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Chapter No. 471
11/SS26/R95SG
IN 102/LR

SENATE BILL NO. 2238

Originated in Senate *Jessal D. Gumpas* Secretary

SENATE BILL NO. 2238

AN ACT TO REENACT SECTIONS 37-153-1 THROUGH 37-153-13, MISSISSIPPI CODE OF 1972, WHICH CONSTITUTE THE MISSISSIPPI COMPREHENSIVE WORKFORCE TRAINING AND EDUCATION CONSOLIDATION ACT OF 2004; TO REENACT SECTIONS 71-5-5, 71-5-11 AND 71-5-19, MISSISSIPPI CODE OF 1972, WHICH RELATE TO THE MISSISSIPPI EMPLOYMENT SECURITY LAW; TO REENACT SECTIONS 71-5-101 AND 71-5-107 THROUGH 71-5-143, MISSISSIPPI CODE OF 1972, WHICH TRANSFER THE POWERS AND RESPONSIBILITIES OF THE MISSISSIPPI EMPLOYMENT SECURITY COMMISSION TO THE MISSISSIPPI DEPARTMENT OF EMPLOYMENT SECURITY IN THE OFFICE OF THE GOVERNOR AND PRESCRIBE THE DEPARTMENT'S POWERS AND DUTIES; TO REENACT SECTION 71-5-201, MISSISSIPPI CODE OF 1972, WHICH ESTABLISHES THE MISSISSIPPI STATE EMPLOYMENT SERVICE WITHIN THE DEPARTMENT OF EMPLOYMENT SECURITY; TO REENACT SECTIONS 71-5-357 AND 71-5-359, MISSISSIPPI CODE OF 1972, WHICH PRESCRIBE REGULATIONS GOVERNING NONPROFIT ORGANIZATIONS, STATE AGENCIES AND POLITICAL SUBDIVISIONS UNDER THE EMPLOYMENT SECURITY LAW; TO REENACT SECTIONS 71-5-451 AND 71-5-457, MISSISSIPPI CODE OF 1972, WHICH RELATE TO THE UNEMPLOYMENT COMPENSATION FUND AND THE UNEMPLOYMENT TRUST FUND; TO AMEND SECTION 71-5-503, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF REPEAL TO JULY 1, 2014; TO REENACT SECTIONS 71-5-511, 71-5-513, 71-5-517, 71-5-519, 71-5-523, 71-5-525, 71-5-529, 71-5-531 AND 71-5-541, MISSISSIPPI CODE OF 1972, WHICH PROVIDE FOR THE PAYMENT OF UNEMPLOYMENT COMPENSATION BENEFITS; TO REENACT SECTION 73-30-25, MISSISSIPPI CODE OF 1972, WHICH EXCLUDES CERTAIN PROFESSIONALS FROM REGULATION UNDER THE LAWS GOVERNING LICENSED PROFESSIONAL COUNSELORS; TO REENACT SECTION 43-1-30, MISSISSIPPI CODE OF 1972, WHICH CREATES THE MISSISSIPPI TANF IMPLEMENTATION COUNCIL AND PRESCRIBES ITS POWERS AND DUTIES; TO AMEND SECTION 43-17-5, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF REPEAL ON THAT STATUTE FROM JULY 1, 2011, TO JULY 1, 2014; TO REENACT SECTION 43-19-45, MISSISSIPPI CODE OF 1972, WHICH REQUIRES THE CHILD SUPPORT UNIT ESTABLISHED BY THE DEPARTMENT OF HUMAN SERVICES TO ESTABLISH A STATE PARENT LOCATOR SERVICE; TO AMEND SECTION 43-19-46, MISSISSIPPI CODE OF 1972, TO EXTEND THE DATE OF REPEAL FOR THE PROVISION OF LAW WHICH REQUIRES EMPLOYERS TO SUBMIT CERTAIN INFORMATION RELATING TO NEWLY HIRED EMPLOYEES TO THE DIRECTORY OF NEW HIRES WITHIN THE DEPARTMENT OF HUMAN SERVICES; TO REENACT SECTIONS 57-62-5, 57-62-9, 57-75-5 AND 57-80-7, MISSISSIPPI CODE OF 1972, WHICH RELATE TO THE MISSISSIPPI ADVANTAGE JOBS ACT, THE MISSISSIPPI MAJOR ECONOMIC IMPACT ACT, AND THE GROWTH AND PROSPERITY ACT, RESPECTIVELY; TO REENACT SECTION 69-2-5, MISSISSIPPI CODE OF 1972, WHICH PRESCRIBES CERTAIN DUTIES OF THE MISSISSIPPI COOPERATIVE EXTENSION SERVICE RELATING TO THE DISSEMINATION OF INFORMATION TO THE AGRICULTURAL COMMUNITY; TO REENACT SECTION 7-1-355, MISSISSIPPI CODE OF 1972, WHICH REQUIRES THE DEPARTMENT OF EMPLOYMENT SECURITY, OFFICE OF THE GOVERNOR, TO

MAKE AN ANNUAL REPORT TO THE LEGISLATURE ON WORKFORCE INVESTMENT ACTIVITIES; TO AMEND REENACTED SECTIONS 37-153-3, 71-5-11 AND 71-5-359, MISSISSIPPI CODE OF 1972, TO INFORM THE CODE PUBLISHER OF CERTAIN NONSUBSTANTIVE LANGUAGE THAT SHOULD BE REVISED; TO AMEND SECTION 60, CHAPTER 572, LAWS OF 2004, AS AMENDED BY SECTION 58, CHAPTER 30, LAWS OF THE FIRST EXTRAORDINARY SESSION OF 2008, AS AMENDED BY SECTION 58, CHAPTER 559, LAWS OF 2010 REGULAR SESSION, TO EXTEND THE DATE OF REPEAL ON CERTAIN REENACTED STATUTES BY THIS ACT TO JULY 1, 2014; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 37-153-1, Mississippi Code of 1972, is reenacted as follows:

37-153-1. This chapter shall be known and may be cited as the "Mississippi Comprehensive Workforce Training and Education Consolidation Act of 2004."

SECTION 2. Section 37-153-3, Mississippi Code of 1972, is reenacted and amended as follows:

37-153-3. It is the intent of the Legislature by the passage of Chapter 572, Laws of 2004, to establish one (1) comprehensive workforce development system in the State of Mississippi that is focused on achieving results, using resources efficiently and ensuring that workers and employers can easily access needed services. This system shall reflect a consolidation of the Mississippi Workforce Development Advisory Council and the Mississippi State Workforce Investment Act Board. The purpose of Chapter 572, Laws of 2004, is to provide workforce activities, through a statewide system that maximizes cooperation among state agencies, that increase the employment, retention and earnings of participants, and increase occupational skill attainment by participants and as a result, improve the quality of the workforce, reduce welfare dependency and enhance the productivity and competitiveness of the State of Mississippi.

SECTION 3. Section 37-153-5, Mississippi Code of 1972, is reenacted as follows:

37-153-5. For purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed in this section unless the context clearly indicates otherwise:

(a) "State board" means the Mississippi State Workforce Investment Board;

(b) "District councils" means the Local Workforce Development Councils;

(c) "Local workforce investment board" means the board that oversees the workforce development activities of local workforce areas under the federal Workforce Investment Act.

SECTION 4. Section 37-153-7, Mississippi Code of 1972, is reenacted as follows:

37-153-7. (1) There is created the Mississippi State Workforce Investment Board. The Mississippi State Workforce Investment Board shall be composed of thirty-nine (39) voting members, of which a majority shall be representatives of business and industry in accordance with the federal Workforce Investment Act.

(a) The Governor shall appoint the following members of the board to serve a term of four (4) years:

(i) The Executive Director of the Mississippi Association of Supervisors, or his/her designee;

(ii) The Executive Director of the Mississippi Municipal League;

(iii) One (1) elected mayor;

(iv) One (1) elected county supervisor;

(v) Two (2) representatives of labor organizations, who have been nominated by state labor federations;

(vi) Two (2) representatives of individuals and organizations that have experience with respect to youth activities;

(vii) One (1) representative of the Mississippi Association of Planning and Development Districts;

(viii) One (1) representative from each of the four (4) workforce areas in the state, who has been nominated by the community colleges in each respective area, with the consent

of the elected county supervisors within the respective workforce area; and

(ix) Nineteen (19) representatives of business owners nominated by business and industry organizations, which may include representatives of the various planning and development districts in Mississippi.

(b) The following state officials shall be members of the board:

(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 Department of Human Services;

(vi) The Executive Director of the State Board for Community and Junior Colleges.

(c) The Governor, or his designee, shall serve as a member.

(d) Four (4) legislators, who shall serve in a nonvoting capacity, two (2) of whom shall be appointed by the Lieutenant Governor from the membership of the Mississippi Senate, and two (2) of whom shall be appointed by the Speaker of the House from the membership of the Mississippi House of Representatives.

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

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

(g) The voting members of the board who are not state employees shall be entitled to reimbursement of their reasonable expenses incurred in carrying out their duties under this chapter, from any funds available for that purpose.

(h) The Mississippi Department of Employment Security shall be responsible for providing necessary administrative, clerical and budget support for the State Workforce Investment Board.

(2) 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.

(3) The Mississippi State Workforce Investment Board shall have the following duties:

(a) Develop and submit to the Governor 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.

(b) Assist the Governor 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, Wagner-Peyser Act and the Mississippi Comprehensive Workforce Training and Education Consolidation Act.

(c) Recommend the designation of local workforce investment areas as required in Section 116 of the federal Workforce Investment Act of 1998. 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 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, 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) Assist the Governor in reducing duplication of services by urging the local workforce investment boards to designate the local community/junior college as the operator of the WIN Job Center. Incentive grants of Two Hundred Thousand Dollars (\$200,000.00) from federal Workforce Investment Act funds may be awarded to the local workforce boards where the community/junior college district is designated as the WIN Job Center. These grants must be provided to the community and junior colleges for the extraordinary costs of coordinating with the Workforce Investment Act, advanced technology centers and advanced skills centers. In no case shall these funds be used to supplant state resources being used for operation of workforce development programs.

(h) 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 chapter;

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

(j) To advise the Governor, public schools, community/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;

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(v) Two (2) representatives of labor

organizations, who have been nominated by state labor federations;

(vi) Two (2) representatives of individuals and organizations that have experience with respect to youth activities;

(vii) One (1) representative of the Mississippi Association of Planning and Development Districts;

(viii) One (1) representative from each of the four (4) workforce areas in the state, who has been nominated by the community colleges in each respective area, with the consent

of the elected county supervisors within the respective workforce area; and

(ix) Nineteen (19) representatives of business owners nominated by business and industry organizations, which may include representatives of the various planning and development districts in Mississippi.

(b) The following state officials shall be members of the board:

(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 Department of Human Services;

(vi) The Executive Director of the State Board for Community and Junior Colleges.

(c) The Governor, or his designee, shall serve as a member.

(d) Four (4) legislators, who shall serve in a nonvoting capacity, two (2) of whom shall be appointed by the Lieutenant Governor from the membership of the Mississippi Senate, and two (2) of whom shall be appointed by the Speaker of the House from the membership of the Mississippi House of Representatives.

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

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

(g) The voting members of the board who are not state employees shall be entitled to reimbursement of their reasonable expenses incurred in carrying out their duties under this chapter, from any funds available for that purpose.

(h) The Mississippi Department of Employment Security shall be responsible for providing necessary administrative, clerical and budget support for the State Workforce Investment Board.

(2) 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.

(3) The Mississippi State Workforce Investment Board shall have the following duties:

(a) Develop and submit to the Governor 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.

(b) Assist the Governor 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, Wagner-Peyser Act and the Mississippi Comprehensive Workforce Training and Education Consolidation Act.

(c) Recommend the designation of local workforce investment areas as required in Section 116 of the federal Workforce Investment Act of 1998. 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 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, 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) Assist the Governor in reducing duplication of services by urging the local workforce investment boards to designate the local community/junior college as the operator of the WIN Job Center. Incentive grants of Two Hundred Thousand Dollars (\$200,000.00) from federal Workforce Investment Act funds may be awarded to the local workforce boards where the community/junior college district is designated as the WIN Job Center. These grants must be provided to the community and junior colleges for the extraordinary costs of coordinating with the Workforce Investment Act, advanced technology centers and advanced skills centers. In no case shall these funds be used to supplant state resources being used for operation of workforce development programs.

(h) 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 chapter;

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

(j) To advise the Governor, public schools, community/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;

(k) 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;

(l) To provide periodic assessments on effectiveness and results of the overall Mississippi comprehensive workforce development system and district councils; and

(m) To assist the Governor in carrying out any other responsibility required by the federal Workforce Investment Act of 1998, as amended.

(4) The Mississippi State Workforce Investment Board shall coordinate all training programs and funds in the State of Mississippi.

Each state agency director responsible for workforce training activities shall advise the Mississippi State Workforce Investment Board of appropriate federal and state requirements. Each such state agency director shall remain responsible for the actions of his agency; however, each state agency and director shall work cooperatively, and shall be individually and collectively responsible to the Governor for the successful implementation of the statewide workforce investment system. The Governor, as the Chief Executive Officer of the state, shall have complete authority to enforce cooperation among all entities within the state that utilize federal or state funding for the conduct of workforce development activities.

SECTION 5. Section 37-153-9, Mississippi Code of 1972, is reenacted as follows:

37-153-9. (1) In accordance with the federal Workforce Investment Act of 1998, there shall be established, for each of the four (4) state workforce areas prescribed in Section 37-153-3 (2)(c), a local workforce investment board to set policy for the portion of the state workforce investment system within the local area and carry out the provisions of the Workforce Investment Act.

(2) Each community college district shall have an affiliated District Workforce Development Council. The district council shall be composed of a diverse group of fifteen (15) persons appointed by the board of trustees of the affiliated public community or junior college. The members of each district council shall be selected from persons recommended by the chambers of commerce, employee groups, industrial foundations, community organizations and local governments located in the community college district of the affiliated community college with one (1) appointee being involved in basic literacy training. However, at least eight (8) members of each district council shall be chief executive officers, plant managers that are representatives of employers in that district or service sector executives. The District Workforce Development Council affiliated with each respective community or junior college shall advise the president of the community or junior college on the operation of its workforce development center/one-stop center.

The Workforce Development Council shall have the following advisory duties:

(a) To develop an integrated and coordinated district workforce investment strategic plan that:

(i) Identifies workforce investment needs through job and employee assessments of local business and industry;

(ii) Sets short-term and long-term goals for industry-specific training and upgrading and for general development of the workforce; and

(iii) Provides for coordination of all training programs, including ABE/GED, Skills Enhancement and Industrial Services, and shall work collaboratively with the State Literacy Resource Center;

(b) To coordinate and integrate delivery of training as provided by the workforce development plan;

(c) To assist business and industry management in the transition to a high-powered, quality organization;

(d) To encourage continuous improvement through evaluation and assessment; and

(e) To oversee development of an extensive marketing plan to the employer community.

SECTION 6. Section 37-153-11, Mississippi Code of 1972, is reenacted as follows:

37-153-11. (1) There are created workforce development centers to provide assessment, training and placement services to individuals needing retraining, training and upgrading for small business and local industry. Each workforce development center shall be affiliated with a separate public community or junior college district.

(2) Each workforce development center shall be staffed and organized locally by the affiliated community college. The workforce development center shall serve as staff to the affiliated district council.

(3) Each workforce development center, working in concert with its affiliated district council, shall offer and arrange services to accomplish the purposes of this chapter, including, but not limited to, the following:

(a) For individuals needing training and retraining:

(i) Recruiting, assessing, counseling and referring to training or jobs;

(ii) Preemployment training for those with no experience in the private enterprise system;

(iii) Basic literacy skills training and high school equivalency education;

(iv) Vocational and technical training, full-time or part-time; and

(v) Short-term skills training for educationally and economically disadvantaged adults in cooperation with federally established employment and training programs;

(b) For specific small businesses, industries or firms within the district:

(i) Job analysis, testing and curriculum development;

(ii) Development of specific long-range training plans;

(iii) Industry or firm-related preemployment training;

(iv) Workplace basic skills and literacy training;

(v) Customized skills training;

(vi) Assistance in developing the capacity for total quality management training;

(vii) Technology transfer information and referral services to business of local applications of new research in cooperation with the University Research Center, the state's universities and other laboratories; and

(viii) Development of business plans;

(c) For public schools within the district technical assistance to secondary schools in curriculum coordination, development of tech prep programs, instructional development and resource coordination; and

(d) For economic development, a local forum and resource center for all local industrial development groups to meet and promote regional economic development.

(4) Each workforce development center shall compile and make accessible to the Mississippi Workforce Investment Board necessary information for use in evaluating outcomes of its efforts and in improving the quality of programs at each community college, and shall include information on literacy initiatives. Each workforce development center shall, through an interagency management

information system, maintain records on new small businesses, placement, length of time on the job after placement and wage rates of those placed in a form containing such information as established by the state council.

SECTION 7. Section 37-153-13, Mississippi Code of 1972, is reenacted as follows:

37-153-13. The State Board for Community and Junior Colleges is designated as the primary support agency to the workforce development centers. The State Board for Community and Junior Colleges may exercise the following powers:

(a) To provide the workforce development centers the assistance necessary to accomplish the purposes of this chapter;

(b) To provide the workforce development centers consistent standards and benchmarks to guide development of the local workforce development system and to provide a means by which the outcomes of local services can be measured;

(c) To develop the staff capacity to provide, broker or contract for the provision of technical assistance to the workforce development centers, including, but not limited to:

(i) Training local staff in methods of recruiting, assessment and career counseling;

(ii) Establishing rigorous and comprehensive local preemployment training programs;

(iii) Developing local institutional capacity to deliver total quality management training;

(iv) Developing local institutional capacity to transfer new technologists into the marketplace;

(v) Expanding the Skills Enhancement Program and improving the quality of adult literacy programs; and

(vi) Developing data for strategic planning;

(d) To collaborate with the Mississippi Development Authority and other economic development organizations to increase the community college systems' economic development potential;

(e) To administer presented and approved certification programs by the community colleges for tax credits and partnership funding for corporate training;

(f) To create and maintain an evaluation team that examines which kinds of curricula and programs and what forms of quality control of training are most productive so that the knowledge developed at one (1) institution of education can be transferred to others;

(g) To develop internal capacity to provide services and to contract for services from universities and other providers directly to local institutions;

(h) To develop and administer an incentive certification program;

(i) To develop and hire staff and purchase equipment necessary to accomplish the goals set forth in this section; and

(j) To collaborate, partner and contract for services with community-based organizations and disadvantaged businesses in the delivery of workforce training and career information especially to youth, as defined by the federal Workforce Investment Act, and to those adults who are in low income jobs or whose individual skill levels are so low as to be unable initially to be aided by a workforce development center. Community-based organizations and disadvantaged businesses must meet performance-based certification requirements set by the State Board for Community and Junior Colleges.

