall also be considered good cause for
625 purposes of this subparagraph.



626 (iv) The department shall compute a benefit ratio
627 for each eligible employer, which shall be the quotient obtained
628 by dividing the total benefits charged to his or her
629 experience-rating record during the period his or her
630 experience-rating record has been chargeable, but not less than
631 the twelve (12) consecutive calendar-month period nor more than
632 the thirty-six (36) consecutive calendar-month period ending on
633 the computation date, by his or her total taxable payroll for the
634 same period on which all unemployment insurance contributions due
635 have been paid on or before the September 30 immediately following
636 the computation date. Such benefit ratio shall be computed to the
637 tenth of a percent (.1%), rounding any remainder to the next
638 higher tenth.

639 (v) 1. The unemployment insurance contribution
640 rate for each eligible employer shall be the sum of two (2) rates:
641 his or her individual experience rate in the range from zero
642 percent (0%) to five and four-tenths percent (5.4%), plus a
643 general experience rate. In no event shall the resulting
644 unemployment insurance rate be in excess of five and four-tenths
645 percent (5.4%), however, it is the intent of this section to
646 provide the ability for employers to have a tax rate, the general
647 experience rate plus the individual experience rate, of up to five
648 and four-tenths percent (5.4%).



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

652 3. The general experience rate shall be
653 determined in the following manner: The department shall
654 determine annually, for the thirty-six (36) consecutive
655 calendar-month period ending on the computation date, the amount
656 of benefits which were not charged to the record of any employer
657 and of benefits which were ineffectively charged to the employer's
658 experience-rating record. For the purposes of this item 3, the
659 term "ineffectively charged benefits" shall include:

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

664 b. The total of the amounts of benefits
665 charged to the experience-rating records of all ineligible
666 employers which would cause their benefit ratios to exceed five
667 and four-tenths percent (5.4%) if they were eligible employers;
668 and

669 c. The total of the amounts of benefits
670 charged or chargeable to the experience-rating record of any
671 employer who has discontinued his or her business or whose
672 coverage has been terminated within such period; provided, that
673 solely for the purposes of determining the amounts of



674 ineffectively charged benefits as herein defined, a "benefit
675 ratio" shall be computed for each ineligible employer, which shall
676 be the quotient obtained by dividing the total benefits charged to
677 his or her experience-rating record throughout the period ending
678 on the computation date, during which his or her experience-rating
679 record has been chargeable with benefits, by his or her total
680 taxable payroll for the same period on which all unemployment
681 insurance contributions due have been paid on or before the
682 September 30 immediately following the computation date; and
683 provided further, that such benefit ratio shall be computed to the
684 tenth of one percent (.1%) and any remainder shall be rounded to
685 the next higher tenth.

686 The ratio of the sum of these amounts (subsection
687 (2) (b) (v) 3a, b and c) to the taxable wages paid during the same
688 period divided by all eligible employers whose benefit ratio did
689 not exceed five and four-tenths percent (5.4%), computed to the
690 next higher tenth of one percent (.1%), shall be the general
691 experience rate; however, the general experience rate for rate
692 year 2014 shall be two tenths of one percent (.2%) and to that
693 will be added the employer's individual experience rate for the
694 total unemployment insurance rate.

695 4. a. Except as otherwise provided in this
696 item 4, the general experience rate shall be adjusted by use of
697 the size of fund index factor. This factor may be positive or
698 negative, and shall be determined as follows: From the target



699 SOFI, as defined in subsection (1)(k) of this section, subtract
700 the simple average of the current and preceding years' exposure
701 criterions divided by the cost rate criterion, as defined in
702 subsection (1)(j) of this section. The result is then multiplied
703 by the product of the CRC, as defined in subsection (1)(j) of this
704 section, and total wages for the twelve-month period ending June
705 30 divided by the taxable wages for the twelve-month period ending
706 June 30. This is the percentage positive or negative added to the
707 general experience rate. The sum of the general experience rate
708 and the trust fund adjustment factor shall be multiplied by fifty
709 percent (50%) and this product shall be computed to one (1)
710 decimal place, and rounded to the next higher tenth.

711 b. Notwithstanding the minimum rate
712 provisions as set forth in subsection (1)(l) of this section, the
713 general experience rate of all employers shall be reduced by seven
714 one-hundredths of one percent (.07%) for calendar year 2013 only.

