

By: Representative Hines

To: Public Health and Human Services; Appropriations A

HOUSE BILL NO. 554

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

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

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



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

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

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

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

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



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

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



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

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

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

102 The amount of unemployment insurance contributions due for
103 any period will be the amount due according to the actual



104 computations unless the employer is participating in the MLPP. In
105 that event, the amount due is the MLPP amount computed by the
106 department.

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

126 (b) Mississippi Workforce Enhancement Training
127 contributions and Mississippi Office of Workforce Development
128 contributions shall be distributed for calendar years after



129 calendar year 2014 as follows, ninety-three and seventy-five
130 one-hundredths percent (93.75%) shall be distributed to the
131 Mississippi Workforce Enhancement Training Fund and the remainder
132 shall be distributed to the Mississippi Office of Workforce
133 Development Fund;

134 (c) All contributions collected for the State Workforce
135 Enhancement Training Fund, the Mississippi Office of Workforce
136 Development Fund and the Mississippi Works Fund will be initially
137 deposited into the Mississippi Department of Employment Security
138 bank account for clearing contribution collections and
139 subsequently transferred to the Workforce Investment and Training
140 Holding Account and will be held by the Mississippi Department of
141 Employment Security in such account for a period of not less than
142 thirty (30) days. After such period, the Mississippi Workforce
143 Enhancement Training contributions shall be transferred to the
144 Mississippi Community College Board Treasury Account, with
145 oversight provided by the Mississippi Office of Workforce
146 Development, the Mississippi Office of Workforce Development
147 contributions shall be transferred to the Mississippi Office of
148 Workforce Development Treasury Account and the Mississippi Works
149 contributions shall be transferred to the Mississippi Department
150 of Employment Security Mississippi Works Treasury Account. The
151 Mississippi Office of Workforce Development contributions and the
152 Mississippi Works contributions shall be transferred in the same
153 ratio as each contribution type represents to the total authorized



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

171 (d) All enforcement procedures for the collection of
172 delinquent unemployment contributions contained in Sections
173 71-5-363 through 71-5-383 shall be applicable in all respects for
174 collections of delinquent unemployment insurance contributions
175 designated for the Unemployment Compensation Fund, the Mississippi
176 Workforce Enhancement Training Fund, the Mississippi Office of
177 Workforce Development Fund and the Mississippi Works Fund.



178 (e) (i) Except as otherwise provided for in this
179 subparagraph (i), all monies deposited into the Mississippi
180 Workforce Enhancement Training Fund Treasury Account shall be
181 directed by the Mississippi Office of Workforce Development, in
182 collaboration with the Mississippi Community College Board, in
183 accordance with the Workforce Training Act of 1994 (Section
184 37-153-1 et seq.) and under policies approved by the Mississippi
185 Office of Workforce Development for the following purposes: to
186 provide training in collaboration with the Mississippi Community
187 College Board and individual community and junior colleges to
188 employers and employees in order to enhance employee productivity.
189 Such training may be subject to a minimal administrative fee of
190 not more than five percent (5%) to be paid from the Mississippi
191 Workforce Enhancement Training Fund as established by the Office
192 of Workforce Development. The initial priority of these funds
193 shall be for the benefit of existing businesses located within the
194 state. Employers may request training for existing employees
195 and/or newly hired employees from the Mississippi Office of
196 Workforce Development. The office, in consultation with the
197 Mississippi Community College Board, will be responsible for
198 approving the training. A portion of the funds collected for the
199 Mississippi Workforce Enhancement Training Fund shall be used for
200 the development of performance measures to measure the
201 effectiveness of the use of the Mississippi Workforce Enhancement
202 Training Fund dollars. These performance measures shall be



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

225 (ii) Except as otherwise provided in this
226 paragraph (e), all funds deposited into the Mississippi Office of
227 Workforce Development Fund shall be used for any of the following



228 purposes: administration of State Workforce Investment Board
229 business, the Office of Workforce Development, grants related to
230 training, the Mississippi K-12 Workforce Development Grant
231 Program, and other projects as determined appropriate by the
232 Office of Workforce Development. Any funds remaining in the State
233 Workforce Investment board bank account on June 30, 2023, shall be
234 transferred to the Mississippi Office of Workforce Development
235 Fund.

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



253 Mississippi Public Community College System and its partners,
254 shall be the primary entity to facilitate training. Training
255 conducted utilizing these Mississippi Works funds may be subject
256 to a minimal administrative fee of not more than five percent (5%)
257 to be paid from the Mississippi Works Fund as authorized by the
258 Mississippi Office of Workforce Development. All costs associated
259 with the administration of these funds shall be reimbursed to the
260 Mississippi Department of Employment Security from the Mississippi
261 Works Fund.

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

269 2. The Office of Workforce Development, in
270 coordination with the Mississippi Department of Employment
271 Security as fiscal agent, shall ensure that any funds expended for
272 contractual services rendered to the Office of Workforce
273 Development over Five Thousand Dollars (\$5,000.00) shall be paid
274 only to service providers who have been selected on a competitive
275 basis. Any contract for services entered into using funds
276 appropriated to the Mississippi Department of Employment Security
277 for the Office of Workforce Development shall meet the



278 requirements established in policies approved by the State
279 Workforce Investment Board's executive committee deemed to be
280 practical, feasible and in the public interest.

281 3. Any commodities over Five Thousand Dollars
282 (\$5,000.00) procured for the office to further its purpose shall
283 be procured competitively, in accordance with office policies
284 approved by the State Workforce Investment Board's executive
285 committee deemed to be practical, feasible and in the public
286 interest.

287 (3) (a) (i) Mississippi Workforce Enhancement Training
288 contributions and Mississippi Office of Workforce Development
289 contributions shall be collected for calendar years after calendar
290 year 2016 at a rate of twenty one-hundredths percent (.20%), based
291 upon taxable wages, of which fifteen one-hundredths percent (.15%)
292 shall be the Workforce Enhancement Training contribution,
293 one-hundredths of one percent (.01%) shall be the Mississippi
294 Office of Workforce Development contribution and four
295 one-hundredths percent (.04%) shall be the Mississippi Works
296 contribution. The Mississippi Works contribution shall be
297 collected for calendar years in which the general experience
298 ratio, adjusted on the basis of the trust fund adjustment factor
299 and reduced by fifty percent (50%), results in a general
300 experience rate of less than two-tenths percent (.2%). In all
301 other years the Mississippi Works contribution shall not be in
302 effect.



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

311 (b) All Mississippi Workforce Enhancement Training
312 contributions, Mississippi Office of Workforce Development
313 contributions and Mississippi Works contributions collected shall
314 be deposited initially into the Mississippi Department of
315 Employment Security bank account for clearing contribution
316 collections and shall within two (2) business days be transferred
317 to the Workforce Investment and Training Holding Account. Any
318 Mississippi Workforce Enhancement Training Fund and/or Mississippi
319 Office of Workforce Development Fund and/or Mississippi Works Fund
320 transactions from the Mississippi Department of Employment
321 Security bank account for clearing contribution collections that
322 are deposited into the Workforce Investment and Training Fund
323 Holding Account and are not honored by a financial institution
324 will be transferred back to the Mississippi Department of
325 Employment Security bank account for clearing contribution
326 collections out of funds in the Mississippi Workforce Investment
327 and Training Fund Holding Account.



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

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

351 (4) All collections due or accrued prior to any suspension
352 of the Mississippi Workforce Enhancement Training Fund will be



353 collected based upon the law at the time the contributions
354 accrued, regardless of when they are actually collected.

355 **SECTION 3.** This act shall take effect and be in force from
356 and after July 1, 2024.