SECTION 8. Section 71-5-5, Mississippi Code of 1972, is reenacted as follows:

71-5-5. The Legislature finds and declares that the existence and continued operation of a federal tax upon employers, against which some portion of the contributions required under this chapter may be credited, will protect Mississippi employers from undue disadvantages in their competition with employers in other states. If at any time, upon a formal complaint to the

Governor, he shall find that Title IX of the Social Security Act has been amended or repealed by Congress or has been held unconstitutional by the Supreme Court of the United States, and that, as a result thereof, the provisions of this chapter requiring Mississippi employers to pay contributions will subject them to a serious competitive disadvantage in relation to employers in other states, he shall publish such findings and proclaim that the operation of the provisions of this chapter requiring the payment of contributions and benefits shall be suspended for a period of not more than six (6) months. The Department of Employment Security shall thereupon requisition from the Unemployment Trust Fund all monies therein standing to its credit, and shall direct the State Treasurer to deposit such monies, together with any other monies in the Unemployment Compensation Fund, as a special fund in any banks or public depositories in this state in which general funds of the state may be deposited.

In all other cases, and unless the Governor shall issue such proclamation, this chapter shall remain in full force and effect.

If within the aforesaid six-month period the Governor shall find that other federal legislation has been enacted which avoids the competitive disadvantage herein described, he shall forthwith publicly so proclaim, and upon the date of such proclamation, the provisions of this chapter requiring the payment of contributions and benefits shall again become fully operative as of the date of such suspension with the same effect as if such suspension had not occurred. If within such six-month period no such other federal legislation is enacted or the Legislature of this state has not otherwise prescribed, the Department of Employment Security shall, under regulations prescribed by it, refund, without interest, to each employer by whom contributions have been paid his pro rata share of the total contributions paid under this chapter. Any interest or earnings of the fund shall be available to the

Department of Employment Security to pay for the costs of making such refunds. When the Department of Employment Security shall have executed the duties herein prescribed and performed such other acts as are incidental to the termination of its duties under this chapter, the Governor shall by public proclamation declare that the provisions of this chapter, in their entirety, shall cease to be operative.

SECTION 9. Section 71-5-11, Mississippi Code of 1972, is reenacted and amended as follows:

71-5-11. As used in this chapter, unless the context clearly requires otherwise:

A. "Base period" means the first four (4) of the last five (5) completed calendar quarters immediately preceding the first day of an individual's benefit year.

B. "Benefits" means the money payments payable to an individual, as provided in this chapter, with respect to his unemployment.

C. "Benefit year" with respect to any individual means the period beginning with the first day of the first week with respect to which he first files a valid claim for benefits, and ending with the day preceding the same day of the same month in the next calendar year; and, thereafter, the period beginning with the first day of the first week with respect to which he next files his valid claim for benefits, and ending with the day preceding the same day of the same month in the next calendar year. Any claim for benefits made in accordance with Section 71-5-515 shall be deemed to be a "valid claim" for purposes of this subsection if the individual has been paid the wages for insured work required under Section 71-5-511(e).

D. "Contributions" means the money payments to the State Unemployment Compensation Fund required by this chapter.

E. "Calendar quarter" means the period of three (3) consecutive calendar months ending on March 31, June 30, September 30, or December 31.

F. "Department" or "commission" means the Mississippi Department of Employment Security, Office of the Governor.

G. "Executive director" means the Executive Director of the Mississippi Department of Employment Security, Office of the Governor, appointed under Section 71-5-107.

H. "Employing unit" means this state or another state or any instrumentalities or any political subdivisions thereof or any of their instrumentalities or any instrumentality of more than one (1) of the foregoing or any instrumentality of any of the foregoing and one or more other states or political subdivisions, any Indian tribe as defined in Section 3306(u) of the Federal Unemployment Tax Act (FUTA), which includes any subdivision, subsidiary or business enterprise wholly owned by such Indian tribe, any individual or type of organization, including any partnership, association, trust, estate, joint-stock company, insurance company, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has or had in its employ one or more individuals performing services for it within this state. All individuals performing services within this state for any employing unit which maintains two (2) or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of this chapter. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all purposes of this chapter, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of the work. All individuals performing services in the employ of

an elected fee-paid county official, other than those related by blood or marriage within the third degree computed by the rule of the civil law to such fee-paid county official, shall be deemed to be employed by such county as the employing unit for all the purposes of this chapter. For purposes of defining an "employing unit" which shall pay contributions on remuneration paid to individuals, if two (2) or more related corporations concurrently employ the same individual and compensate such individual through a common paymaster which is one (1) of such corporations, then each such corporation shall be considered to have paid as remuneration to such individual only the amounts actually disbursed by it to such individual and shall not be considered to have paid as remuneration to such individual such amounts actually disbursed to such individual by another of such corporations.

I. "Employer" means:

- (1) Any employing unit which,
 - (a) In any calendar quarter in either the current or preceding calendar year paid for service in employment wages of One Thousand Five Hundred Dollars (\$1,500.00) or more, except as provided in paragraph (9) of this subsection, or
 - (b) For some portion of a day in each of twenty (20) different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year had in employment at least one (1) individual (irrespective of whether the same individual was in employment in each such day), except as provided in paragraph (9) of this subsection;
- (2) Any employing unit for which service in employment, as defined in subsection J(3) of this section, is performed;
- (3) Any employing unit for which service in employment, as defined in subsection J(4) of this section, is performed;
- (4) (a) Any employing unit for which agricultural labor, as defined in subsection J(6) of this section, is performed;

(b) Any employing unit for which domestic service in employment, as defined in subsection J(7) of this section, is performed;

(5) Any individual or employing unit which acquired the organization, trade, business, or substantially all the assets thereof, of another which at the time of such acquisition was an employer subject to this chapter;

(6) Any individual or employing unit which acquired its organization, trade, business, or substantially all the assets thereof, from another employing unit, if the employment record of the acquiring individual or employing unit subsequent to such acquisition, together with the employment record of the acquired organization, trade, or business prior to such acquisition, both within the same calendar year, would be sufficient to constitute an employing unit as an employer subject to this chapter under paragraph (1) or (3) of this subsection;

(7) Any employing unit which, having become an employer under paragraph (1), (3), (5) or (6) of this subsection or under any other provisions of this chapter, has not, under Section 71-5-361, ceased to be an employer subject to this chapter;

(8) For the effective period of its election pursuant to Section 71-5-361(3), any other employing unit which has elected to become subject to this chapter;

(9) (a) In determining whether or not an employing unit for which service other than domestic service is also performed is an employer under paragraph (1) or (4)(a) of this subsection, the wages earned or the employment of an employee performing domestic service, shall not be taken into account;

(b) In determining whether or not an employing unit for which service other than agricultural labor is also performed is an employer under paragraph (1) or (4)(b) of this subsection, the wages earned or the employment of an employee performing services in agricultural labor, shall not be taken into

account. If an employing unit is determined an employer of agricultural labor, such employing unit shall be determined an employer for purposes of paragraph (1) of this subsection;

(10) All entities utilizing the services of any employee leasing firm shall be considered the employer of the individuals leased from the employee leasing firm. Temporary help firms shall be considered the employer of the individuals they provide to perform services for other individuals or organizations.

J. "Employment" means and includes:

(1) Any service performed, which was employment as defined in this section and, subject to the other provisions of this subsection, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, express or implied.

(2) Services performed for remuneration for a principal:

(a) As an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry cleaning services;

(b) As a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, a principal (except for sideline sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operator of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations.

However, for purposes of this subsection, the term "employment" shall include services described in subsection J(2) (a) and (b) of this section, only if:

(i) The contract of service contemplates that substantially all of the services are to be performed personally by such individual;

(ii) The individual does not have a substantial investment in facilities used in connection with the performance of the services (other than in facilities for transportation); and

(iii) The services are not in the nature of a single transaction that is not part of a continuing relationship with the person for whom the services are performed.

(3) Service performed in the employ of this state or any of its instrumentalities or any political subdivision thereof or any of its instrumentalities or any instrumentality of more than one (1) of the foregoing or any instrumentality of any of the foregoing and one or more other states or political subdivisions or any Indian tribe as defined in Section 3306(u) of the Federal Unemployment Tax Act (FUTA), which includes any subdivision, subsidiary or business enterprise wholly owned by such Indian tribe; however, such service is excluded from "employment" as defined in the Federal Unemployment Tax Act by Section 3306(c)(7) of that act and is not excluded from "employment" under subsection J(5) of this section.

(4) (a) Services performed in the employ of a religious, charitable, educational, or other organization, but only if the service is excluded from "employment" as defined in the Federal Unemployment Tax Act, 26 USCS Section 3306(c)(8), and

(b) The organization had four (4) or more individuals in employment for some portion of a day in each of twenty (20) different weeks, whether or not such weeks were consecutive, within the current or preceding calendar year, regardless of whether they were employed at the same moment of time.

(5) For the purposes of subsection J(3) and (4) of this section, the term "employment" does not apply to service performed:

(a) In the employ of:

(i) A church or convention or association of churches; or

(ii) An organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches; or

(b) By a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry, or by a member of a religious order in the exercise of duties required by such order; or

(c) In the employ of a governmental entity referred to in subsection J(3), if such service is performed by an individual in the exercise of duties:

(i) As an elected official;

(ii) As a member of a legislative body, or a member of the judiciary, of a state or political subdivision or a member of an Indian tribal council;

(iii) As a member of the State National Guard or Air National Guard;

(iv) As an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;

(v) In a position which, under or pursuant to the laws of this state or laws of an Indian tribe, is designated as:

1. A major nontenured policy-making or advisory position, or

2. A policy-making or advisory position the performance of the duties of which ordinarily does not require more than eight (8) hours per week; or

(d) In a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work; or

(e) By an inmate of a custodial or penal institution; or

(f) As part of an unemployment work-relief or work-training program assisted or financed in whole or in part by any federal agency or agency of a state or political subdivision thereof or of an Indian tribe, by an individual receiving such work relief or work training, unless coverage of such service is required by federal law or regulation.

(6) Service performed by an individual in agricultural labor as defined in paragraph (15) (a) of this subsection when:

(a) Such service is performed for a person who:

(i) During any calendar quarter in either the current or the preceding calendar year paid remuneration in cash of Twenty Thousand Dollars (\$20,000.00) or more to individuals employed in agricultural labor, or

(ii) For some portion of a day in each of twenty (20) different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, employed in agricultural labor ten (10) or more individuals, regardless of whether they were employed at the same moment of time.

(b) For the purposes of subsection J(6) any individual who is a member of a crew furnished by a crew leader to perform service in agricultural labor for any other person shall be treated as an employee of such crew leader:

(i) If such crew leader holds a valid certificate of registration under the Farm Labor Contractor Registration Act of 1963; or substantially all the members of such crew operate or maintain tractors, mechanized harvesting or crop dusting equipment, or any other mechanized equipment, which is provided by such crew leader; and

(ii) If such individual is not an employee of such other person within the meaning of subsection J(1).

(c) For the purpose of subsection J(6), in the case of any individual who is furnished by a crew leader to perform service in agricultural labor for any other person and who is not treated as an employee of such crew leader under paragraph (6)(b) of this subsection:

(i) Such other person and not the crew leader shall be treated as the employer of such individual; and

(ii) Such other person shall be treated as having paid cash remuneration to such individual in an amount equal to the amount of cash remuneration paid to such individual by the crew leader (either on his own behalf or on behalf of such other person) for the service in agricultural labor performed for such other person.

(d) For the purposes of subsection J(6) the term "crew leader" means an individual who:

(i) Furnishes individuals to perform service in agricultural labor for any other person;

(ii) Pays (either on his own behalf or on behalf of such other person) the individuals so furnished by him for the service in agricultural labor performed by them; and

(iii) Has not entered into a written agreement with such other person under which such individual is designated as an employee of such other person.

(7) The term "employment" shall include domestic service in a private home, local college club or local chapter of a college fraternity or sorority performed for an employing unit which paid cash remuneration of One Thousand Dollars (\$1,000.00) or more in any calendar quarter in the current or the preceding calendar year to individuals employed in such domestic service. For the purpose of this subsection, the term "employment" does not apply to service performed as a "sitter" at a hospital in the employ of an individual.

(8) An individual's entire service, performed within or both within and without this state, if:

(a) The service is localized in this state; or

(b) The service is not localized in any state but some of the service is performed in this state; and

(i) The base of operations or, if there is no base of operations, the place from which such service is directed or controlled is in this state; or

(ii) The base of operations or place from which such service is directed or controlled is not in any state in which some part of the service is performed, but the individual's residence is in this state.

(9) Services not covered under paragraph (8) of this subsection and performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state or of the federal government, shall be deemed to be employment subject to this chapter if the individual performing such services is a resident of this state and the department approves the election of the employing unit for whom such services are performed that the

entire service of such individual shall be deemed to be employment subject to this chapter.

(10) Service shall be deemed to be localized within a state if:

(a) The service is performed entirely within such state; or

(b) The service is performed both within and without such state, but the service performed without such state is incidental to the individual's service within the state; for example, is temporary or transitory in nature or consists of isolated transactions.

(11) The services of an individual who is a citizen of the United States, performed outside the United States (except in Canada), in the employ of an American employer (other than service which is deemed "employment" under the provisions of paragraph (8), (9) or (10) of this subsection or the parallel provisions of another state's law), if:

(a) The employer's principal place of business in the United States is located in this state; or

(b) The employer has no place of business in the United States; but

(i) The employer is an individual who is a resident of this state; or

(ii) The employer is a corporation which is organized under the laws of this state; or

(iii) The employer is a partnership or a trust and the number of the partners or trustees who are residents of this state is greater than the number who are residents of any one (1) other state; or

(c) None of the criteria of subparagraphs (a) and (b) of this paragraph are met but the employer has elected coverage in this state or, the employer having failed to elect

coverage in any state, the individual has filed a claim for benefits, based on such service, under the law of this state; or

(d) An "American employer," for purposes of this paragraph, means a person who is:

(i) An individual who is a resident of the United States; or

(ii) A partnership if two-thirds (2/3) or more of the partners are residents of the United States; or

(iii) A trust if all of the trustees are residents of the United States; or

(iv) A corporation organized under the laws of the United States or of any state.

(12) All services performed by an officer or member of the crew of an American vessel on or in connection with such vessel, if the operating office from which the operations of such vessel operating on navigable waters within, or within and without, the United States are ordinarily and regularly supervised, managed, directed and controlled, is within this state, notwithstanding the provisions of subsection J(8).

(13) Service with respect to which a tax is required to be paid under any federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund, or which as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act, 26 USCS Section 3301 et seq., is required to be covered under this chapter, notwithstanding any other provisions of this subsection.

(14) Services performed by an individual for wages shall be deemed to be employment subject to this chapter unless and until it is shown to the satisfaction of the department that such individual has been and will continue to be free from control and direction over the performance of such services both under his contract of service and in fact; and the relationship of employer

and employee shall be determined in accordance with the principles of the common law governing the relation of master and servant.

(15) The term "employment" shall not include:

(a) Agricultural labor, except as provided in subsection J(6) of this section. The term "agricultural labor" includes all services performed:

(i) On a farm or in a forest in the employ of any employing unit in connection with cultivating the soil, in connection with cutting, planting, deadening, marking or otherwise improving timber, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, fur-bearing animals and wildlife;

(ii) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm;

(iii) In connection with the production or harvesting of naval stores products or any commodity defined in the Federal Agricultural Marketing Act, 12 USCS Section 1141j(g), or in connection with the raising or harvesting of mushrooms, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways not owned or operated for profit, used exclusively for supplying and storing water for farming purposes;

(iv) (A) In the employ of the operator of a farm in handling, planting, drying, packing, packaging, processing, freezing, grading, storing or delivering to storage or to market or to a carrier for transportation to market, in its unmanufactured state, any agricultural or horticultural commodity;

but only if such operator produced more than one-half (1/2) of the commodity with respect to which such service is performed;

(B) In the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in subitem (A), but only if such operators produced more than one-half (1/2) of the commodity with respect to which such service is performed;

(C) The provisions of subitems (A) and (B) shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption;

(v) On a farm operated for profit if such service is not in the course of the employer's trade or business;

(vi) As used in paragraph (15)(a) of this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animals, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(b) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, except as provided in subsection J(7) of this section, or service performed as a "sitter" at a hospital in the employ of an individual.

(c) Casual labor not in the usual course of the employing unit's trade or business.

(d) Service performed by an individual in the employ of his son, daughter, or spouse, and service performed by a child under the age of twenty-one (21) in the employ of his father or mother.

(e) Service performed in the employ of the United States government or of an instrumentality wholly owned by the United States; except that if the Congress of the United States shall permit states to require any instrumentalities of the United States to make payments into an unemployment fund under a state unemployment compensation act, then to the extent permitted by Congress and from and after the date as of which such permission becomes effective, all of the provisions of this chapter shall be applicable to such instrumentalities and to services performed by employees for such instrumentalities in the same manner, to the same extent, and on the same terms as to all other employers and employing units. If this state should not be certified under the Federal Unemployment Tax Act, 26 USCS Section 3304(c), for any year, then the payment required by such instrumentality with respect to such year shall be deemed to have been erroneously collected and shall be refunded by the department from the fund in accordance with the provisions of Section 71-5-383.

(f) Service performed in the employ of an "employer" as defined by the Railroad Unemployment Insurance Act, 45 USCS Section 351(a), or as an "employee representative" as defined by the Railroad Unemployment Insurance Act, 45 USCS Section 351(f), and service with respect to which unemployment compensation is payable under an unemployment compensation system for maritime employees, or under any other unemployment compensation system established by an act of Congress; however, the department is authorized and directed to enter into agreements with the proper agencies under such act or acts of Congress, which agreements shall become effective ten (10) days after publication thereof in the manner provided in Section 71-5-117 for general rules, to provide reciprocal treatment to individuals who have, after acquiring potential rights to benefits under this chapter, acquired rights to unemployment compensation under such act or acts of Congress or who have, after acquiring potential rights to

unemployment compensation under such act or acts of Congress, acquired rights to benefits under this chapter.

(g) Service performed in any calendar quarter in the employ of any organization exempt from income tax under the Internal Revenue Code, 26 USCS Section 501(a) (other than an organization described in 26 USCS Section 401(a)), or exempt from income tax under 26 USCS Section 521 if the remuneration for such service is less than Fifty Dollars (\$50.00).

(h) Service performed in the employ of a school, college, or university if such service is performed:

(i) By a student who is enrolled and is regularly attending classes at such school, college or university, or

(ii) By the spouse of such a student if such spouse is advised, at the time such spouse commences to perform such service, that

(A) The employment of such spouse to perform such service is provided under a program to provide financial assistance to such student by such school, college, or university, and

(B) Such employment will not be covered by any program of unemployment insurance.

(i) Service performed by an individual under the age of twenty-two (22) who is enrolled at a nonprofit or public educational institution which normally maintains a regular faculty and curriculum and normally has a regularly organized body of students in attendance at the place where its educational activities are carried on, as a student in a full-time program taken for credit at such institution, which combines academic instruction with work experience, if such service is an integral part of such program and such institution has so certified to the employer, except that this subparagraph shall not apply to service

performed in a program established for or on behalf of an employer or group of employers.

(j) Service performed in the employ of a hospital, if such service is performed by a patient of the hospital, as defined in subsection L of this section.

(k) Service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to state law; and services performed as an intern in the employ of a hospital by an individual who has completed a four-year course in a medical school chartered or approved pursuant to state law.

(l) Service performed by an individual as an insurance agent or as an insurance solicitor, if all such service performed by such individual is performed for remuneration solely by way of commission.

(m) Service performed by an individual under the age of eighteen (18) in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution.