715 5. The general experience rate shall be zero
716 percent (0%) unless the general experience ratio for any tax year
717 as computed and adjusted on the basis of the trust fund adjustment
718 factor and reduced by fifty percent (50%) is an amount equal to or
719 greater than two-tenths of one percent (.2%), then the general
720 experience rate shall be the computed general experience ratio and
721 adjusted on the basis of the trust fund adjustment factor and
722 reduced by fifty percent (50%); however, in no case shall the sum
723 of the general experience plus the individual experience



724 unemployment insurance rate exceed five and four-tenths percent
725 (5.4%). For rate years subsequent to 2014, Mississippi Workforce
726 Enhancement Training contribution rate, and/or State Workforce
727 Investment contribution rate, and/or Mississippi Works
728 contribution rate, when in effect, shall be added to the
729 unemployment contribution rate, regardless of whether the addition
730 of this contribution rate causes the total contribution rate for
731 the employer to exceed five and four-tenths percent (5.4%).

732 6. The department shall include in its annual
733 rate notice to employers a brief explanation of the elements of
734 the general experience rate, and shall include in its regular
735 publications an annual analysis of benefits not charged to the
736 record of any employer, and of the benefit experience of employers
737 by industry group whose benefit ratio exceeds four percent (4%),
738 and of any other factors which may affect the size of the general
739 experience rate.

740 7. Notwithstanding any other provision
741 contained herein, the general experience rate for calendar year
742 2021 shall be zero percent (0%). Charges attributed to each
743 employer's individual experience rate for the period March 8,
744 2020, through June 30, 2020, will not impact the employer's
745 individual experience rate calculations for purposes of
746 calculating the total unemployment insurance rate for 2021 and the
747 two (2) subsequent tax rate years. Moreover, charges attributed
748 to each employer's individual experience rate for the period July



749 1, 2020, through December 31, 2020, will not impact the employer's
750 individual experience rate calculations for purposes of
751 calculating the total unemployment insurance rate for 2022 and the
752 two (2) subsequent tax rate years.

753 (vi) When any employing unit in any manner
754 succeeds to or acquires the organization, trade, business or
755 substantially all the assets thereof of an employer, excepting any
756 assets retained by such employer incident to the liquidation of
757 his or her obligations, whether or not such acquiring employing
758 unit was an employer within the meaning of Section 71-5-11,
759 subsection H, prior to such acquisition, and continues such
760 organization, trade or business, the experience-rating and payroll
761 records of the predecessor employer shall be transferred as of the
762 date of acquisition to the successor employer for the purpose of
763 rate determination.

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

- 769 1. The mutual consent of the predecessor and
770 the successor;
- 771 2. Approval of the department;
- 772 3. Continued operation of the transferred
773 portion by the successor after transfer; and



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

779 (viii) If the successor was an employer subject to
780 this chapter prior to the date of acquisition, it shall continue
781 to pay unemployment insurance contributions at the rate applicable
782 to it from the date the acquisition occurred until the end of the
783 then current tax year. If the successor was not an employer prior
784 to the date of acquisition, it shall pay unemployment insurance
785 contributions at the rate applicable to the predecessor or, if
786 more than one (1) predecessor and the same rate is applicable to
787 both, the rate applicable to the predecessor or predecessors, from
788 the date the acquisition occurred until the end of the then
789 current tax year. If the successor was not an employer prior to
790 the date the acquisition occurred and simultaneously acquires the
791 businesses of two (2) or more employers to whom different rates of
792 unemployment insurance contributions are applicable, it shall pay
793 unemployment insurance contributions from the date of the
794 acquisition until the end of the current tax year at a rate
795 computed on the basis of the combined experience-rating and
796 payroll records of the predecessors as of the computation date for
797 such tax year. In all cases the rate of unemployment insurance
798 contributions applicable to such successor for each succeeding tax



799 year shall be computed on the basis of the combined
800 experience-rating and payroll records of the successor and the
801 predecessor or predecessors.