(n) If the services performed during one-half (1/2) or more of any pay period by an employee for the employing unit employing him constitute employment, all the services of such employee for such period shall be deemed to be employment; but if the services performed during more than one-half (1/2) of any such pay period by an employee for the employing unit employing him do not constitute employment, then none of the services of such employee for such period shall be deemed to be employment. As used in this subsection, the term "pay period" means a period (of not more than thirty-one (31) consecutive days) for which a payment of remuneration is ordinarily made to the employee by the employing unit employing him.

(o) Service performed by a barber or beautician whose work station is leased to him or her by the owner of the shop in which he or she works and who is compensated directly by the patrons he or she serves and who is free from direction and control by the lessor.

K. "Employment office" means a free public employment office or branch thereof, operated by this state or maintained as a part of the state controlled system of public employment offices.

L. "Public employment service" means the operation of a program that offers free placement and referral services to applicants and employers, including job development.

M. "Fund" means the Unemployment Compensation Fund established by this chapter, to which all contributions required and from which all benefits provided under this chapter shall be paid.

N. "Hospital" means an institution which has been licensed, certified, or approved by the State Department of Health as a hospital.

O. "Institution of higher learning," for the purposes of this section, means an educational institution which:

(1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) Is legally authorized in this state to provide a program of education beyond high school;

(3) Provides an educational program for which it awards a bachelor's or higher degree, or provides a program which is acceptable for full credit toward such a degree, a program of postgraduate or postdoctoral studies, or a program of training to prepare students for gainful employment in a recognized occupation;

(4) Is a public or other nonprofit institution;

(5) Notwithstanding any of the foregoing provisions of this subsection, all colleges and universities in this state are institutions of higher learning for purposes of this section.

P. (1) "State" includes, in addition to the states of the United States of America, the District of Columbia, Commonwealth of Puerto Rico and the Virgin Islands.

(2) The term "United States" when used in a geographical sense includes the states, the District of Columbia, Commonwealth of Puerto Rico and the Virgin Islands.

(3) The provisions of paragraphs (1) and (2) of subsection P, as including the Virgin Islands, shall become effective on the day after the day on which the United States Secretary of Labor approves for the first time under Section 3304(a) of the Internal Revenue Code of 1954 an unemployment compensation law submitted to the secretary by the Virgin Islands for such approval.

Q. "Unemployment."

(1) An individual shall be deemed "unemployed" in any week during which he performs no services and with respect to which no wages are payable to him, or in any week of less than full-time work if the wages payable to him with respect to such week are less than his weekly benefit amount as computed and adjusted in Section 71-5-505. The department shall prescribe regulations applicable to unemployed individuals, making such distinctions in the procedure as to total unemployment, part-total unemployment, partial unemployment of individuals attached to their regular jobs, and other forms of short-time work, as the department deems necessary.

(2) An individual's week of total unemployment shall be deemed to commence only after his registration at an employment office, except as the department may by regulation otherwise prescribe.

R. (1) "Wages" means all remuneration for personal services, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, except that "wages," for purposes of determining employer's coverage and payment of contributions for agricultural and domestic service means cash remuneration only. The reasonable cash value of remuneration in any medium other than cash shall be estimated and determined in accordance with rules prescribed by the department; however, that the term "wages" shall not include:

(a) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of:

(i) Retirement, or
(ii) Sickness or accident disability, or
(iii) Medical or hospitalization expenses in connection with sickness or actual disability, or

(iv) Death, provided the employee:

(A) Has not the option to receive, instead of provision for such death benefit, any part of such payment or, if such death benefit is insured, any part of the premiums (or contributions to premiums) paid by his employer, and

(B) Has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit or to receive a cash consideration in lieu of such benefit, either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(b) Dismissal payments which the employer is not legally required to make;

(c) Payment by an employer (without deduction from the remuneration of an employee) of the tax imposed by the Internal Revenue Code, 26 USCS Section 3101;

(d) From and after January 1, 1992, the amount of any payment made to or on behalf of an employee for a "cafeteria" plan, which meets the following requirements:

- (i) Qualifies under Section 125 of the Internal Revenue Code;
- (ii) Covers only employees;
- (iii) Covers only noncash benefits;
- (iv) Does not include deferred compensation plans.

(2) [Not enacted].

S. "Week" means calendar week or such period of seven (7) consecutive days as the department may by regulation prescribe. The department may by regulation prescribe that a week shall be deemed to be in, within, or during any benefit year which includes any part of such week.

T. "Insured work" means "employment" for "employers."

U. The term "includes" and "including," when used in a definition contained in this chapter, shall not be deemed to exclude other things otherwise within the meaning of the term defined.

V. "Employee leasing arrangement" means any agreement between an employee leasing firm and a client, whereby specified client responsibilities such as payment of wages, reporting of wages for unemployment insurance purposes, payment of unemployment insurance contributions and other such administrative duties are to be performed by an employee leasing firm, on an ongoing basis.

W. "Employee leasing firm" means any entity which provides specified duties for a client company such as payment of wages, reporting of wages for unemployment insurance purposes, payment of unemployment insurance contributions and other administrative

duties, in connection with the client's employees, that are directed and controlled by the client and that are providing ongoing services for the client.

X. (1) "Temporary help firm" means an entity which hires its own employees and provides those employees to other individuals or organizations to perform some service, to support or supplement the existing workforce in special situations such as employee absences, temporary skill shortages, seasonal workloads and special assignments and projects, with the expectation that the worker's position will be terminated upon the completion of the specified task or function.

(2) "Temporary employee" means an employee assigned to work for the clients of a temporary help firm.

Y. For the purposes of this chapter, the term "notice" shall include any official communication, statement or other correspondence required under the administration of this chapter, and sent by the department through the United States Postal Service or electronic or digital transfer, via modem or the Internet.

SECTION 10. Section 71-5-19, Mississippi Code of 1972, is reenacted as follows:

71-5-19. (1) Whoever makes a false statement or representation knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase any benefit or other payment under this chapter or under an employment security law of any other state, of the federal government or of a foreign government, either for himself or for any other person, shall be punished by a fine of not less than One Hundred Dollars (\$100.00) nor more than Five Hundred Dollars (\$500.00), or by imprisonment for not longer than thirty (30) days, or by both such fine and imprisonment; and each such false statement or representation or failure to disclose a material fact shall constitute a separate offense.

(2) Any employing unit, any officer or agent of an employing unit or any other person who makes a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to prevent or reduce the payment of benefits to any individual entitled thereto, or to avoid becoming or remaining subject hereto, or to avoid or reduce any contribution or other payment required from any employing unit under this chapter, or who willfully fails or refuses to make any such contribution or other payment, or to furnish any reports required hereunder or to produce or permit the inspection or copying of records as required hereunder, shall be punished by a fine of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars (\$1,000.00), or by imprisonment for not longer than sixty (60) days, or by both such fine and imprisonment; and each such false statement, or representation, or failure to disclose a material fact, and each day of such failure or refusal shall constitute a separate offense. In lieu of such fine and imprisonment, the employing unit or representative, or both employing unit and representative, if such representative is an employing unit in this state and is found to be a party to such violation, shall not be eligible for a contributions rate of less than five and four-tenths percent (5.4%) for the tax year in which such violation is discovered by the department and for the next two (2) succeeding tax years.

(3) Any person who shall willfully violate any provision of this chapter or any other rule or regulation thereunder, the violation of which is made unlawful or the observance of which is required under the terms of this chapter and for which a penalty is neither prescribed herein nor provided by any other applicable statute, shall be punished by a fine of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars (\$1,000.00), or by imprisonment for not longer than sixty (60) days, or by both such fine and imprisonment; and each day such violation continues

shall be deemed to be a separate offense. In lieu of such fine and imprisonment, the employing unit or representative, or both employing unit and representative, if such representative is an employing unit in this state and is found to be a party to such violation, shall not be eligible for a contributions rate of less than five and four-tenths percent (5.4%) for the tax year in which the violation is discovered by the department and for the next two (2) succeeding tax years.

(4) (a) An overpayment of benefits occurs when a person receives benefits under this chapter:

(i) While any conditions for the receipt of benefits imposed by this chapter were not fulfilled in his case;

(ii) While he was disqualified from receiving benefits; or

(iii) When such person receives benefits and is later found to be disqualified or ineligible for any reason, including, but not limited to, a redetermination or reversal by the department or the courts of a previous decision to award such person benefits.

(b) Any person receiving an overpayment shall, in the discretion of the department, be liable to have such sum deducted from any future benefits payable to him under this chapter and shall be liable to repay to the department for the Unemployment Compensation Fund a sum equal to the overpayment amount so received by him; and such sum shall be collectible in the manner provided in Sections 71-5-363 through 71-5-383 for the collection of past-due contributions.

(c) Any such judgment against such person for collection of such overpayment shall be in the form of a seven-year renewable lien. Unless action be brought thereon prior to expiration of the lien, the department must refile the notice of the lien prior to its expiration at the end of seven (7) years.

There shall be no limit upon the number of times the department may refile notices of liens for collection of overpayments.

(5) The department, by agreement with another state or the United States, as provided under Section 303(g) of the Social Security Act, may recover any overpayment of benefits paid to any individual under the laws of this state or of another state or under an unemployment benefit program of the United States. Any overpayments subject to this subsection may be deducted from any future benefits payable to the individual under the laws of this state or of another state or under an unemployment program of the United States.

SECTION 11. Section 71-5-101, Mississippi Code of 1972, is reenacted as follows:

71-5-101. There is established the Mississippi Department of Employment Security, Office of the Governor. The Department of Employment Security shall be the Mississippi Employment Security Commission and shall retain all powers and duties as granted to the Mississippi Employment Security Commission. Wherever the term "Employment Security Commission" appears in any law, the same shall mean the Mississippi Department of Employment Security, Office of the Governor. The Executive Director of the Department of Employment Security may assign to the appropriate offices such powers and duties deemed appropriate to carry out the lawful functions of the department.

SECTION 12. Section 71-5-107, Mississippi Code of 1972, is reenacted as follows:

71-5-107. The department shall administer this chapter through a full-time salaried executive director, to be appointed by the Governor, with the advice and consent of the Senate. He shall be responsible for the administration of this chapter under authority delegated to him by the Governor.

SECTION 13. Section 71-5-109, Mississippi Code of 1972, is reenacted as follows:

71-5-109. There is created a Board of Review consisting of three (3) members to be appointed by the executive director. The executive director shall designate one (1) member of the Board of Review as chairman. Each member shall be paid a salary or per diem at a rate to be determined by the executive director, and such expenses as may be allowed by the executive director. All salaries, per diem and expenses of the Board of Review shall be paid from the Employment Security Administration Fund.

SECTION 14. Section 71-5-111, Mississippi Code of 1972, is reenacted as follows:

71-5-111. There is created in the State Treasury a special fund to be known as the Employment Security Administration Fund. All monies which are deposited or paid into this fund are appropriated and made available to the department. All monies in this fund shall be expended solely for the purpose of defraying the cost of administration of this chapter, and for no other purpose whatsoever. The fund shall consist of all monies appropriated by this state and all monies received from the United States of America, or any agency thereof, or from any other source for such purpose. Notwithstanding any provision of this section, all monies requisitioned and deposited in this fund pursuant to Section 71-5-457 shall remain part of the Employment Security Administration Fund and shall be used only in accordance with the conditions specified in that section. All monies in this fund shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the State Treasury. The State Treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the Employment Security Administration Fund under this chapter.

SECTION 15. Section 71-5-112, Mississippi Code of 1972, is reenacted as follows:

71-5-112. All funds received by the Mississippi Department of Employment Security shall clear through the State Treasury as provided and required by Sections 71-5-111 and 71-5-453. All expenditures from the administration fund of the department authorized by Section 71-5-111 shall be expended only pursuant to appropriation approved by the Legislature and as provided by law.

SECTION 16. Section 71-5-113, Mississippi Code of 1972, is reenacted as follows:

71-5-113. All monies received from the Social Security Board or its successors for the administration of this chapter shall be expended solely for the purposes and in the amounts found necessary by the Social Security Board or its successors for the proper and efficient administration of this chapter.

It shall be the duty of the department to take appropriate action with respect to the replacement, within a reasonable time, of any monies received from the Social Security Board, or its successors, for the administration of this chapter, and monies used to match grants pursuant to the provisions of the Wagner-Peyser Act, which the board, or its successors, find, because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of those found necessary by the Social Security Board, or its successors, for the proper administration of this chapter. Funds which have been expended by the department or its agents in accordance with the budget approved by the Social Security Board, or its successors, or in accordance with the general standards and limitations promulgated by the Social Security Board, or its successors, prior to such expenditure (where proposed expenditures have not been specifically disapproved by the Social Security Board, or its successors), shall not be deemed to require replacement. To effectuate the purposes of this paragraph, it shall be the duty of the department to take such action to safeguard the expenditure of the funds referred to herein as it

deems necessary. In the event of a loss of such funds or an improper expenditure thereof as herein defined, it shall be the duty of the department to notify the Governor of any such loss or improper expenditure and submit to him a request for an appropriation in the amount thereof. The Governor shall transmit to the next regular session of the Legislature following such notification, the department's request for an appropriation in an amount necessary to replace funds which have been lost or improperly expended as defined above. Such request of the department for an appropriation shall not be subject to the provisions of Sections 27-103-101 through 27-103-139. The Legislature recognizes its obligation to replace such funds as may be necessary and shall make necessary appropriations in accordance with such requests.

SECTION 17. Section 71-5-114, Mississippi Code of 1972, is reenacted as follows:

71-5-114. There is created in the State Treasury a special fund, to be known as the "Special Employment Security Administration Fund," into which shall be deposited or transferred all interest, penalties and damages collected on and after July 1, 1982, pursuant to Sections 71-5-363 through 71-5-379. Interest, penalties and damages collected on delinquent payments deposited during any calendar quarter in the clearing account in the Unemployment Compensation Fund shall, as soon as practicable after the close of such calendar quarter, be transferred to the Special Employment Security Administration Fund. All monies in this fund shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the State Treasury. The State Treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the Special Employment Security Administration Fund under this chapter. Those monies shall not be expended or made available for expenditure in

any manner which would permit their substitution for (or permit a corresponding reduction in) federal funds which would, in the absence of those monies, be available to finance expenditures for the administration of the state unemployment compensation and employment service laws. Nothing in this section shall prevent those monies in this fund from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when necessary. The monies in this fund may be used by the department for the payment of costs of administration of the employment security laws of this state which are found not to be or not to have been properly and validly chargeable against funds obtained from federal sources. All monies in this Special Employment Security Administration Fund shall be continuously available to the department for expenditure in accordance with the provisions of this chapter, and shall not lapse at any time. The monies in this fund are specifically made available to replace, as contemplated by Section 71-5-113, expenditures from the Employment Security Administration Fund established by Section 71-5-111, which have been found, because of any action or contingency, to have been lost or improperly expended.

The department, whenever it is of the opinion that the money in the Special Employment Security Administration Fund is more than ample to pay for all foreseeable needs for which such special fund is set up, may, by written order, order the transfer therefrom to the Unemployment Compensation Fund of such amount of money in the Special Employment Security Administration Fund as it deems proper, and the same shall thereupon be immediately transferred to the Unemployment Compensation Fund.

SECTION 18. Section 71-5-115, Mississippi Code of 1972, is reenacted as follows:

71-5-115. It shall be the duty of the executive director to administer this chapter; and the executive director shall have the power and authority to adopt, amend or rescind such rules and regulations, to employ such persons, make such expenditures, require such reports, make such investigations, and take such other action as he deems necessary or suitable to that end. Such rules and regulations shall be effective upon publication in the manner, not inconsistent with the provisions of this chapter, which the executive director shall prescribe. The executive director shall determine the department's own organization and methods of procedure in accordance with the provisions of this chapter, and shall have an official seal which shall be judicially noticed. Not later than the first day of February in each year, the executive director shall submit to the Governor a report covering the administration and operation of this chapter during the preceding fiscal year and shall make such recommendations for amendments to this chapter as the executive director deems proper. Whenever the executive director believes that a change in contribution or benefit rates will become necessary to protect the solvency of the fund, he shall promptly so inform the Governor and the Legislature, and make recommendations with respect thereto.

SECTION 19. Section 71-5-117, Mississippi Code of 1972, is reenacted as follows:

71-5-117. General rules may be adopted, amended or rescinded by the executive director only after public hearing or opportunity to be heard thereon, of which proper notice has been given. General rules shall become effective ten (10) days after filing with the Secretary of State and publication in one or more newspapers of general circulation in this state. Regulations may be adopted, amended or rescinded by the executive director and shall become effective in the manner and at the time prescribed by the executive director.

SECTION 20. Section 71-5-119, Mississippi Code of 1972, is reenacted as follows:

71-5-119. The department shall cause to be available for distribution to the public the text of this chapter, its regulations and general rules, its reports to the Governor, and any other material it deems relevant and suitable, and shall furnish the same to any person upon application therefor.

SECTION 21. Section 71-5-121, Mississippi Code of 1972, is reenacted as follows:

71-5-121. Subject to other provisions of this chapter, the executive director is authorized to appoint, fix the compensation, and prescribe the duties and powers of such officers, accountants, attorneys, experts and other persons as may be necessary in the performance of department duties; however, all personnel who were former members of the Armed Forces of the United States of America shall be given credit regardless of rate, rank or commission. All positions shall be filled by persons selected and appointed on a nonpartisan merit basis, in accordance with Section 25-9-101 et seq., that provides for a state service personnel system. The executive director shall not employ any person who is an officer or committee member of any political party organization. The executive director may delegate to any such person so appointed such power and authority as he deems reasonable and proper for the effective administration of this chapter, and may in his discretion bond any person handling monies or signing checks hereunder. The veteran status of an individual shall be considered and preference given in accordance with the provisions of the State Personnel Board.

The department and its employees are exempt from Sections 25-15-101 and 25-15-103.

The department may use federal granted funds to provide such group health, life, accident and hospitalization insurance for its

employees as may be agreed upon by the department and the federal granting authorities.

The department shall adopt a "layoff formula" to be used wherever it is determined that, because of reduced workload, budget reductions or in order to effect a more economical operation, a reduction in force shall occur in any group.

In establishing this formula, the department shall give effect to the principle of seniority and shall provide that seniority points may be added for disabled veterans and veterans, with due regard to the efficiency of the service. Any such layoff formula shall be implemented according to the policies, rules and regulations of the State Personnel Board.

SECTION 22. Section 71-5-123, Mississippi Code of 1972, is reenacted as follows:

71-5-123. The executive director shall retain all powers and duties as granted to the state advisory council appointed by the former Employment Security Commission. The executive director may appoint local advisory councils, composed in each case of an equal number of employer representatives and employee representatives who may fairly be regarded as representative because of their vocation, employment or affiliations, and of such members representing the general public as the executive director may designate. Such councils shall aid the department in formulating policies and discussing problems related to the administration of this chapter and in assuring impartiality and freedom from political influence in the solution of such problems. Members of the advisory councils shall receive a per diem in accordance with Section 25-3-69 for attendance upon meetings of the council, and shall be reimbursed for actual and necessary traveling expenses. The per diem and expenses herein authorized shall be paid from the Employment Security Administration Fund.

SECTION 23. Section 71-5-125, Mississippi Code of 1972, is reenacted as follows:

71-5-125. The department shall take all appropriate steps to reduce and prevent unemployment; to encourage and assist in the adoption of practical methods of vocational training, retraining and vocational guidance; to investigate, recommend, advise and assist in the establishment and operation, by municipalities, counties, school districts and the state, of reserves for public works to be used in times of business depression and unemployment; to promote the reemployment of unemployed workers throughout the state in every other way that may be feasible; and to these ends to carry on and publish the results of investigation and research studies.

SECTION 24. Section 71-5-127, Mississippi Code of 1972, is reenacted as follows:

71-5-127. (1) Any information or records concerning an individual or employing unit obtained by the department pursuant to the administration of this chapter or any other federally funded programs for which the department has responsibility shall be private and confidential, except as otherwise provided in this article or by regulation. Information or records may be released by the department when the release is required by the federal government in connection with, or as a condition of funding for, a program being administered by the department.

(2) Each employing unit shall keep true and accurate work records, containing such information as the department may prescribe. Such records shall be open to inspection and be subject to being copied by the department or its authorized representatives at any reasonable time and as often as may be necessary. The department, Board of Review and any referee may require from any employing unit any sworn or unsworn reports with respect to persons employed by it which they or any of them deem necessary for the effective administration of this chapter. Information, statements, transcriptions of proceedings, transcriptions of recordings, electronic recordings, letters,

memoranda, and other documents and reports thus obtained or obtained from any individual pursuant to the administration of this chapter shall, except to the extent necessary for the proper administration of this chapter, be held confidential and shall not be published or be opened to public inspection (other than to public employees in the performance of their public duties) in any manner revealing the individual's or employing unit's identity.

(3) Any claimant or his legal representative at a hearing before an appeal tribunal or the Board of Review shall be supplied with information from such records to the extent necessary for the proper presentation of his claim in any proceeding pursuant to this chapter.

(4) Any employee or member of the Board of Review or any employee of the department who violates any provisions of this section shall be fined not less than Twenty Dollars (\$20.00) nor more than Two Hundred Dollars (\$200.00), or imprisoned for not longer than ninety (90) days, or both.

(5) The department may make the state's records relating to the administration of this chapter available to the Railroad Retirement Board, and may furnish the Railroad Retirement Board, at the expense of such board, such copies thereof as the Railroad Retirement Board deems necessary for its purposes. The department may afford reasonable cooperation with every agency of the United States charged with the administration of any unemployment insurance law.

SECTION 25. Section 71-5-129, Mississippi Code of 1972, is reenacted as follows:

71-5-129. Records hereinafter designated, which are found by the department to be useless, may be disposed of in accordance with approved records control schedules.

(a) Records which have been preserved by it for not less than three (3) years:

(1) Initial claims for benefits,

(2) Continued claims for benefits,
(3) Correspondence and master index cards in connection with such claims for benefits, and
(4) Individual wage slips filed by employers subject to the provisions of the Unemployment Compensation Law.

(b) Records which have been preserved by it for not less than six (6) months after becoming inactive:

- (1) Work applications,
- (2) Cross-index cards for work applications,
- (3) Test records,
- (4) Employer records,
- (5) Work orders,
- (6) Clearance records,
- (7) Counseling records,
- (8) Farm placement records, and
- (9) Correspondence relating to all such records.

Nothing herein contained shall be construed as authorizing the destruction or disposal of basic fiscal records reflecting the financial operations of the department and no records may be destroyed without the approval of the Director of the Department of Archives and History.

SECTION 26. Section 71-5-131, Mississippi Code of 1972, is reenacted as follows:

71-5-131. All letters, reports, communications, or any other matters, either oral or written, from the employer or employee to each other or to the department or any of its agents, representatives or employees, which shall have been written, sent, delivered or made in connection with the requirements and administration of this chapter shall be absolutely privileged and shall not be made the subject matter or basis of any suit for slander or libel in any court of the State of Mississippi unless the same be false in fact and maliciously written, sent, delivered

or made for the purpose of causing a denial of benefits under this chapter.

SECTION 27. Section 71-5-133, Mississippi Code of 1972, is reenacted as follows:

71-5-133. In any case where an employing unit or any officer, member or agent thereof, or any other person having possession of the records thereof, shall fail or refuse upon demand by the department or its duly appointed agents to produce or permit the examination or copying of any book, paper, account, record or other data pertaining to payrolls or employment or ownership of interests or stock in any employing unit, or bearing upon the correctness of any report, or for the purpose of making a report as required by this chapter where none has been made, then and in that event the department or its duly authorized agents may, by the issuance of a subpoena, require the attendance of such employing unit or any officer, member or agent thereof, or any other person having possession of the records thereof, and take testimony with respect to any such matter and may require any such person to produce any books or records specified in such subpoena. The department or its authorized agents at any such hearing shall have power to administer oaths to any such person or persons. When any person called as a witness by a subpoena signed by the department or its agents and served upon him by the sheriff of a county of which such person is a resident, or wherein is located the principal office of such employing unit or wherein such records are located or kept, shall fail to obey such subpoena to appear before the department or its authorized agent, or shall refuse to testify or to answer any questions or to produce any book, record, paper or other data when required to do so, such failure or refusal shall be reported to the Attorney General, who shall thereupon institute proceedings by the filing of a petition in the name of the State of Mississippi, on the relation of the department, in the circuit court or other court of competent

jurisdiction of the county where such witness resides, or wherein such records are located or kept, to compel the obedience of such witness. Such petition shall set forth the facts and circumstances of the demand for and refusal or failure to permit the examination or copying of such records, or the failure or refusal of such witness to testify in answer to such subpoena or to produce the records so required by such subpoena. Such court, upon the filing and docketing of such petition, shall thereupon promptly issue an order to the defendants named in the petition to produce forthwith in such court, or at a place in such county designated in such order for the examination or copying by the department or its duly appointed agents, the records, books or documents so described, and to testify concerning matters described in such petition. Unless such defendants to such petition shall appear in the court upon a day specified in such order, which day shall be not more than ten (10) days after the date of issuance of such order, and offer, under oath, good and sufficient reasons why such examination or copying should not be permitted, or why such subpoena should not be obeyed, such court shall thereupon deliver to the department or its agents, for examination or copying, the records, books and documents so described in the petition and so produced in such court, and shall order the defendants to appear in answer to the subpoena of the department or its agents, and to testify concerning matters inquired about by the department. Any employing unit or any officer, member or agent thereof, or any other person having possession of the records thereof, who shall willfully disobey such order of the court after the same shall have been served upon him shall be guilty of indirect contempt of such court from which such order shall have issued, and may be adjudged in contempt of the court and punished therefor as provided by law.

SECTION 28. Section 71-5-135, Mississippi Code of 1972, is reenacted as follows:

71-5-135. If any employing unit fails to make any report required by this chapter, the department or its authorized agents shall give notice to such employing unit to make and file such report within fifteen (15) days from the date of such notice. If such employing unit, by its proper members, officers or agents, shall fail or refuse to make and file such reports within such time, then and in that event such report shall be made by the department or its authorized agents from the best information available, and the amount of contributions due shall be computed thereon; and such report shall be prima facie correct for the purposes of this chapter.

SECTION 29. Section 71-5-137, Mississippi Code of 1972, is reenacted as follows:

71-5-137. In the discharge of the duties imposed by this chapter, the department, any referee, the members of the Board of Review, and any duly authorized representative of any of them shall have power to administer oaths and affirmations, to take depositions, certify to official acts, and issue subpoenas to compel the attendance of witnesses and the production of books, papers, correspondence, memoranda and other records deemed necessary as evidence in connection with a disputed claim or the administration of this chapter.

SECTION 30. Section 71-5-139, Mississippi Code of 1972, is reenacted as follows:

71-5-139. In case of contumacy or refusal to obey a subpoena issued to any person, any court in this state within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the department, the Board of Review, any referee, or any duly authorized representative of any of them, shall have jurisdiction to issue to such person an order requiring such person to appear before the department, the Board of Review, any referee, or any

duly authorized representative of any of them, there to produce evidence if so ordered or there to give testimony touching the matter under investigation or in question. Any failure to obey such order of the court may be punished by the court as a contempt thereof. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda and other records if it is in his power so to do, in obedience to a subpoena of the department, the Board of Review, any referee, or any duly authorized representative of any of them, shall be punished by a fine of not more than Two Hundred Dollars (\$200.00), or by imprisonment for not longer than sixty (60) days, or by both such fine and imprisonment; and each day such violation continues shall be deemed to be a separate offense.

SECTION 31. Section 71-5-141, Mississippi Code of 1972, is reenacted as follows:

71-5-141. No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda and other records before the department, the Board of Review, any referee, or any duly authorized representative of any of them, or in obedience to the subpoena of any of them in any cause or proceeding before the department, the Board of Review or an appeal tribunal, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

SECTION 32. Section 71-5-143, Mississippi Code of 1972, is reenacted as follows:

71-5-143. In the administration of this chapter, the department shall cooperate, to the fullest extent consistent with the provisions of this chapter, with the Social Security Board created by the Social Security Act, approved August 14, 1935, as amended; shall make such reports in such form and containing such information as the Social Security Board may from time to time require, and shall comply with such provisions as the Social Security Board may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with the reasonable, valid and lawful regulations prescribed by the Social Security Board pursuant to and under the authority of the Social Security Act, governing the expenditures of such sums as may be allotted and paid to this state under Title III of the Social Security Act, as amended, for the purpose of assisting in the administration of this chapter.

Upon request therefor, the department shall furnish to any agency of the United States charged with the administration of public works, or assistance through public employment, the name, address, ordinary occupation and employment status of each recipient of benefits, and such recipient's rights to further benefits under this chapter.

SECTION 33. Section 71-5-201, Mississippi Code of 1972, is reenacted as follows:

71-5-201. The Mississippi State Employment Service is established in the Mississippi Department of Employment Security, Office of the Governor. The department, in the conduct of such service, shall establish and maintain free public employment offices in such number and in such places as may be necessary for the proper administration of this article and for the purpose of performing such functions as are within the purview of the act of Congress entitled "An act to provide for the establishment of a

national employment system and for cooperation with the states in the promotion of such system, and for other purposes" (29 USCS Section 49 et seq.). Any existing free public employment offices maintained by the state but not heretofore under the jurisdiction of the department shall be transferred to the jurisdiction of the department, and upon such transfer all duties and powers conferred upon any other department, agency or officers of this state relating to the establishment, maintenance and operation of free public employment offices shall be vested in the department. The Mississippi State Employment Service shall be administered by the department, which is charged with the duty to cooperate with any official or agency of the United States having powers or duties under the provisions of the act of Congress, as amended, and to do and perform all things necessary to secure to this state the benefits of that act of Congress, as amended, in the promotion and maintenance of a system of public employment offices. The provisions of that act of Congress, as amended, are accepted by this state, in conformity with 29 USCS Section 49c, and this state will observe and comply with the requirements thereof. The department is designated and constituted the agency of this state for the purposes of that act. The department may cooperate with or enter into agreements with the Railroad Retirement Board or veteran's organization with respect to the establishment, maintenance and use of free employment service facilities.

SECTION 34. Section 71-5-357, Mississippi Code of 1972, is reenacted as follows:

71-5-357. Benefits paid to employees of nonprofit organizations shall be financed in accordance with the provisions of this section. For the purpose of this section, a nonprofit organization is an organization (or group of organizations) described in Section 501(c)(3) of the Internal Revenue Code of 1954 which is exempt from income tax under Section 501(a) of such code (26 USCS Section 501).

(a) Any nonprofit organization which, under Section 71-5-11, subsection I(3), is or becomes subject to this chapter shall pay contributions under the provisions of Sections 71-5-351 through 71-5-355 unless it elects, in accordance with this paragraph, to pay to the department for the unemployment fund an amount equal to the amount of regular benefits and one-half (1/2) of the extended benefits paid, that is attributable to service in the employ of such nonprofit organization, to individuals for weeks of unemployment which begin during the effective period of such election.

(i) Any nonprofit organization which becomes subject to this chapter may elect to become liable for payments in lieu of contributions for a period of not less than twelve (12) months, beginning with the date on which such subjectivity begins, by filing a written notice of its election with the department not later than thirty (30) days immediately following the date of the determination of such subjectivity.

(ii) Any nonprofit organization which makes an election in accordance with subparagraph (i) of this paragraph will continue to be liable for payments in lieu of contributions unless it files with the department a written termination notice not later than thirty (30) days prior to the beginning of the tax year for which such termination shall first be effective.

(iii) Any nonprofit organization which has been paying contributions under this chapter may change to a reimbursable basis by filing with the department, not later than thirty (30) days prior to the beginning of any tax year, a written notice of election to become liable for payments in lieu of contributions. Such election shall not be terminable by the organization for that and the next tax year.

(iv) The department may for good cause extend the period within which a notice of election or a notice of

termination must be filed, and may permit an election to be retroactive.

(v) The department, in accordance with such regulations as it may prescribe, shall notify each nonprofit organization of any determination which it may make of its status as an employer, of the effective date of any election which it makes and of any termination of such election. Such determinations shall be subject to reconsideration, appeal and review in accordance with the provisions of Sections 71-5-351 through 71-5-355.

(b) Payments in lieu of contributions shall be made in accordance with the provisions of subparagraph (i) of this paragraph.

(i) At the end of each calendar quarter, or at the end of any other period as determined by the department, the department shall bill each nonprofit organization (or group of such organizations) which has elected to make payments in lieu of contributions, for an amount equal to the full amount of regular benefits plus one-half (1/2) of the amount of extended benefits paid during such quarter or other prescribed period that is attributable to service in the employ of such organization.

(ii) Payment of any bill rendered under subparagraph (i) of this paragraph shall be made not later than forty-five (45) days after such bill was delivered to the nonprofit organization, unless there has been an application for review and redetermination in accordance with subparagraph (v) of this paragraph.

1. All of the enforcement procedures for the collection of delinquent contributions contained in Sections 71-5-363 through 71-5-383 shall be applicable in all respects for the collection of delinquent payments due by nonprofit organizations who have elected to become liable for payments in lieu of contributions.

2. If any nonprofit organization is delinquent in making payments in lieu of contributions, the department may terminate such organization's election to make payments in lieu of contributions as of the beginning of the next tax year, and such termination shall be effective for the balance of such tax year.

(iii) Payments made by any nonprofit organization under the provisions of this paragraph shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of the organization.

(iv) Payments due by employers who elect to reimburse the fund in lieu of contributions as provided in this paragraph may not be noncharged under any condition. The reimbursement must be on a dollar-for-dollar basis (One Dollar (\$1.00) reimbursement for each dollar paid in benefits) in every case, so that the trust fund shall be reimbursed in full, such reimbursement to include, but not be limited to, benefits or payments erroneously or incorrectly paid, or paid as a result of a determination of eligibility which is subsequently reversed, or paid as a result of claimant fraud. However, political subdivisions who are reimbursing employers may elect to pay to the fund an amount equal to five-tenths percent (.5%) through December 31, 2010, and shall pay twenty-five one-hundredths percent (.25%) thereafter of the taxable wages paid during the calendar year with respect to employment, and those employers who so elect shall be relieved of liability for reimbursement of benefits paid under the same conditions that benefits are not charged to the experience-rating record of a contributing employer as provided in Section 71-5-355(2)(b)(ii) other than Clause 5 thereof. Benefits paid in such circumstances for which reimbursing employers are relieved of liability for reimbursement shall not be considered attributable to service in the employment of such reimbursing employer.

(v) The amount due specified in any bill from the department shall be conclusive on the organization unless, not later than fifteen (15) days after the bill was delivered to it, the organization files an application for redetermination by the department, setting forth the grounds for such application or appeal. The department shall promptly review and reconsider the amount due specified in the bill and shall thereafter issue a redetermination in any case in which such application for redetermination has been filed. Any such redetermination shall be conclusive on the organization unless, not later than fifteen (15) days after the redetermination was delivered to it, the organization files an appeal to the Circuit Court of the First Judicial District of Hinds County, Mississippi, in accordance with the provisions of law with respect to review of civil causes by certiorari.

(vi) Past due payments of amounts in lieu of contributions shall be subject to the same interest and penalties that, pursuant to Section 71-5-363, apply to past due contributions.

(c) Each employer that is liable for payments in lieu of contributions shall pay to the department for the fund the amount of regular benefits plus the amount of one-half (1/2) of extended benefits paid are attributable to service in the employ of such employer. If benefits paid to an individual are based on wages paid by more than one (1) employer and one or more of such employers are liable for payments in lieu of contributions, the amount payable to the fund by each employer that is liable for such payments shall be determined in accordance with the provisions of subparagraph (i) or subparagraph (ii) of this paragraph.

(i) If benefits paid to an individual are based on wages paid by one or more employers that are liable for payment in lieu of contributions and on wages paid by one or more employers

who are liable for contributions, the amount of benefits payable by each employer that is liable for payments in lieu of contributions shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base period wages paid to the individual by such employer bear to the total base period wages paid to the individual by all of his base period employers.

(ii) If benefits paid to an individual are based on wages paid by two (2) or more employers that are liable for payments in lieu of contributions, the amount of benefits payable by each such employer shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base period wages paid to the individual by such employer bear to the total base period wages paid to the individual by all of his base period employers.

(d) In the discretion of the department, any nonprofit organization that elects to become liable for payments in lieu of contributions shall be required to execute and file with the department a surety bond approved by the department, or it may elect instead to deposit with the department money or securities. The amount of such bond or deposit shall be determined in accordance with the provisions of this paragraph.

(i) The amount of the bond or deposit required by paragraph (d) shall be equal to two and seven-tenths percent (2.7%) thereafter to December 31, 2010, and one and thirty-five one-hundredths percent (1.35%) thereafter, of the organization's taxable wages paid for employment as defined in Section 71-5-11, subsection J(4), for the four (4) calendar quarters immediately preceding the effective date of the election, the renewal date in the case of a bond, or the biennial anniversary of the effective date of election in the case of a deposit of money or securities, whichever date shall be most recent and applicable. If the nonprofit organization did not pay wages in each of such four (4)

calendar quarters, the amount of the bond or deposit shall be as determined by the department.

(ii) Any bond deposited under paragraph (d) shall be in force for a period of not less than two (2) tax years and shall be renewed with the approval of the department at such times as the department may prescribe, but not less frequently than at intervals of two (2) years as long as the organization continues to be liable for payments in lieu of contributions. The department shall require adjustments to be made in a previously filed bond as it deems appropriate. If the bond is to be increased, the adjusted bond shall be filed by the organization within thirty (30) days of the date notice of the required adjustment was delivered to it. Failure by any organization covered by such bond to pay the full amount of payments in lieu of contributions when due, together with any applicable interest and penalties provided in paragraph (b)(v) of this section, shall render the surety liable on the bond to the extent of the bond, as though the surety was such organization.

(iii) Any deposit of money or securities in accordance with paragraph (d) shall be retained by the department in an escrow account until liability under the election is terminated, at which time it shall be returned to the organization, less any deductions as hereinafter provided. The department may deduct from the money deposited under paragraph (d) by a nonprofit organization, or sell the securities it has so deposited, to the extent necessary to satisfy any due and unpaid payments in lieu of contributions and any applicable interest and penalties provided for in paragraph (b)(v) of this section. The department shall require the organization, within thirty (30) days following any deduction from a money deposit or sale of deposited securities under the provisions hereof, to deposit sufficient additional money or securities to make whole the organization's deposit at the prior level. Any cash remaining from the sale of

such securities shall be a part of the organization's escrow account. The department may, at any time, review the adequacy of the deposit made by any organization. If, as a result of such review, it determines that an adjustment is necessary, it shall require the organization to make additional deposit within thirty (30) days of notice of its determination or shall return to it such portion of the deposit as it no longer considers necessary, whichever action is appropriate. Disposition of income from securities held in escrow shall be governed by the applicable provisions of the state law.