802 (ix) The department shall notify each employer
803 quarterly of the benefits paid and charged to his or her
804 experience-rating record; and such notification, in the absence of
805 an application for redetermination filed within thirty (30) days
806 after the date of such notice, shall be final, conclusive and
807 binding upon the employer for all purposes. A redetermination,
808 made after notice and opportunity for a fair hearing, by a hearing
809 officer designated by the department who shall consider and decide
810 these and related applications and protests; and the finding of
811 fact in connection therewith may be introduced into any subsequent
812 administrative or judicial proceedings involving the determination
813 of the rate of unemployment insurance contributions of any
814 employer for any tax year, and shall be entitled to the same
815 finality as is provided in this subsection with respect to the
816 findings of fact in proceedings to redetermine the contribution
817 rate of an employer.

818 (x) The department shall notify each employer of
819 his or her rate of contribution as determined for any tax year as
820 soon as reasonably possible after September 1 of the preceding
821 year. Such determination shall be final, conclusive and binding
822 upon such employer unless, within thirty (30) days after the date
823 of such notice to his or her last-known address, the employer



824 files with the department an application for review and
825 redetermination of his or her contribution rate, setting forth his
826 or her reasons therefor. If the department grants such review,
827 the employer shall be promptly notified thereof and shall be
828 afforded an opportunity for a fair hearing by a hearing officer
829 designated by the department who shall consider and decide these
830 and related applications and protests; but no employer shall be
831 allowed, in any proceeding involving his or her rate of
832 unemployment insurance contributions or contribution liability, to
833 contest the chargeability to his or her account of any benefits
834 paid in accordance with a determination, redetermination or
835 decision pursuant to Sections 71-5-515 through 71-5-533 except
836 upon the ground that the services on the basis of which such
837 benefits were found to be chargeable did not constitute services
838 performed in employment for him or her, and then only in the event
839 that he or she was not a party to such determination,
840 redetermination, decision or to any other proceedings provided in
841 this chapter in which the character of such services was
842 determined. The employer shall be promptly notified of the denial
843 of this application or of the redetermination, both of which shall
844 become final unless, within ten (10) days after the date of notice
845 thereof, there shall be an appeal to the department itself. Any
846 such appeal shall be on the record before said designated hearing
847 officer, and the decision of said department shall become final
848 unless, within thirty (30) days after the date of notice thereof



849 to the employer's last-known address, there shall be an appeal to
850 the Circuit Court of the First Judicial District of Hinds County,
851 Mississippi, in accordance with the provisions of law with respect
852 to review of civil causes by certiorari.

853 (3) Notwithstanding any other provision of law, the
854 following shall apply regarding assignment of rates and transfers
855 of experience:

856 (a) (i) If an employer transfers its trade or
857 business, or a portion thereof, to another employer and, at the
858 time of the transfer, there is substantially common ownership,
859 management or control of the two (2) employers, then the
860 unemployment experience attributable to the transferred trade or
861 business shall be transferred to the employer to whom such
862 business is so transferred. The rates of both employers shall be
863 recalculated and made effective on January 1 of the year following
864 the year the transfer occurred.

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

872 (b) Whenever a person who is not an employer or an
873 employing unit under this chapter at the time it acquires the



874 trade or business of an employer, the unemployment experience of
875 the acquired business shall not be transferred to such person if
876 the department finds that such person acquired the business solely
877 or primarily for the purpose of obtaining a lower rate of
878 unemployment insurance contributions. Instead, such person shall
879 be assigned the new employer rate under Section 71-5-353, unless
880 assignment of the new employer rate results in an increase of less
881 than two percent (2%), in which case such person would be assigned
882 the new employer rate plus an additional two percent (2%) penalty
883 for the rate year. In determining whether the business was
884 acquired solely or primarily for the purpose of obtaining a lower
885 rate of unemployment insurance contributions, the department shall
886 use objective factors which may include the cost of acquiring the
887 business, whether the person continued the business enterprise of
888 the acquired business, how long such business enterprise was
889 continued, or whether a substantial number of new employees were
890 hired for performance of duties unrelated to the business activity
891 conducted prior to acquisition.

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



898 1. If the person is an employer, then such
899 employer shall be assigned the highest rate assignable under this
900 chapter for the rate year during which such violation or attempted
901 violation occurred and the three (3) rate years immediately
902 following this rate year. However, if the person's business is
903 already at such highest rate for any year, or if the amount of
904 increase in the person's rate would be less than two percent (2%)
905 for such year, then the person's tax rate shall be increased by
906 two percent (2%) for such year. The penalty rate will apply to
907 the successor business as well as the related entity from which
908 the employees were transferred in an effort to obtain a lower rate
909 of unemployment insurance contributions.