(iv) If any nonprofit organization fails to file a bond or make a deposit, or to file a bond in an increased amount, or to increase or make whole the amount of a previously made deposit as provided under this subparagraph, the department may terminate such organization's election to make payments in lieu of contributions, and such termination shall continue for not less than the four (4) consecutive calendar-quarter periods beginning with the quarter in which such termination becomes effective; however, the department may extend for good cause the applicable filing, deposit or adjustment period by not more than thirty (30) days.

(v) Group account shall be established according to regulations prescribed by the department.

(e) Any employer which elects to make payments in lieu of contributions into the Unemployment Compensation Fund as provided in this paragraph shall not be liable to make such payments with respect to the benefits paid to any individual whose base period wages include wages for previously uncovered services as defined in Section 71-5-511(e) to the extent that the Unemployment Compensation Fund is reimbursed for such benefits pursuant to Section 121 of Public Law 94-566.

SECTION 35. Section 71-5-359, Mississippi Code of 1972, is reenacted and amended as follows:

71-5-359. (1) The Department of Finance and Administration shall, in the manner provided in subsection (3) of this section, pay, upon notice issued by the department, to the department for the Unemployment Compensation Fund an amount equal to the regular benefits and one-half (1/2) of the extended benefits paid that are attributable to service in the employ of a state agency. The amount required to be reimbursed by a certain agency shall be billed to the Department of Finance and Administration and shall be paid from the Employment Compensation Revolving Fund pursuant to subsection (3) of this section not later than thirty (30) days after such bill was sent, unless there has been an application for review and redetermination in accordance with Section 71-5-357(b)(v).

(2) The Department of Finance and Administration shall, in the manner provided in subsection (3) of this section, pay, upon a notice issued by the department, to the department for the Unemployment Compensation Fund an amount equal to the regular benefits and the extended benefits paid that are attributable to service in the employ of a state agency. The amount required to be reimbursed by a certain agency shall be billed to the Department of Finance and Administration and shall be paid from the Employment Compensation Revolving Fund pursuant to subsection (3) of this section not later than thirty (30) days after such bill was sent, unless there has been an application for review and redetermination in accordance with Section 71-5-357(b)(v).

(3) Each agency of state government shall deposit monthly for a period of twenty-four (24) months an amount equal to one-twelfth of one percent (1/12 of 1%) of the first Six Thousand Dollars (\$6,000.00) paid to each employee thereof during the next preceding year into the Employment Compensation Revolving Fund that is created in the State Treasury. The Department of Finance and Administration shall determine the percentage to be applied to the amount of covered wages paid in order to maintain a balance in

the revolving fund of not less than the amount determined by an actuary through an annual actuarial evaluation. The State Treasurer shall invest all funds in the Employment Compensation Revolving Fund and all interest earned shall be credited to the Employment Compensation Revolving Fund.

The reimbursement of benefits paid by the Mississippi Department of Employment Security shall be paid by the Department of Finance and Administration from the Employment Compensation Revolving Fund upon notice from the department; and the Department of Finance and Administration shall issue warrants or may contract for the performance of the duties prescribed by subsections (2) and (3) of this section, and other duties necessarily related thereto.

(4) Any political subdivision of this state shall pay to the department for the unemployment compensation fund an amount equal to the regular benefits and the extended benefits paid that are attributable to service in the employ of such political subdivision unless it elects to make contributions to the unemployment fund as provided in subsection (9) of this section. The amount required to be reimbursed shall be billed and shall be paid as provided in Section 71-5-357, with respect to similar payments for nonprofit organizations.

(5) Each political subdivision, unless it elects to make contributions to the unemployment compensation fund as provided in subsection (9) of this section, shall establish a revolving fund and deposit an amount equal to two percent (2%) of the first Six Thousand Dollars (\$6,000.00) paid to each employee thereof during the next preceding year. However, the department shall by regulation establish a procedure to allow reimbursing political subdivisions to elect to maintain the balance in the revolving fund as required under this paragraph or to annually execute a surety bond to be approved by the department in an amount not less

than two percent (2%) of the covered wages paid during the next preceding year.

(6) In the event any political subdivision becomes delinquent in payments due under this chapter, upon due notice, and upon certification of the delinquency by the department to the Department of Finance and Administration, the Department of Revenue, the Department of Environmental Quality and the Department of Insurance, or any of them, or any other agencies of the State of Mississippi that may be indebted to such delinquent political subdivision, such agencies shall direct the issuance of warrants which in the aggregate shall be the amount of such delinquency payable to the department and drawn upon any funds in the State Treasury which may be available to such political subdivision in satisfaction of any such delinquency. This remedy shall be in addition to any other collection remedies in this chapter or otherwise provided by law.

(7) Payments made by any political subdivision under the provisions of this section shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of the organization.

(8) Any governmental entity shall not be liable to make payments to the unemployment fund with respect to the benefits paid to any individual whose base period wages include wages for previously uncovered services as defined in Section 71-5-511, subsection (e), to the extent that the Unemployment Compensation Fund is reimbursed for such benefits pursuant to Section 121 of Public Law 94-566.

(9) Any political subdivision of this state may elect to make contributions to the unemployment fund instead of making reimbursement for benefits paid as provided in subsections (4) and (5) of this section. A political subdivision which makes this election shall so notify the department, not later than three (3) months after it is officially organized or is otherwise

established, and shall be subject to the provisions of Section 71-5-351, with regard to the payment of contributions. A political subdivision which makes this election shall pay contributions equal to two percent (2%) of taxable wages through calendar year 2010, and one percent (1%) of taxable wages thereafter paid by it during each calendar quarter it is subject to this chapter. The department shall by regulation establish a procedure to allow political subdivisions the option periodically to elect either the reimbursement or the contribution method of financing unemployment compensation coverage.

SECTION 36. Section 71-5-451, Mississippi Code of 1972, is reenacted as follows:

71-5-451. There is established as a special fund, separate and apart from all public monies or funds of this state, an Unemployment Compensation Fund, which shall be administered by the department exclusively for:

- (a) All contributions collected under this chapter;
- (b) Interest earned upon any monies in the fund;
- (c) Any property or securities acquired through the use of monies belonging to the fund;
- (d) All earnings of such property or securities;
- (e) All monies credited to this state's account in the Unemployment Trust Fund pursuant to the Social Security Act, 42 USCS, Section 1104; and
- (f) By way of reimbursement in accordance with Section 204 of the Federal-State Extended Unemployment Compensation Act of 1970 (84 Stat. 711). All monies in the fund shall be mingled and undivided.

SECTION 37. Section 71-5-457, Mississippi Code of 1972, is reenacted as follows:

71-5-457. (1) Except as otherwise provided in subsection (5), money credited to the account of this state in the Unemployment Trust Fund by the Secretary of the Treasury of the

United States of America pursuant to the Social Security Act, 42 USCS Section 1103, may be requisitioned and used for the payment of expenses incurred for the administration of this law pursuant to a specific appropriation by the Legislature, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation law which:

- (a) Specifies the purposes for which such money is appropriated and the amounts appropriated therefor;
- (b) Limits the period within which such money may be obligated to a period ending not more than two (2) years after the date of the enactment of the appropriation law; and
- (c) Limits the amount which may be obligated during a twelve-month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which:

- (i) The aggregate of the amounts credited to the account of this state pursuant to the Social Security Act, 42 USCS Section 1103, during the same twelve-month period and the thirty-four (34) preceding twelve-month periods exceeds.

- (ii) The aggregate of the amounts obligated pursuant to this section and charged against the amounts credited to the account of this state during such thirty-five (35) twelve-month periods.

For the purposes of this section, amounts obligated during any such twelve-month period shall be charged against equivalent amounts which were first credited and which are not already so charged; except that no amount obligated for administration during any such twelve-month period may be charged against any amount credited during such a twelve-month period earlier than the thirty-fourth preceding such period.

- (2) Money credited to the account of this state pursuant to the Social Security Act, 42 USCS Section 1103, may not be withdrawn or used except for the payment of benefits and for the

payment of expenses for the administration of this law and of public employment offices pursuant to this section.

(3) Money appropriated as provided herein for the payment of expenses of administration shall be requisitioned as needed for the payment of obligations incurred under such appropriation and, upon requisition, shall be deposited in the Employment Security Administration Fund, from which such payments shall be made. Money so deposited shall, until expended, remain a part of the Unemployment Compensation Fund and, if it will not be expended, shall be returned promptly to the account of this state in the Unemployment Trust Fund.

(4) The thirty-five-year limitation provided in this section is no longer in force, effective October 1, 1991.

(5) Notwithstanding subsection (1), monies credited with respect to federal fiscal years 1999, 2000 and 2001 shall be used by the department solely for the administration of the unemployment compensation program.

SECTION 38. Section 71-5-503, Mississippi Code of 1972, is amended as follows:

71-5-503. An individual's weekly benefit amount for a benefit year shall be one-twenty-sixth ($1/26$) of his total wages for insured work paid during that quarter of his base period in which such total wages were highest, computed to the next lower multiple of One Dollar (\$1.00), if not a multiple of One Dollar (\$1.00).

On or before June 15 of each year, the total wages reported on contribution reports for the preceding calendar year shall be divided by the average monthly number of insured workers (determined by dividing the total insured workers reported on contribution reports pursuant to the regulations of the commission for the preceding year by twelve (12)). The average annual wage thus obtained shall be divided by fifty-two (52) and the average weekly wage thus determined rounded to the nearest cent. Sixty

percent (60%) of this amount, rounded to the nearest dollar, shall constitute the maximum "weekly benefit amount" paid to any individual whose benefit year commences on or after July 1 of such year and prior to July 1 of the next following year; provided however, that the maximum weekly benefit amount shall not exceed Two Hundred Ten Dollars (\$210.00) for any benefit year that begins on or after July 1, 2002, and shall not exceed Two Hundred Thirty Dollars (\$230.00) for any benefit year that begins on or after July 1, 2008, and shall not exceed Two Hundred Thirty-five Dollars (\$235.00) for any benefit year that begins on or after July 1, 2009. The minimum weekly benefit amount for the individual shall be Thirty Dollars (\$30.00). If an individual's weekly benefit amount would compute to less than the said minimum, then such individual would be entitled to no benefits.

An individual's weekly benefit amount, as determined at the beginning of his benefit year, shall constitute his weekly benefit amount throughout such benefit year.

The Mississippi Department of Employment Security, with the assistance of the United States Department of Labor, is directed to generate actuarially sound models for computation of weekly benefit amounts. Such models shall include scenarios for increasing the weekly benefit amounts at each increment from the minimum to the maximum amount and the impact such increments would have on the Unemployment Compensation Fund. Such report shall be provided to the Mississippi Legislature on or before December 31, 2008.

This section shall stand repealed on July 1, 2014.

SECTION 39. Section 71-5-511, Mississippi Code of 1972, is reenacted as follows:

71-5-511. An unemployed individual shall be eligible to receive benefits with respect to any week only if the department finds that:

(a) (i) He has registered for work at and thereafter has continued to report to the department in accordance with such regulations as the department may prescribe; except that the department may, by regulation, waive or alter either or both of the requirements of this subparagraph as to such types of cases or situations with respect to which it finds that compliance with such requirements would be oppressive or would be inconsistent with the purposes of this chapter; and

(ii) He participates in reemployment services, such as job search assistance services, if, in accordance with a profiling system established by the department, it has been determined that he is likely to exhaust regular benefits and needs reemployment services, unless the department determines that:

1. The individual has completed such services; or

2. There is justifiable cause for the claimant's failure to participate in such services.

(b) He has made a claim for benefits in accordance with the provisions of Section 71-5-515 and in accordance with such regulations as the department may prescribe thereunder.

(c) He is able to work and is available for work.

(d) He has been unemployed for a waiting period of one (1) week. No week shall be counted as a week of unemployment for the purposes of this subsection:

(i) Unless it occurs within the benefit year which includes the week with respect to which he claims payment of benefits;

(ii) If benefits have been paid with respect thereto;

(iii) Unless the individual was eligible for benefits with respect thereto, as provided in Sections 71-5-511 and 71-5-513, except for the requirements of this subsection.

(e) For weeks beginning on or before July 1, 1982, he has, during his base period, been paid wages for insured work equal to not less than thirty-six (36) times his weekly benefit amount; he has been paid wages for insured work during at least two (2) quarters of his base period; and he has, during that quarter of his base period in which his total wages were highest, been paid wages for insured work equal to not less than sixteen (16) times the minimum weekly benefit amount. For benefit years beginning after July 1, 1982, he has, during his base period, been paid wages for insured work equal to not less than forty (40) times his weekly benefit amount; he has been paid wages for insured work during at least two (2) quarters of his base period, and he has, during that quarter of his base period in which his total wages were highest, been paid wages for insured work equal to not less than twenty-six (26) times the minimum weekly benefit amount. For purposes of this subsection, wages shall be counted as "wages for insured work" for benefit purposes with respect to any benefit year only if such benefit year begins subsequent to the date on which the employing unit by which such wages were paid has satisfied the conditions of Section 71-5-11, subsection I, or Section 71-5-361, subsection (3), with respect to becoming an employer.

(f) No individual may receive benefits in a benefit year unless, subsequent to the beginning of the next preceding benefit year during which he received benefits, he performed service in "employment" as defined in Section 71-5-11, subsection J, and earned remuneration for such service in an amount equal to not less than eight (8) times his weekly benefit amount applicable to his next preceding benefit year.

(g) Benefits based on service in employment defined in Section 71-5-11, subsection J(3) and J(4), and Section 71-5-361, subsection (4) shall be payable in the same amount, on the same terms, and subject to the same conditions as compensation payable

on the basis of other service subject to this chapter, except that benefits based on service in an instructional, research or principal administrative capacity in an institution of higher learning (as defined in Section 71-5-11, subsection O) with respect to service performed prior to January 1, 1978, shall not be paid to an individual for any week of unemployment which begins during the period between two (2) successive academic years, or during a similar period between two (2) regular terms, whether or not successive, or during a period of paid sabbatical leave provided for in the individual's contract, if the individual has a contract or contracts to perform services in any such capacity for any institution or institutions of higher learning for both such academic years or both such terms.

(h) Benefits based on service in employment defined in Section 71-5-11, subsection J(3) and J(4), shall be payable in the same amount, on the same terms and subject to the same conditions as compensation payable on the basis of other service subject to this chapter, except that:

(i) With respect to service performed in an instructional, research or principal administrative capacity for an educational institution, benefits shall not be paid based on such services for any week of unemployment commencing during the period between two (2) successive academic years, or during a similar period between two (2) regular but not successive terms, or during a period of paid sabbatical leave provided for in the individual's contract, to any individual, if such individual performs such services in the first of such academic years or terms and if there is a contract or a reasonable assurance that such individual will perform services in any such capacity for any educational institution in the second of such academic years or terms, and provided that Section 71-5-511, subsection (g), shall apply with respect to such services prior to January 1, 1978. In

no event shall benefits be paid unless the individual employee was terminated by the employer.

(ii) With respect to services performed in any other capacity for an educational institution, benefits shall not be paid on the basis of such services to any individual for any week which commences during a period between two (2) successive academic years or terms, if such individual performs such services in the first of such academic years or terms and there is a reasonable assurance that such individual will perform such services in the second of such academic years or terms, except that if compensation is denied to any individual under this subparagraph and such individual was not offered an opportunity to perform such services for the educational institution for the second of such academic years or terms, such individual shall be entitled to a retroactive payment of compensation for each week for which the individual filed a timely claim for compensation and for which compensation was denied solely by reason of this clause. In no event shall benefits be paid unless the individual employee was terminated by the employer.

(iii) With respect to services described in subsection (h)(i) and (ii), benefits shall not be payable on the basis of services in any such capacities to any individual for any week which commences during an established and customary vacation period or holiday recess if such individual performs such services in the first of such academic years or terms, or in the period immediately before such vacation period or holiday recess, and there is a reasonable assurance that such individual will perform such services in the period immediately following such vacation period or holiday recess.

(iv) With respect to any services described in subsection (h)(i) and (ii), benefits shall not be payable on the basis of services in any such capacities as specified in subsection (h)(i), (ii) and (iii) to any individual who performed

such services in an educational institution while in the employ of an educational service agency. For purposes of this subsection, the term "educational service agency" means a governmental agency or governmental entity which is established and operated exclusively for the purpose of providing such services to one or more educational institutions.

(v) With respect to services to which Sections 71-5-357 and 71-5-359 apply, if such services are provided to or on behalf of an educational institution, benefits shall not be payable under the same circumstances and subject to the same terms and conditions as described in subsection (h)(i), (ii), (iii) and (iv).

(i) Subsequent to December 31, 1977, benefits shall not be paid to any individual on the basis of any services substantially all of which consist of participating in sports or athletic events or training or preparing to so participate, for any week which commences during the period between two (2) successive sports seasons (or similar periods) if such individual performs such services in the first of such seasons (or similar periods) and there is a reasonable assurance that such individual will perform such services in the later of such seasons (or similar periods).

(j) (i) Subsequent to December 31, 1977, benefits shall not be payable on the basis of services performed by an alien, unless such alien is an individual who was lawfully admitted for permanent residence at the time such services were performed, was lawfully present for purposes of performing such services, or was permanently residing in the United States under color of law at the time such services were performed (including an alien who was lawfully present in the United States as a result of the application of the provisions of Section 203(a)(7) or Section 212(d)(5) of the Immigration and Nationality Act).

(ii) Any data or information required of individuals applying for benefits to determine whether benefits are not payable to them because of their alien status shall be uniformly required from all applicants for benefits.

(iii) In the case of an individual whose application for benefits would otherwise be approved, no determination that benefits to such individual are not payable because of his alien status shall be made, except upon a preponderance of the evidence.

(k) An individual shall be deemed prima facie unavailable for work, and therefore ineligible to receive benefits, during any period which, with respect to his employment status, is found by the department to be a holiday or vacation period.

(1) A temporary employee of a temporary help firm is considered to have left the employee's last work voluntarily without good cause connected with the work if the temporary employee does not contact the temporary help firm for reassignment on completion of an assignment. A temporary employee is not considered to have left work voluntarily without good cause connected with the work under this paragraph unless the temporary employee has been advised in writing:

(i) That the temporary employee is obligated to contact the temporary help firm on completion of assignments; and

(ii) That unemployment benefits may be denied if the temporary employee fails to do so.

SECTION 40. Section 71-5-513, Mississippi Code of 1972, is reenacted as follows:

71-5-513. A. An individual shall be disqualified for benefits:

(1) (a) For the week, or fraction thereof, which immediately follows the day on which he left work voluntarily without good cause, if so found by the department, and for each

week thereafter until he has earned remuneration for personal services performed for an employer, as in this chapter defined, equal to not less than eight (8) times his weekly benefit amount, as determined in each case; however, marital, filial and domestic circumstances and obligations shall not be deemed good cause within the meaning of this subsection. Pregnancy shall not be deemed to be a marital, filial or domestic circumstance for the purpose of this subsection.

(b) For the week, or fraction thereof, which immediately follows the day on which he was discharged for misconduct connected with his work, if so found by the department, and for each week thereafter until he has earned remuneration for personal services performed for an employer, as in this chapter defined, equal to not less than eight (8) times his weekly benefit amount, as determined in each case.

(c) The burden of proof of good cause for leaving work shall be on the claimant, and the burden of proof of misconduct shall be on the employer.

(2) For the week, or fraction thereof, with respect to which he willfully makes a false statement, a false representation of fact, or willfully fails to disclose a material fact for the purpose of obtaining or increasing benefits under the provisions of this law, if so found by the department, and such individual's maximum benefit allowance shall be reduced by the amount of benefits so paid to him during any such week of disqualification; and additional disqualification shall be imposed for a period not exceeding fifty-two (52) weeks, the length of such period of disqualification and the time when such period begins to be determined by the department, in its discretion, according to the circumstances in each case.

(3) If the department finds that he has failed, without good cause, either to apply for available suitable work when so directed by the employment office or the department, to accept

suitable work when offered him, or to return to his customary self-employment (if any) when so directed by the department, such disqualification shall continue for the week in which such failure occurred and for not more than the twelve (12) weeks which immediately follow such week, as determined by the department according to the circumstances in each case.

(a) In determining whether or not any work is suitable for an individual, the department shall consider among other factors the degree of risk involved to his health, safety and morals, his physical fitness and prior training, his experience and prior earnings, his length of unemployment and prospects for securing local work in his customary occupation, and the distance of the available work from his residence; however, offered employment paying the minimum wage or higher, if such minimum or higher wage is that prevailing for his customary occupation or similar work in the locality, shall be deemed to be suitable employment after benefits have been paid to the individual for a period of eight (8) weeks.

(b) Notwithstanding any other provisions of this chapter, no work shall be deemed suitable and benefits shall not be denied under this chapter to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(i) If the position offered is vacant due directly to a strike, lockout or other labor dispute;

(ii) If the wages, hours or other conditions of the work offered are substantially unfavorable or unreasonable to the individual's work. The department shall have the sole discretion to determine whether or not there has been an unfavorable or unreasonable condition placed on the individual's work. Moreover, the department may consider, but shall not be limited to a consideration of, whether or not the unfavorable

condition was applied by the employer to all workers in the same or similar class or merely to this individual;

(iii) If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization;

(iv) If unsatisfactory or hazardous working conditions exist that could result in a danger to the physical or mental well-being of the worker. In any such determination the department shall consider, but shall not be limited to a consideration of, the following: the safety measures used or the lack thereof and the condition of equipment or lack of proper equipment. No work shall be considered hazardous if the working conditions surrounding a worker's employment are the same or substantially the same as the working conditions generally prevailing among workers performing the same or similar work for other employers engaged in the same or similar type of activity.

(4) For any week with respect to which the department finds that his total unemployment is due to a stoppage of work which exists because of a labor dispute at a factory, establishment or other premises at which he is or was last employed; however, this subsection shall not apply if it is shown to the satisfaction of the department:

(a) He is unemployed due to a stoppage of work occasioned by an unjustified lockout, if such lockout was not occasioned or brought about by such individual acting alone or with other workers in concert; or

(b) He is not participating in or directly interested in the labor dispute which caused the stoppage of work; and

(c) He does not belong to a grade or class of workers of which, immediately before the commencement of stoppage, there were members employed at the premises at which the stoppage

occurs, any of whom are participating in or directly interested in the dispute.

If in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment or other premises.

(5) For any week with respect to which he has received or is seeking unemployment compensation under an unemployment compensation law of another state or of the United States. However, if the appropriate agency of such other state or of the United States finally determines that he is not entitled to such unemployment compensation benefits, this disqualification shall not apply. Nothing in this subsection contained shall be construed to include within its terms any law of the United States providing unemployment compensation or allowances for honorably discharged members of the Armed Forces.

(6) For any week with respect to which he is receiving or has received remuneration in the form of payments under any governmental or private retirement or pension plan, system or policy which a base-period employer is maintaining or contributing to or has maintained or contributed to on behalf of the individual; however, if the amount payable with respect to any week is less than the benefits which would otherwise be due under Section 71-5-501, he shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration. However, on or after the first Sunday immediately following July 1, 2001, no social security payments, to which the employee has made contributions, shall be deducted from unemployment benefits paid for any period of unemployment beginning on or after the first Sunday following July 1, 2001. This one hundred percent (100%) exclusion shall not apply to any other governmental or private retirement or pension plan, system

or policy. If benefits payable under this section, after being reduced by the amount of such remuneration, are not a multiple of One Dollar (\$1.00), they shall be adjusted to the next lower multiple of One Dollar (\$1.00).

(7) For any week with respect to which he is receiving or has received remuneration in the form of a back pay award, or other compensation allocable to any week, whether by settlement or otherwise. Any benefits previously paid for weeks of unemployment with respect to which back pay awards, or other such compensation, are made shall constitute an overpayment and such amounts shall be deducted from the award by the employer prior to payment to the employee, and shall be transmitted promptly to the department by the employer for application against the overpayment and credit to the claimant's maximum benefit amount and prompt deposit into the fund; however, the removal of any charges made against the employer as a result of such previously paid benefits shall be applied to the calendar year and the calendar quarter in which the overpayment is transmitted to the department, and no attempt shall be made to relate such a credit to the period to which the award applies. Any amount of overpayment so deducted by the employer and not transmitted to the department shall be subject to the same procedures for collection as is provided for contributions by Sections 71-5-363 through 71-5-381. Any amount of overpayment not deducted by the employer shall be established as an overpayment against the claimant and collected as provided above. It is the purpose of this paragraph to assure equity in the situations to which it applies, and it shall be construed accordingly.

B. Notwithstanding any other provision in this chapter, no otherwise eligible individual shall be denied benefits for any week because he is in training with the approval of the department; nor shall such individual be denied benefits with respect to any week in which he is in training with the approval of the department by reason of the application of provisions in

Section 71-5-511, subsection (c), relating to availability for work, or the provisions of subsection A(3) of this section, relating to failure to apply for, or a refusal to accept, suitable work.

C. Notwithstanding any other provisions of this chapter, no otherwise eligible individual shall be denied benefits for any week because he or she is in training approved under Section 236(a)(1) of the Trade Act of 1974, nor shall such individual be denied benefits by reason of leaving work to enter such training, provided the work left is not suitable employment, or because of the application to any such week in training of provisions in this law (or any applicable federal unemployment compensation law), relating to availability for work, active search for work or refusal to accept work.

For purposes of this section, the term "suitable employment" means with respect to an individual, work of a substantially equal or higher skill level than the individual's past adversely affected employment (as defined for purposes of the Trade Act of 1974), and wages for such work at not less than eighty percent (80%) of the individual's average weekly wage as determined for the purposes of the Trade Act of 1974.

SECTION 41. Section 71-5-517, Mississippi Code of 1972, is reenacted as follows:

71-5-517. Upon the taking of a claim by the department, an initial determination thereon shall be made promptly and shall include a determination with respect to whether or not benefits are payable, the week with respect to which benefits shall commence, the weekly benefit amount payable and the maximum duration of benefits. In any case in which the payment or denial of benefits will be determined by the provisions of subsection A(4) of Section 71-5-513, the examiner shall promptly transmit all the evidence with respect to that subsection to the department, which, on the basis of evidence so submitted and such additional

evidence as it may require, shall make an initial determination with respect thereto. An initial determination may for good cause be reconsidered. The claimant, his most recent employing unit and all employers whose experience-rating record would be charged with benefits pursuant to such determination shall be promptly notified of such initial determination or any amended initial determination and the reason therefor. Benefits shall be denied or, if the claimant is otherwise eligible, promptly paid in accordance with the initial determination or amended initial determination. The jurisdiction of the department over benefit claims which have not been appealed shall be continuous. The claimant or any party to the initial determination or amended initial determination may file an appeal from such initial determination or amended initial determination within fourteen (14) days after notification thereof, or after the date such notification was sent to his last known address.

Notwithstanding any other provision of this section, benefits shall be paid promptly in accordance with a determination or redetermination, or the decision of an appeal tribunal, the Board of Review or a reviewing court upon the issuance of such determination, redetermination or decision in favor of the claimant (regardless of the pendency of the period to apply for reconsideration, file an appeal, or petition for judicial review, as the case may be, or the pendency of any such application, filing or petition), unless and until such determination, redetermination or decision has been modified or reversed by a subsequent redetermination or decision, in which event benefits shall be paid or denied in accordance with such modifying or reversing redetermination or decision. Any benefits finally determined to have been erroneously paid may be set up as an overpayment to the claimant and must be liquidated before any future benefits can be paid to the claimant. If, subsequent to such initial determination or amended initial determination,

benefits with respect to any week for which a claim has been filed are denied for reasons other than matters included in the initial determination or amended initial determination, the claimant shall be promptly notified of the denial and the reason therefor and may appeal therefrom in accordance with the procedure herein described for appeals from initial determination or amended initial determination.

SECTION 42. Section 71-5-519, Mississippi Code of 1972, is reenacted as follows:

71-5-519. Unless such appeal is withdrawn, an appeal tribunal appointed by the executive director, after affording the parties reasonable opportunity for fair hearing, shall affirm, modify or reverse the findings of fact and initial determination or amended initial determination. The parties shall be duly notified of such tribunal's decision, together with its reasons therefor, which shall be deemed to be the final decision of the executive director unless, within fourteen (14) days after the date of notification of such decision, further appeal is initiated pursuant to Section 71-5-523.

SECTION 43. Section 71-5-523, Mississippi Code of 1972, is reenacted as follows:

71-5-523. The Board of Review may on its own motion affirm, modify, or set aside any decision of an appeal tribunal on the basis of the evidence previously submitted in such case, or direct the taking of additional evidence, or may permit any of the parties to such decision to initiate further appeals before it. The Board of Review shall permit such further appeal by any of the parties to a decision of an appeal tribunal which is not unanimous, and by the examiner whose decision has been overruled or modified by an appeal tribunal. The Board of Review may remove to itself or transfer to another appeal tribunal the proceedings on any claim pending before an appeal tribunal. Any proceedings so removed to the Board of Review shall be heard by a quorum

thereof in accordance with the requirements of Section 71-5-519 and within fifteen (15) days after notice of appeal has been received by the executive director. No notice of appeal shall be deemed to be received by the executive director, within the meaning of this section, until all prior appeals pending before the Board of Review have been heard. The Board of Review shall, within four (4) days after its decision, so notify the parties to any proceeding of its findings and decision.

SECTION 44. Section 71-5-525, Mississippi Code of 1972, is reenacted as follows:

71-5-525. The manner in which appealed claims shall be presented and the conduct of hearings and appeals shall be in accordance with regulations prescribed by the Board of Review for determining the rights of the parties, whether or not such regulations conform to common law or statutory rules of evidence and other technical rules of procedure. A full and complete record shall be kept of all proceedings in connection with an appealed claim. The department's entire file relative to the appealed claim shall be a part of such record and shall be considered as evidence. All testimony at any hearing upon an appealed claim shall be recorded, but need not be transcribed unless the claim is further appealed.

SECTION 45. Section 71-5-529, Mississippi Code of 1972, is reenacted as follows:

71-5-529. Any decision of the Board of Review, in the absence of an appeal therefrom as herein provided, shall become final ten (10) days after the date of notification; and judicial review thereof shall be permitted only after any party claiming to be aggrieved thereby has exhausted his administrative remedies as provided by this chapter. The department shall be deemed to be a party to any judicial action involving any such decision, and may be represented in any such judicial action by any qualified

attorney employed by the department and designated by it for that purpose or, at the department's request, by the Attorney General.

SECTION 46. Section 71-5-531, Mississippi Code of 1972, is reenacted as follows:

71-5-531. Within ten (10) days after the decision of the Board of Review has become final, any party aggrieved thereby may secure judicial review thereof by commencing an action, in the circuit court of the county in which the plaintiff resides, against the department for the review of such decision, in which action any other party to the proceeding before the Board of Review shall be made a defendant. In cases wherein the plaintiff is not a resident of the State of Mississippi, such action may be filed in the circuit court of the county in which the employer resides, the county in which the cause of action arose, or in the county of employment. In such action, a petition which need not be verified, but which shall state the grounds upon which a review is sought, shall be served upon the department or upon such person as the department may designate, and such service shall be deemed completed service on all parties; but there shall be left with the party so served as many copies of the petition as there are defendants, and the department shall forthwith mail one (1) such copy to each such defendant. With its answer, the department shall certify and file with said court all documents and papers and a transcript of all testimony taken in the matter, together with the Board of Review's findings of fact and decision therein. The department may also, in its discretion, certify to such court questions of law involved in any decision. In any judicial proceedings under this section, the findings of the Board of Review as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive, and the jurisdiction of the court shall be confined to questions of law. Such actions, and the questions so certified, shall be heard in a summary manner and shall be given precedence over all other civil cases. An appeal

may be taken from the decision of the circuit court of the county in which the plaintiff resides to the Supreme Court of Mississippi, in the same manner, but not inconsistent with the provisions of this chapter, as is provided in civil cases. It shall not be necessary, in any judicial proceeding under this section, to enter exceptions to the rulings of the Board of Review, and no bond shall be required for entering such appeal. Upon the final determination of such judicial proceeding, the Board of Review shall enter an order in accordance with such determination. A petition for judicial review shall not act as a supersedeas or stay unless the Board of Review shall so order.

SECTION 47. Section 71-5-541, Mississippi Code of 1972, is reenacted as follows:

71-5-541. A. (1) In the administration of this chapter, the department shall cooperate with the Department of Labor to the fullest extent consistent with the provisions of this chapter and shall take such action, through the adoption of appropriate rules, regulations, administrative methods and standards, as may be necessary to secure to this state and its citizens all advantages available under the provisions of the Social Security Act that relate to unemployment compensation, the Federal Unemployment Tax Act, the Wagner-Peyser Act and the Federal-State Extended Unemployment Compensation Act of 1970, all as amended.

(2) In the administration of the provisions of this section, which are enacted to conform with the requirements of the Federal-State Extended Unemployment Compensation Act of 1970, as amended, the department shall take such actions as may be necessary:

(a) To ensure that the provisions are so interpreted and applied as to meet the requirements of such federal act as interpreted by the United States Department of Labor; and

(b) To secure to this state the full reimbursement of the federal share of extended benefits paid under this chapter that are reimbursable under the federal act; and also

(c) To limit the amount of extended benefits paid as may be necessary so that the reimbursement of the federal share of extended benefits paid shall remain at one-half (1/2) of the total extended benefits paid.

B. As used in this section, unless the context clearly requires otherwise:

(1) "Extended benefit period" means a period which:

(a) Begins with the third week after a week for which there is a state "on" indicator; and

(b) Ends with either of the following weeks, whichever occurs later:

(i) The third week after the first week for which there is a state "off" indicator; or

(ii) The thirteenth consecutive week of such period.

No extended benefit period may begin by reason of a state "on" indicator before the fourteenth week following the end of a prior extended benefit period which was in effect with respect to this state.

(2) For weeks beginning after September 25, 1982, there is a "state 'on' indicator" for a week if the rate of insured unemployment under this chapter for the period consisting of such week and the immediately preceding twelve (12) weeks:

(a) Equaled or exceeded one hundred twenty percent (120%) of the average of such rates for the corresponding period of thirteen (13) weeks ending in each of the preceding two (2) calendar years; and

(b) Equaled or exceeded five percent (5%).

The determination of whether there has been a state "on" or "off" indicator beginning or ending any extended benefit period

shall be made under this subsection as if (i) paragraph (2) did not contain subparagraph (a) thereof, and (ii) the figure "5" contained in subparagraph (b) thereof were "6"; except that, notwithstanding any such provision of this subsection, any week for which there would otherwise be a "state 'on' indicator" shall continue to be such week and shall not be determined to be a week for which there is a "state 'off' indicator."

(3) There is a "state 'off' indicator" for a week if, for the period consisting of such week and the immediately preceding twelve (12) weeks, either subparagraph (a) or (b) of paragraph (2) was not satisfied.

(4) "Rate of insured unemployment," for purposes of paragraphs (2) and (3) of this subsection, means the percentage derived by dividing:

(a) The average number of continued weeks claimed for regular state compensation in this state for weeks of unemployment with respect to the most recent period of thirteen (13) consecutive weeks, as determined by the department on the basis of its reports to the United States Secretary of Labor; by

(b) The average monthly employment covered under this chapter for the first four (4) of the most recent six (6) completed calendar quarters ending before the end of such period of thirteen (13) weeks.

(5) "Regular benefits" means benefits payable to an individual under this chapter or under any other state law (including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 USCS Section 8501-8525) other than extended benefits.

(6) "Extended benefits" means benefits (including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 USCS Section 8501-8525) payable to an individual under the provisions of this section for weeks of unemployment in his eligibility period.

(7) "Eligibility period" of an individual means the period consisting of the weeks in his benefit year which begin in an extended benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such period.

(8) "Exhaustee" means an individual who, with respect to any week of unemployment in his eligibility period:

(a) Has received, prior to such week, all of the regular benefits that were available to him under this chapter or any other state law (including dependents' allowances and benefits payable to federal civilian employees and ex-servicemen under 5 USCS Section 8501-8525) in his current benefit year that includes such week.

For the purposes of this subparagraph, an individual shall be deemed to have received all of the regular benefits that were available to him although, as a result of a pending appeal with respect to wages that were not considered in the original monetary determination in his benefit year, he may subsequently be determined to be entitled to added regular benefits; or

(b) Has no, or insufficient, wages on the basis of which he could establish a new benefit year that would include such week, his benefit year having expired prior to such week; and

(c) (i) Has no right to unemployment benefits or allowances, as the case may be, under the Railroad Unemployment Insurance Act, the Trade Expansion Act of 1962, the Automotive Products Trade Act of 1965, and such other federal laws as are specified in regulations issued by the United States Secretary of Labor; and

(ii) Has not received and is not seeking unemployment benefits under the Unemployment Compensation Law of the Virgin Islands or of Canada; but if he is seeking such benefits and the appropriate agency finally determines that he is not entitled to benefits under such law, he is considered an

exhaustee; however, the reference in this subsection to the Virgin Islands shall be inapplicable effective on the day on which the United States Secretary of Labor approves under Section 3304(a) of the Internal Revenue Code of 1954, an unemployment compensation law submitted to the Secretary by the Virgin Islands for approval.

(9) "State law" means the unemployment insurance law of any state, approved by the United States Secretary of Labor under Section 3304 of the Internal Revenue Code of 1954 (26 USCS Section 3304).

C. Except when the result would be inconsistent with the other provisions of this section, as provided in the regulations of the department, the provisions of this chapter which apply to claims for, or the payment of, regular benefits shall apply to claims for, and the payment of, extended benefits.

D. An individual shall be eligible to receive extended benefits with respect to any week of unemployment in his eligibility period only if the department finds that with respect to such week:

(1) He is an "exhaustee" as defined in subsection B(8) of this section.

(2) He has satisfied the requirements of this chapter for the receipt of regular benefits that are applicable to individuals claiming extended benefits, including not being subject to a disqualification for the receipt of benefits.

(3) For a week beginning after September 25, 1982, he has, during his base period, been paid wages for insured work equal to not less than forty (40) times his weekly benefit amount; he has been paid wages for insured work during at least two (2) quarters of his base period, and he has, during that quarter of his base period in which his total wages were highest, been paid wages for insured work equal to not less than twenty-six (26) times the minimum weekly benefit amount.