910 2. If the person is not an employer, such
911 person shall be subject to a civil money penalty of not more than
912 Five Thousand Dollars (\$5,000.00). Each such transaction for
913 which advice was given and each occurrence or reoccurrence after
914 notification being given by the department shall be a separate
915 offense and punishable by a separate penalty. Any such fine shall
916 be deposited in the penalty and interest account established under
917 Section 71-5-114.

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



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

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

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

935 (e) For purposes of this subsection:

936 (i) "Person" has the meaning given such term by
937 Section 7701(a)(1) of the Internal Revenue Code of 1986; and

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

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

944 **SECTION 3.** Section 43-17-1, Mississippi Code of 1972, is
945 amended as follows:



946 43-17-1. (1) The State of Mississippi hereby accepts all of
947 the mandatory provisions and benefits, with the exception of those
948 provisions under which the state may exercise its options, of
949 Title I of an act passed by the Senate and House of
950 Representatives of the United States of America, in Congress
951 assembled, entitled: "The Personal Responsibility and Work
952 Opportunity Reconciliation Act of 1996 (Public Law 104-193)," and
953 known as the Temporary Assistance * * * for Needy Families (TANF)
954 program.

955 (2) The Department of Human Services shall have all
956 necessary authority to cooperate with the federal government in
957 the administration of Public Law 104-193 and all subsequent
958 federal amendments thereto, to administer any legislation pursuant
959 thereto enacted by the State of Mississippi, and to administer the
960 funds provided by the federal government and the State of
961 Mississippi under the provisions of Section 43-17-1 et seq., for
962 providing temporary assistance for needy families with minor
963 children. The Department of Human Services shall have full
964 authority to formulate state plans consistent with state law as
965 necessary to administer and operate federal grant funds which
966 provide temporary assistance for needy families with minor
967 children under Title IV-A of the federal Social Security Act. The
968 Department of Human Services shall identify in any state plan
969 submitted to implement the TANF program those requirements or
970 restrictions, including persons excluded from program



971 participation which are required under federal law, and those
972 program requirements or restrictions which the federal law
973 authorizes but does not require.

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

978 (4) The purpose of the Mississippi Temporary
979 Assistance * * * for Needy Families (TANF) program shall be to:

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

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

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

991 (d) Encourage the formation and maintenance of
992 two-parent families; and

993 (e) Prevent program fraud and abuse.

994 (5) The Department of Human Services shall develop outcome
995 and output indicators for each program established under the



996 authority of this section. These measures shall provide
997 legislators and administrators with information which measures the
998 success or failure of the department in implementing the programs
999 implemented under the authority of this section. The department
1000 shall annually report to the Legislature the outputs and outcomes
1001 of these programs, with the first report due by December 15, 1997.
1002 Such reports shall include recommendations for making programs
1003 more effective or efficient which can be effected in accordance
1004 with federal law.

1005 (6) Assistance may be granted under this chapter to any
1006 dependent child and a caretaker relative who are living in a
1007 suitable family home meeting the standards of care and health and
1008 work requirements fixed by the laws of this state, and the rules
1009 and regulations of the State Department of Human Services.

1010 (7) The Department of Human Services shall collaborate with
1011 the Office of Workforce Development on TANF programs related to
1012 job placement, job training and job retention.

1013 **SECTION 4.** Section 47-5-541, Mississippi Code of 1972, as
1014 amended by House Bill No. 863, 2022 Regular Session, is amended as
1015 follows:

1016 47-5-541. (1) The corporation shall be governed by a board
1017 of directors. The terms of the board of directors in place before
1018 July 1, 2022, shall expire June 30, 2022. From and after July 1,
1019 2022, the board of directors of the nonprofit corporation shall be
1020 composed of the following * * * five (5) members * * *: * * *



1021 (a) The Commissioner of the Department of Corrections
1022 or his or her designee;

1023 (b) One (1) representative of the faith-based
1024 community, appointed by the Commissioner of the Department of
1025 Corrections with the advice and consent of the Senate;

1026 (c) One (1) representative of the business community,
1027 appointed by the Commissioner of the Department of Corrections
1028 with the advice and consent of the Senate;

1029 (d) The Executive Director of AccelerateMS or his or
1030 her designee; and

1031 (e) The Executive Director of the Mississippi Community
1032 College Board or his or her designee.