E. The weekly extended benefit amount payable to an individual for a week of total unemployment in his eligibility period shall be an amount equal to the weekly benefit amount payable to him during his applicable benefit year; however, benefits paid to individuals during eligibility periods beginning before October 1, 1983, shall be computed to the next higher multiple of One Dollar (\$1.00), if not a multiple of One Dollar (\$1.00); and benefits paid to individuals during eligibility periods beginning on or after October 1, 1983, shall be computed to the next lower multiple of One Dollar (\$1.00), if not a multiple of One Dollar (\$1.00). In no event shall the weekly extended benefit amount payable to an individual be more than two (2) times the amount of the reimbursement of the federal share of extended benefits paid.

F. (1) The total extended benefit amount payable to any eligible individual with respect to his applicable benefit year shall be the least of the following amounts:

(a) Fifty percent (50%) of the total amount of regular benefits which were payable to him under this chapter in his applicable benefit year; however, benefits paid to individuals during eligibility periods beginning before October 1, 1983, shall be computed to the next higher multiple of One Dollar (\$1.00), if not a multiple of One Dollar (\$1.00), and benefits paid to individuals during eligibility periods beginning on or after October 1, 1983, shall be computed to the next lower multiple of One Dollar (\$1.00), if not a multiple of One Dollar (\$1.00); or

(b) Thirteen (13) times his weekly benefit amount which was payable to him under this chapter for a week of total unemployment in the applicable benefit year.

(2) The total extended benefits otherwise payable to an individual who is filing an interstate claim under the interstate benefit payment plan shall not exceed two (2) weeks whenever an

extended benefit period is not in effect for such week in the state where the claim is filed.

(3) In no event shall the total extended benefit amount payable to any eligible individual with respect to his applicable benefit year be more than two (2) times the amount of the reimbursement of the federal share of extended benefits paid.

G. (1) Whenever an extended benefit period is to become effective in this state as a result of a state "on" indicator, or an extended benefit period is to be terminated in this state as a result of state "off" indicators, the department shall make an appropriate public announcement.

(2) Computations required by the provisions of subsection B(4) shall be made by the department, in accordance with regulations prescribed by the United States Secretary of Labor.

H. Extended benefits paid under the provisions of this section which are not reimbursable from federal funds shall be charged to the experience-rating record of base period employers.

I. (1) Notwithstanding the provisions of subsections C and D of this section, an individual shall be disqualified for receipt of extended benefits if the department finds that during any week of his eligibility period:

(a) He has failed either to apply for or to accept an offer of suitable work (as defined under paragraph (3)) to which he was referred by the department; or

(b) He has failed to furnish tangible evidence that he has actively engaged in a systematic and sustained effort to find work, unless such individual is not actively engaged in seeking work because such individual is:

(i) Before any court of the United States or any state pursuant to a lawfully issued summons to appear for jury duty;

(ii) Hospitalized for treatment of an emergency or a life-threatening condition.

The entitlement to benefits of any individual who is determined not to be actively engaged in seeking work in any week for the foregoing reasons shall be decided pursuant to the able and available requirements in Section 71-5-511 without regard to the disqualification provisions otherwise applicable under Section 71-5-541. The conditions prescribed in clauses (i) and (ii) of this subparagraph (b) must be applied in the same manner to individuals filing claims for regular benefits.

(2) Such disqualification shall begin with the week in which such failure occurred and shall continue until he has been employed in each of eight (8) subsequent weeks (whether or not consecutive) and has earned remuneration for personal services performed for an employer, as in this chapter defined, equal to not less than eight (8) times his weekly extended benefit amount.

(3) For the purpose of subparagraph (a) of paragraph (1) the term "suitable work" means any work which is within the individual's capabilities to perform, if:

(a) The gross average weekly remuneration payable for the work exceeds the sum of the individual's weekly extended benefit amount plus the amount, if any, of supplemental unemployment benefits (as defined in Section 501(c)(17)(D) of the Internal Revenue Code of 1954) payable to such individual for such week;

(b) The wages payable for the work equal the higher of the minimum wages provided by Section 6(a)(1) of the Fair Labor Standards Act of 1938 (without regard to any exemption), or the state or local minimum wage; and

(c) The position was offered to the individual in writing or was listed with the state employment service; and

(d) Such work otherwise meets the definition of "suitable work" for regular benefits contained in Section

71-5-513A(4) to the extent that such criteria of suitability are not inconsistent with the provisions of this paragraph (3); and

(e) The individual cannot furnish satisfactory evidence to the department that his prospects for obtaining work in his customary occupation within a reasonably short period are good. If such evidence is deemed satisfactory for this purpose, the determination of whether any work is suitable with respect to such individual shall be made in accordance with the definition of suitable work contained in Section 71-5-513A(4) without regard to the definition specified by this paragraph (3).

(4) Notwithstanding any provisions of subsection I to the contrary, no work shall be deemed to be suitable work for an individual which does not accord with the labor standard provisions set forth herein under Section 71-5-513A(4).

(5) The employment service shall refer any claimant entitled to extended benefits under this section to any suitable work which meets the criteria prescribed in paragraph (3).

(6) An individual shall be disqualified for extended benefits for the week, or fraction thereof, which immediately follows the day on which he left work voluntarily without good cause (as defined in Section 71-5-513A(1)), was discharged for misconduct connected with his work, or refused suitable work (except as provided in subsection I of this section), and for each week thereafter until he has earned remuneration for personal services performed for an employer, as in this chapter defined, equal to not less than eight (8) times his weekly benefit amount, as determined in each case.

(7) The provisions of paragraphs I(1) through (6) of this section shall not apply to claims for weeks of unemployment beginning after March 6, 1993, and before January 1, 1995, and during that period the provisions of this chapter applicable to claims for regular compensation shall apply.

J. Notwithstanding any other provisions of this chapter, if the benefit year of any individual ends within an extended benefit period, the remaining balance of extended benefits that such individual would, but for this section, be entitled to receive in that extended benefit period, with respect to weeks of unemployment beginning after the end of the benefit year, shall be reduced (but not below zero) by the product of the number of weeks for which the individual received any amounts as trade readjustment allowances within that benefit year, multiplied by the individual's weekly benefit amount for extended benefits.

SECTION 48. Section 73-30-25, Mississippi Code of 1972, is reenacted as follows:

73-30-25. It is not the intent of this chapter to regulate against members of other duly regulated professions in this state who do counseling in the normal course of the practice of their own profession. This chapter does not apply to:

(a) Any person registered, certified or licensed by the state to practice any other occupation or profession while rendering counseling services in the performance of the occupation or profession for which he is registered, certified or licensed;

(b) Certified school counselors when they are practicing counseling within the scope of their employment;

(c) Certified vocational counselors when they are practicing vocational counseling within the scope of their employment;

(d) Counselors in postsecondary institutions when they are practicing within the scope of their employment;

(e) Student interns or trainees in counseling pursuing a course of study in counseling in a regionally or nationally accredited institution of higher learning or training institution if activities and services constitute a part of the supervised course of study, provided that such persons be designated a counselor intern;

(f) Professionals employed by regionally or nationally accredited postsecondary institutions as counselor educators when they are practicing counseling within the scope of their employment;

(g) [Deleted]

(h) Duly ordained ministers or clergy while functioning in their ministerial capacity and duly accredited Christian Science practitioners;

(i) Professional employees of regional mental health centers, state mental hospitals, vocational rehabilitation institutions, youth court counselors and employees of the Mississippi Department of Employment Security or other governmental agency so long as they practice within the scope of their employment;

(j) Professional employees of alcohol or drug abuse centers or treatment facilities, whether privately or publicly funded, so long as they practice within the scope of their employment;

(k) Private employment counselors;

(l) Any nonresident temporarily employed in this state to render counseling services for not more than thirty (30) days in any year, if in the opinion of the board the person would qualify for a license under this chapter and if the person holds any license required for counselors in his home state or country; and

(m) Any social workers holding a master's degree in social work from a school accredited by the Council on Social Work Education and who do counseling in the normal course of the practice of their own profession.

SECTION 49. Section 43-1-30, Mississippi Code of 1972, is reenacted as follows:

43-1-30. (1) There is created the Mississippi TANF Implementation Council. It shall serve as the independent, single

state advisory and review council for assuring Mississippi's compliance with the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), as amended. The council shall further cooperation between government, education and the private sector in meeting the needs of the TANF program. It shall also further cooperation between the business and labor communities, education and training delivery systems, and between businesses in developing highly skilled workers for high skill, high paying jobs in Mississippi.

(2) The council shall be comprised of thirteen (13) public members and certain ex officio nonvoting members. All public members of the council shall be appointed as follows by the Governor:

Ten (10) members shall be representatives from business and industry, provided that no fewer than five (5) members are from the manufacturing and industry sector who are also serving as members of private industry councils established within the state, and one (1) member may be a representative of a nonprofit organization. Three (3) members shall be recipients or former recipients of TANF assistance appointed from the state at large.

The ex officio nonvoting members of the council shall consist of the following, or their designees:

- (a) The Executive Director of the Mississippi Department of Human Services;
- (b) The Executive Director of the Mississippi Department of Employment Security;
- (c) The Executive Director of the Mississippi Development Authority;
- (d) The State Superintendent of Public Education;
- (e) The Director of the State Board for Community and Junior Colleges;
- (f) The Executive Director of the Division of Medicaid;

(g) The Commissioner of the Mississippi Department of Corrections; and

(h) The Director of the Mississippi Cooperative Extension Service.

(3) The Governor shall designate one (1) public member to serve as chairman of the council for a term of two (2) years and until a successor as chairman is appointed and qualified.

(4) The term of office for public members appointed by the Governor shall be four (4) years and until their successors are appointed and qualified.

(5) Any vacancy shall be filled for the unexpired term by the Governor in the manner of the original appointment, unless otherwise specified in this section.

(6) Public members shall receive a per diem as authorized in Section 25-3-69, for each day actually engaged in meetings of the council, and shall be reimbursed for mileage and necessary expenses incurred in the performance of their duties, as provided in Section 25-3-41.

(7) The council shall:

(a) Annually review and recommend policies and programs to the Governor and the Legislature that will implement and meet federal requirements under the TANF program.

(b) Annually review and recommend policies and programs to the Governor and to the Legislature that will enable citizens of Mississippi to acquire the skills necessary to maximize their economic self-sufficiency.

(c) Review the provision of services and the use of funds and resources under the TANF program, and under all state-financed job training and job retraining programs, and advise the Governor and the Legislature on methods of coordinating such provision of services and use of funds and resources consistent with the laws and regulations governing such programs.

(d) Assist in developing outcome and output measures to measure the success of the Department of Human Services' efforts in implementing the TANF program. These recommendations shall be made to the Department of Human Services at such times as required in the event that the department implements new programs to comply with the TANF program requirements.

(e) Collaborate with the Mississippi Development Authority, local planning and development districts and local industrial development boards, and shall develop an economic development plan for the creation of manufacturing jobs in each of the counties in the state that has an unemployment rate of ten percent (10%) or more, which shall include, but not be limited to, procedures for business development, entrepreneurship and financial and technical assistance.

(8) A majority of the members of the council shall constitute a quorum for the conduct of meetings and all actions of the council shall be by a majority of the members present at a meeting.

(9) The council shall adopt rules and regulations as it deems necessary to carry out its responsibilities under this section and under applicable federal human resources programs.

(10) The council may make and enter into contracts and interagency agreements as may be necessary and proper.

(11) The council is authorized to commit and expend monies appropriated to it by the Legislature for its authorized purposes. The council is authorized to solicit, accept and expend public and private gifts, grants, awards and contributions related to furtherance of its statutory duties.

(12) Funds for the operations of the council shall be derived from federal funds for the operation of state councils pursuant to applicable federal human resources programs and from such other monies appropriated to it by the Legislature.

SECTION 50. Section 43-17-5, Mississippi Code of 1972, is amended as follows:

43-17-5. (1) The amount of Temporary Assistance for Needy Families (TANF) benefits which may be granted for any dependent child and a needy caretaker relative shall be determined by the county department with due regard to the resources and necessary expenditures of the family and the conditions existing in each case, and in accordance with the rules and regulations made by the Department of Human Services which shall not be less than the Standard of Need in effect for 1988, and shall be sufficient when added to all other income (except that any income specified in the federal Social Security Act, as amended, may be disregarded) and support available to the child to provide such child with a reasonable subsistence compatible with decency and health. The first family member in the dependent child's budget may receive an amount not to exceed One Hundred Ten Dollars (\$110.00) per month; the second family member in the dependent child's budget may receive an amount not to exceed Thirty-six Dollars (\$36.00) per month; and each additional family member in the dependent child's budget an amount not to exceed Twenty-four Dollars (\$24.00) per month. The maximum for any individual family member in the dependent child's budget may be exceeded for foster or medical care or in cases of children with an intellectual disability or a physical disability. TANF benefits granted shall be specifically limited only (a) to children existing or conceived at the time the caretaker relative initially applies and qualifies for such assistance, unless this limitation is specifically waived by the department, or (b) to a child born following a twelve-consecutive-month period of discontinued benefits by the caretaker relative.

(2) TANF benefits in Mississippi shall be provided to the recipient family by an online electronic benefits transfer system.

(3) The Department of Human Services shall deny TANF benefits to the following categories of individuals, except for individuals and families specifically exempt or excluded for good cause as allowed by federal statute or regulation:

(a) Families without a minor child residing with the custodial parent or other adult caretaker relative of the child;

(b) Families which include an adult who has received TANF assistance for sixty (60) months after the commencement of the Mississippi TANF program, whether or not such period of time is consecutive;

(c) Families not assigning to the state any rights a family member may have, on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance, to support from any other person, as required by law;

(d) Families who fail to cooperate in establishing paternity or obtaining child support, as required by law;

(e) Any individual who has not attained eighteen (18) years of age, is not married to the head of household, has a minor child at least twelve (12) weeks of age in his or her care, and has not successfully completed a high school education or its equivalent, if such individual does not participate in educational activities directed toward the attainment of a high school diploma or its equivalent, or an alternative educational or training program approved by the department;

(f) Any individual who has not attained eighteen (18) years of age, is not married, has a minor child in his or her care, and does not reside in a place or residence maintained by a parent, legal guardian or other adult relative or the individual as such parent's, guardian's or adult relative's own home;

(g) Any minor child who has been, or is expected by a parent or other caretaker relative of the child to be, absent from the home for a period of more than thirty (30) days;

(h) Any individual who is a parent or other caretaker relative of a minor child who fails to notify the department of the absence of the minor child from the home for the thirty-day period specified in paragraph (g), by the end of the five-day period that begins with the date that it becomes clear to the individual that the minor child will be absent for the thirty-day period;

(i) Any individual who fails to comply with the provisions of the Employability Development Plan signed by the individual which prescribe those activities designed to help the individual become and remain employed, or to participate satisfactorily in the assigned work activity, as authorized under subsection (6)(c) and (d), or who does not engage in applicant job search activities within the thirty-day period for TANF application approval after receiving the advice and consultation of eligibility workers and/or caseworkers of the department providing a detailed description of available job search venues in the individual's county of residence or the surrounding counties;

(j) A parent or caretaker relative who has not engaged in an allowable work activity once the department determines the parent or caretaker relative is ready to engage in work, or once the parent or caretaker relative has received TANF assistance under the program for twenty-four (24) months, whether or not consecutive, whichever is earlier;

(k) Any individual who is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the jurisdiction from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or who is violating a condition of probation or parole imposed under federal or state law;

(l) Aliens who are not qualified under federal law;

(m) For a period of ten (10) years following conviction, individuals convicted in federal or state court of having made a fraudulent statement or representation with respect to the individual's place of residence in order to receive TANF, food stamps or Supplemental Security Income (SSI) assistance under Title XVI or Title XIX simultaneously from two (2) or more states; and

(n) Individuals who are recipients of federal Supplemental Security Income (SSI) assistance.

(4) (a) Any person who is otherwise eligible for TANF benefits, including custodial and noncustodial parents, shall be required to attend school and meet the monthly attendance requirement as provided in this subsection if all of the following apply:

(i) The person is under age twenty (20);

(ii) The person has not graduated from a public or private high school or obtained a GED equivalent;

(iii) The person is physically able to attend school and is not excused from attending school; and

(iv) If the person is a parent or caretaker relative with whom a dependent child is living, child care is available for the child.

The monthly attendance requirement under this subsection shall be attendance at the school in which the person is enrolled for each day during a month that the school conducts classes in which the person is enrolled, with not more than two (2) absences during the month for reasons other than the reasons listed in paragraph (e)(iv) of this subsection. Persons who fail to meet participation requirements in this subsection shall be subject to sanctions as provided in paragraph (f) of this subsection.

(b) As used in this subsection, "school" means any one (1) of the following:

(i) A school as defined in Section 37-13-91(2);

(ii) A vocational, technical and adult education program; or

(iii) A course of study meeting the standards established by the State Department of Education for the granting of a declaration of equivalency of high school graduation.

(c) If any compulsory-school-age child, as defined in Section 37-13-91(2), to which TANF eligibility requirements apply is not in compliance with the compulsory school attendance requirements of Section 37-13-91(6), the superintendent of schools of the school district in which the child is enrolled or eligible to attend shall notify the county department of human services of the child's noncompliance. The Department of Human Services shall review school attendance information as provided under this paragraph at all initial eligibility determinations and upon subsequent report of unsatisfactory attendance.

(d) The signature of a person on an application for TANF benefits constitutes permission for the release of school attendance records for that person or for any child residing with that person. The department shall request information from the child's school district about the child's attendance in the school district's most recently completed semester of attendance. If information about the child's previous school attendance is not available or cannot be verified, the department shall require the child to meet the monthly attendance requirement for one (1) semester or until the information is obtained. The department shall use the attendance information provided by a school district to verify attendance for a child. The department shall review with the parent or caretaker relative a child's claim that he or she has a good cause for not attending school.

A school district shall provide information to the department about the attendance of a child who is enrolled in a public school in the district within five (5) working days of the receipt of a written request for that information from the department. The

school district shall define how many hours of attendance count as a full day and shall provide that information, upon request, to the department. In reporting attendance, the school district may add partial days' absence together to constitute a full day's absence.

If a school district fails to provide to the department the information about the school attendance of any child within fifteen (15) working days after a written request, the department shall notify the Department of Audit within three (3) working days of the school district's failure to comply with that requirement. The Department of Audit shall begin audit proceedings within five (5) working days of notification by the Department of Human Services to determine the school district's compliance with the requirements of this subsection (4). If the Department of Audit finds that the school district is not in compliance with the requirements of this subsection, the school district shall be penalized as follows: The Department of Audit shall notify the State Department of Education of the school district's noncompliance, and the Department of Education shall reduce the calculation of the school district's average daily attendance (ADA) that is used to determine the allocation of Mississippi Adequate Education Program funds by the number of children for which the district has failed to provide to the Department of Human Services the required information about the school attendance of those children. The reduction in the calculation of the school district's ADA under this paragraph shall be effective for a period of one (1) year.