1033 * * * For the initial appointments, * * * the
1034 representative of the faith-based community shall serve for a term
1035 of one (1) year; the representative of the business community
1036 shall serve for a term of two (2) years; the Executive Director of
1037 the AccelerateMS or his or her designee shall serve for a term of
1038 three (3) years and the Executive Director of the Mississippi
1039 Community College Board shall serve for a term of four (4) years.

1040 All succeeding terms shall be for four (4) years from the
1041 expiration date of the previous term. The term of the
1042 Commissioner of Corrections shall run concurrent with his or her
1043 term or terms as commissioner. Initial appointments shall be made
1044 within thirty (30) days after * * * July 1, 2022. * * * Any
1045 vacancy on the board prior to the expiration of a term for any



1046 reason, including resignation, removal, disqualification, death or
1047 disability shall be filled in the manner prescribed in paragraphs
1048 (a) through (e) of this subsection for the balance of the
1049 unexpired term. The officers of the corporation shall consist of
1050 a chairman, vice chairman and a secretary-treasurer. The officers
1051 shall be selected by the members of the board. However, the
1052 Commissioner of Corrections * * * shall not be eligible to serve
1053 as an officer of the corporation.

1054 (2) The board of directors shall select and employ a chief
1055 executive officer of the corporation who shall serve at the
1056 pleasure of the board. The board shall set the compensation of
1057 the chief executive officer. The chief executive officer shall be
1058 responsible for the general business and entire operations of the
1059 corporation, and shall be responsible for operating the
1060 corporation in compliance with the bylaws of the corporation and
1061 in compliance with any provision of law. The board shall be
1062 authorized and empowered to do only those acts provided by law and
1063 by the bylaws of the corporation. Except as otherwise
1064 specifically provided by law, such board shall have the authority
1065 to establish prison industries, to cease the operation of any
1066 industry which it deems unsuitable or unprofitable, to enter into
1067 any lease or contract for the corporation and it shall have the
1068 full authority to establish prices for any industry good.

1069 (3) No member of the board of directors shall vote on any
1070 matter that comes before the board that could result in pecuniary



1071 benefit for himself or for any entity in which such member has an
1072 interest.

1073 (4) In addition to the board of directors, an advisory board
1074 may be set up for the benefit of each industry which is
1075 established pursuant to the provisions of Sections 47-5-531
1076 through 47-5-575. Such boards shall be advisory only, and may be
1077 set up in the discretion of the board of directors of the
1078 corporation.

1079 (5) Each member of the board of directors of the corporation
1080 shall receive per diem as provided in Section 25-3-69 for each day
1081 or fraction thereof spent in actual discharge of his official
1082 duties and shall be reimbursed for mileage and actual expenses
1083 incurred in the performance of his official duties in accordance
1084 with the requirements of Section 25-3-41, Mississippi Code of
1085 1972.

1086 (6) The board of directors shall make and publish policies,
1087 rules and regulations governing all business functions, including
1088 but not limited to accounting, marketing, purchasing and
1089 personnel, not inconsistent with the terms of Sections 47-5-531
1090 through 47-5-575, as may be necessary for the efficient
1091 administration and operation of the corporation.

1092 (7) The chief executive officer of the corporation shall:

1093 (a) Employ all necessary employees of the corporation
1094 and dismiss them as is necessary;



1095 (b) Administer the daily operations of the corporation,
1096 including establishing education, training and workforce
1097 development programs in collaboration with the Office of Workforce
1098 Development and other relevant state and federal agencies;

1099 (c) Upon approval of the board of directors, execute
1100 any contracts on behalf of the corporation; and

1101 (d) Take any further actions which are necessary and
1102 proper toward the achievement of the corporation purposes.

1103 (8) A member of the board of directors of the corporation
1104 shall not be liable for any civil damages for any personal injury
1105 or property damage caused to a person as a result of any acts or
1106 omissions committed in good faith in the exercise of their duties
1107 as members of the board of directors of the corporation, except
1108 where a member of the board engages in acts or omissions which are
1109 intentional, willful, wanton, reckless or grossly negligent.

1110 **SECTION 5.** This act shall take effect and be in force from
1111 and after July 1, 2022.