(e) A child who is required to attend school to meet the requirements under this subsection shall comply except when there is good cause, which shall be demonstrated by any of the following circumstances:

(i) The minor parent is the caretaker of a child less than twelve (12) weeks old; or

(ii) The department determines that child care services are necessary for the minor parent to attend school and there is no child care available; or

(iii) The child is prohibited by the school district from attending school and an expulsion is pending. This exemption no longer applies once the teenager has been expelled; however, a teenager who has been expelled and is making satisfactory progress towards obtaining a GED equivalent shall be eligible for TANF benefits; or

(iv) The child failed to attend school for one or more of the following reasons:

1. Illness, injury or incapacity of the child or the minor parent's child;
2. Court-required appearances or temporary incarceration;
3. Medical or dental appointments for the child or minor parent's child;
4. Death of a close relative;
5. Observance of a religious holiday;
6. Family emergency;
7. Breakdown in transportation;
8. Suspension; or
9. Any other circumstance beyond the control of the child, as defined in regulations of the department.

(f) Upon determination that a child has failed without good cause to attend school as required, the department shall provide written notice to the parent or caretaker relative (whoever is the primary recipient of the TANF benefits) that specifies:

(i) That the family will be sanctioned in the next possible payment month because the child who is required to attend school has failed to meet the attendance requirement of this subsection;

(ii) The beginning date of the sanction, and the child to whom the sanction applies;

(iii) The right of the child's parents or caretaker relative (whoever is the primary recipient of the TANF benefits) to request a fair hearing under this subsection.

The child's parent or caretaker relative (whoever is the primary recipient of the TANF benefits) may request a fair hearing on the department's determination that the child has not been attending school. If the child's parents or caretaker relative does not request a fair hearing under this subsection, or if, after a fair hearing has been held, the hearing officer finds that the child without good cause has failed to meet the monthly attendance requirement, the department shall discontinue or deny TANF benefits to the child thirteen (13) years old, or older, in the next possible payment month. The department shall discontinue or deny twenty-five percent (25%) of the family grant when a child six (6) through twelve (12) years of age without good cause has failed to meet the monthly attendance requirement. Both the child and family sanction may apply when children in both age groups fail to meet the attendance requirement without good cause. A sanction applied under this subsection shall be effective for one (1) month for each month that the child failed to meet the monthly attendance requirement. In the case of a dropout, the sanction shall remain in force until the parent or caretaker relative provides written proof from the school district that the child has reenrolled and met the monthly attendance requirement for one (1) calendar month. Any month in which school is in session for at least ten (10) days during the month may be used to meet the attendance requirement under this subsection. This includes attendance at summer school. The sanction shall be removed the next possible payment month.

(5) All parents or caretaker relatives shall have their dependent children receive vaccinations and booster vaccinations

against those diseases specified by the State Health Officer under Section 41-23-37 in accordance with the vaccination and booster vaccination schedule prescribed by the State Health Officer for children of that age, in order for the parents or caretaker relatives to be eligible or remain eligible to receive TANF benefits. Proof of having received such vaccinations and booster vaccinations shall be given by presenting the certificates of vaccination issued by any health care provider licensed to administer vaccinations, and submitted on forms specified by the State Board of Health. If the parents without good cause do not have their dependent children receive the vaccinations and booster vaccinations as required by this subsection and they fail to comply after thirty (30) days' notice, the department shall sanction the family's TANF benefits by twenty-five percent (25%) for the next payment month and each subsequent payment month until the requirements of this subsection are met.

(6) (a) If the parent or caretaker relative applying for TANF assistance is work eligible, as determined by the Department of Human Services, the person shall be required to engage in an allowable work activity once the department determines the parent or caretaker relative is determined work eligible, or once the parent or caretaker relative has received TANF assistance under the program for twenty-four (24) months, whether or not consecutive, whichever is earlier. No TANF benefits shall be given to any person to whom this section applies who fails without good cause to comply with the Employability Development Plan prepared by the department for the person, or who has refused to accept a referral or offer of employment, training or education in which he or she is able to engage, subject to the penalties prescribed in subsection (6) (e). A person shall be deemed to have refused to accept a referral or offer of employment, training or education if he or she:

(i) Willfully fails to report for an interview with respect to employment when requested to do so by the department; or

(ii) Willfully fails to report to the department the result of a referral to employment; or

(iii) Willfully fails to report for allowable work activities as prescribed in subsection (6)(c) and (d).

(b) The Department of Human Services shall operate a statewide work program for TANF recipients to provide work activities and supportive services to enable families to become self-sufficient and improve their competitive position in the workforce in accordance with the requirements of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), as amended, and the regulations promulgated thereunder, and the Deficit Reduction Act of 2005 (Public Law 109-171), as amended. Within sixty (60) days after the initial application for TANF benefits, the TANF recipient must participate in a job search skills training workshop or a job readiness program, which shall include résumé writing, job search skills, employability skills and, if available at no charge, the General Aptitude Test Battery or its equivalent. All adults who are not specifically exempt shall be referred by the department for allowable work activities. An adult may be exempt from the mandatory work activity requirement for the following reasons:

(i) Incapacity;

(ii) Temporary illness or injury, verified by physician's certificate;

(iii) Is in the third trimester of pregnancy, and there are complications verified by the certificate of a physician, nurse practitioner, physician assistant, or any other licensed health care professional practicing under a protocol with a licensed physician;

(iv) Caretaker of a child under twelve (12) months, for not more than twelve (12) months of the sixty-month maximum benefit period;

(v) Caretaker of an ill or incapacitated person, as verified by physician's certificate;

(vi) Age, if over sixty (60) or under eighteen (18) years of age;

(vii) Receiving treatment for substance abuse, if the person is in compliance with the substance abuse treatment plan;

(viii) In a two-parent family, the caretaker of a severely disabled child, as verified by a physician's certificate; or

(ix) History of having been a victim of domestic violence, which has been reported as required by state law and is substantiated by police reports or court records, and being at risk of further domestic violence, shall be exempt for a period as deemed necessary by the department but not to exceed a total of twelve (12) months, which need not be consecutive, in the sixty-month maximum benefit period. For the purposes of this subparagraph (ix), "domestic violence" means that an individual has been subjected to:

1. Physical acts that resulted in, or threatened to result in, physical injury to the individual;
2. Sexual abuse;
3. Sexual activity involving a dependent child;
4. Being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities;
5. Threats of, or attempts at, physical or sexual abuse;
6. Mental abuse; or

7. Neglect or deprivation of medical care.

(c) For all families, all adults who are not specifically exempt shall be required to participate in work activities for at least the minimum average number of hours per week specified by federal law or regulation, not fewer than twenty (20) hours per week (thirty-five (35) hours per week for two-parent families) of which are attributable to the following allowable work activities:

- (i) Unsubsidized employment;
- (ii) Subsidized private employment;
- (iii) Subsidized public employment;
- (iv) Work experience (including work associated with the refurbishing of publicly assisted housing), if sufficient private employment is not available;
- (v) On-the-job training;
- (vi) Job search and job readiness assistance consistent with federal TANF regulations;
- (vii) Community service programs;
- (viii) Vocational educational training (not to exceed twelve (12) months with respect to any individual);
- (ix) The provision of child care services to an individual who is participating in a community service program;
- (x) Satisfactory attendance at high school or in a course of study leading to a high school equivalency certificate, for heads of household under age twenty (20) who have not completed high school or received such certificate;
- (xi) Education directly related to employment, for heads of household under age twenty (20) who have not completed high school or received such equivalency certificate.

(d) The following are allowable work activities which may be attributable to hours in excess of the minimum specified in subsection (6)(c):

(i) Job skills training directly related to employment;

(ii) Education directly related to employment for individuals who have not completed high school or received a high school equivalency certificate;

(iii) Satisfactory attendance at high school or in a course of study leading to a high school equivalency, for individuals who have not completed high school or received such equivalency certificate;

(iv) Job search and job readiness assistance consistent with federal TANF regulations.

(e) If any adult or caretaker relative refuses to participate in allowable work activity as required under this subsection (6), the following full family TANF benefit penalty will apply, subject to due process to include notification, conciliation and a hearing if requested by the recipient:

(i) For the first violation, the department shall terminate the TANF assistance otherwise payable to the family for a two-month period or until the person has complied with the required work activity, whichever is longer;

(ii) For the second violation, the department shall terminate the TANF assistance otherwise payable to the family for a six-month period or until the person has complied with the required work activity, whichever is longer;

(iii) For the third violation, the department shall terminate the TANF assistance otherwise payable to the family for a twelve-month period or until the person has complied with the required work activity, whichever is longer;

(iv) For the fourth violation, the person shall be permanently disqualified.

For a two-parent family, unless prohibited by state or federal law, Medicaid assistance shall be terminated only for the person whose failure to participate in allowable work activity

caused the family's TANF assistance to be sanctioned under this subsection (6) (e), unless an individual is pregnant, but shall not be terminated for any other person in the family who is meeting that person's applicable work requirement or who is not required to work. Minor children shall continue to be eligible for Medicaid benefits regardless of the disqualification of their parent or caretaker relative for TANF assistance under this subsection (6), unless prohibited by state or federal law.

(f) Any person enrolled in a two-year or four-year college program who meets the eligibility requirements to receive TANF benefits, and who is meeting the applicable work requirements and all other applicable requirements of the TANF program, shall continue to be eligible for TANF benefits while enrolled in the college program for as long as the person meets the requirements of the TANF program, unless prohibited by federal law.

(g) No adult in a work activity required under this subsection (6) shall be employed or assigned (i) when any other individual is on layoff from the same or any substantially equivalent job within six (6) months before the date of the TANF recipient's employment or assignment; or (ii) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with an adult receiving TANF assistance. The Mississippi Department of Employment Security, established under Section 71-5-101, shall appoint one or more impartial hearing officers to hear and decide claims by employees of violations of this paragraph (g). The hearing officer shall hear all the evidence with respect to any claim made hereunder and such additional evidence as he may require and shall make a determination and the reason therefor. The claimant shall be promptly notified of the decision of the hearing officer and the reason therefor. Within ten (10) days after the decision of the hearing officer has become final, any party aggrieved thereby may

secure judicial review thereof by commencing an action, in the circuit court of the county in which the claimant resides, against the department for the review of such decision, in which action any other party to the proceeding before the hearing officer shall be made a defendant. Any such appeal shall be on the record which shall be certified to the court by the department in the manner provided in Section 71-5-531, and the jurisdiction of the court shall be confined to questions of law which shall render its decision as provided in that section.

(7) The Department of Human Services may provide child care for eligible participants who require such care so that they may accept employment or remain employed. The department may also provide child care for those participating in the TANF program when it is determined that they are satisfactorily involved in education, training or other allowable work activities. The department may contract with Head Start agencies to provide child care services to TANF recipients. The department may also arrange for child care by use of contract or vouchers, provide vouchers in advance to a caretaker relative, reimburse a child care provider, or use any other arrangement deemed appropriate by the department, and may establish different reimbursement rates for child care services depending on the category of the facility or home. Any center-based or group home child care facility under this subsection shall be licensed by the State Department of Health pursuant to law. When child care is being provided in the child's own home, in the home of a relative of the child, or in any other unlicensed setting, the provision of such child care may be monitored on a random basis by the Department of Human Services or the State Department of Health. Transitional child care assistance may be continued if it is necessary for parents to maintain employment once support has ended, unless prohibited under state or federal law. Transitional child care assistance may be provided for up to twenty-four (24) months after the last

month during which the family was eligible for TANF assistance, if federal funds are available for such child care assistance.

(8) The Department of Human Services may provide transportation or provide reasonable reimbursement for transportation expenses that are necessary for individuals to be able to participate in allowable work activity under the TANF program.

(9) Medicaid assistance shall be provided to a family of TANF program participants for up to twenty-four (24) consecutive calendar months following the month in which the participating family would be ineligible for TANF benefits because of increased income, expiration of earned income disregards, or increased hours of employment of the caretaker relative; however, Medicaid assistance for more than twelve (12) months may be provided only if a federal waiver is obtained to provide such assistance for more than twelve (12) months and federal and state funds are available to provide such assistance.

(10) The department shall require applicants for and recipients of public assistance from the department to sign a personal responsibility contract that will require the applicant or recipient to acknowledge his or her responsibilities to the state.

(11) The department shall enter into an agreement with the State Personnel Board and other state agencies that will allow those TANF participants who qualify for vacant jobs within state agencies to be placed in state jobs. State agencies participating in the TANF work program shall receive any and all benefits received by employers in the private sector for hiring TANF recipients. This subsection (11) shall be effective only if the state obtains any necessary federal waiver or approval and if federal funds are available therefor.

(12) Any unspent TANF funds remaining from the prior fiscal year may be expended for any TANF allowable activities.

(13) The Mississippi Department of Human Services shall provide TANF applicants information and referral to programs that provide information about birth control, prenatal health care, abstinence education, marriage education, family preservation and fatherhood.

(14) No new TANF program requirement or restriction affecting a person's eligibility for TANF assistance, or allowable work activity, which is not mandated by federal law or regulation may be implemented by the Department of Human Services after July 1, 2004, unless such is specifically authorized by an amendment to this section by the Legislature.

(15) This section shall stand repealed on July 1, 2014.

SECTION 51. Section 43-19-45, Mississippi Code of 1972, is reenacted as follows:

43-19-45. (1) The Child Support Unit shall establish a state parent locator service for the purpose of locating absent and nonsupporting parents and alleged parents, which will utilize all appropriate public and private locator sources. In order to carry out the responsibilities imposed under Sections 43-19-31 through 43-19-53, the Child Support Unit may secure by administrative subpoena from the customer records of public utilities and cable television companies the names and addresses of individuals and the names and addresses of employers of such individuals that would enable the location of parents or alleged parents who have a duty to provide support and maintenance for their children. The Child Support Unit may also administratively subpoena any and all financial information, including account numbers, names and social security numbers of record for assets, accounts, and account balances from any individual, financial institution, business or other entity, public or private, needed to establish, modify or enforce a support order. No entity complying with an administrative subpoena to supply the requested information of whatever nature shall be liable in any civil action

or proceeding on account of such compliance. Full faith and credit shall be given to all uniform administrative subpoenas issued by other state child support units. The recipient of an administrative subpoena shall supply the Child Support Unit, other state and federal IV-D agencies, its attorneys, investigators, probation officers, county or district attorneys in this state, all information relative to the location, employment, employment related benefits including, but not limited to, availability of medical insurance, income and property of such parents and alleged parents and with all information on hand relative to the location and prosecution of any person who has, by means of a false statement or misrepresentation or by impersonation or other fraudulent device, obtained Temporary Assistance for Needy Families (TANF) to which he or she was not entitled, notwithstanding any provision of law making such information confidential. The Mississippi Department of Information Technology Services and any other agency in this state using the facilities of the Mississippi Department of Information Technology Services are directed to permit the Child Support Unit access to their files, inclusive of those maintained for other state agencies, for the purpose of locating absent and nonsupporting parents and alleged parents, except to the extent that any such access would violate any valid federal statute or regulation issued pursuant thereto. The Child Support Unit, other state and federal IV-D agencies, its attorneys, investigators, probation officers, or county or district attorneys, shall use such information only for the purpose of investigating or enforcing the support liability of such absent parents or alleged parents or for the prosecution of other persons mentioned herein. Neither the Child Support Unit nor those authorities shall use the information, or disclose it, for any other purpose. All records maintained pursuant to the provisions of Sections 43-19-31 through 43-19-53 shall be confidential and shall be available only to the

Child Support Unit, other state and federal IV-D agencies, the attorneys, investigators and other staff employed or under contract under Sections 43-19-31 through 43-19-53, district or county attorneys, probation departments, child support units in other states, and courts having jurisdiction in paternity, support or abandonment proceedings. The Child Support Unit may release to the public the name, photo, last known address, arrearage amount and other necessary information of a parent who has a judgment against him for child support and is currently in arrears in the payment of this support. Such release may be included in a "Most Wanted List" or other media in order to solicit assistance.

(2) The Child Support Unit shall have the authority to secure information from the records of the Mississippi Department of Employment Security that may be necessary to locate absent and nonsupporting parents and alleged parents under the provisions of Sections 43-19-31 through 43-19-53. Upon request of the Child Support Unit, all departments, boards, bureaus and agencies of the state shall provide to the Child Support Unit verification of employment or payment and the address and social security number of any person designated as an absent or nonsupporting parent or alleged parent. In addition, upon request of the Child Support Unit, the Mississippi Department of Employment Security, or any private employer or payor of any income to a person designated as an absent or nonsupporting parent or alleged parent, shall provide to the Child Support Unit verification of employment or payment and the address and social security number of the person so designated. Full faith and credit shall be given to such notices issued by child support units in other states. All such records and information shall be confidential and shall not be used for any purposes other than those specified by Sections 43-19-31 through 43-19-53. The violation of the provisions of this subsection shall be unlawful and any person convicted of violating the provisions of this subsection shall be guilty of a misdemeanor

and shall pay a fine of not more than Two Hundred Dollars (\$200.00).

(3) Federal and state IV-D agencies shall have access to the state parent locator service and any system used by the Child Support Unit to locate an individual for purposes relating to motor vehicles or law enforcement. No employer or other source of income who complies with this section shall be liable in any civil action or proceeding brought by the obligor or obligee on account of such compliance.

SECTION 52. Section 43-19-46, Mississippi Code of 1972, is amended as follows:

43-19-46. (1) Each employer paying wages, salary or commission and doing business in Mississippi shall report to the Directory of New Hires within the Mississippi Department of Human Services:

(a) The hiring of any person who resides or works in this state to whom the employer anticipates paying wages, salary or commission; and

(b) The hiring or return to work of any employee who was laid off, furloughed, separated, granted leave without pay or was terminated from employment.

(2) Employers shall report, by mailing or by other means authorized by the Department of Human Services, a copy of the employee's W-4 form or its equivalent that will result in timely reporting. Each employer shall submit reports within fifteen (15) days of the hiring, rehiring or return to work of the employee. The report shall contain:

(a) The employee's name, address, social security number and the date of birth;

(b) The employer's name, address, and federal and state withholding tax identification numbers; and

(c) The date upon which the employee began or resumed employment, or is scheduled to begin or otherwise resume employment.

(3) The department shall retain the information, which shall be forwarded to the federal registry of new hires.

(4) The Department of Human Services may operate the program, may enter into a mutual agreement with the Mississippi Department of Employment Security or the Department of Revenue, or both, for the operation of the Directory of New Hires Program, or the Department of Human Services may contract for that service, in which case the department shall maintain administrative control of the program.

(5) In cases in which an employer fails to report information, as required by this section, an administratively levied civil penalty in an amount not to exceed Five Hundred Dollars (\$500.00) shall apply if the failure is the result of a conspiracy between the employer and employee to not supply the required report or to supply a false or incomplete report. The penalty shall otherwise not exceed Twenty-five Dollars (\$25.00). Appeal shall be as provided in Section 43-19-58.

(6) This section shall stand repealed on July 1, 2014.

SECTION 53. Section 57-62-5, Mississippi Code of 1972, is reenacted as follows:

[For businesses or industries that received or applied for incentive payments prior to July 1, 2005, this section shall read as follows:]

57-62-5. As used in this chapter, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Qualified business or industry" means any corporation, limited liability company, partnership, sole proprietorship, business trust or other legal entity and subunits or affiliates thereof, pursuant to rules and regulations of the

MDA, which provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred twenty-five percent (125%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. An establishment shall not be considered to be a qualified business or industry unless it offers, or will offer within one hundred eighty (180) days of the date it receives the first incentive payment pursuant to the provisions of this chapter, a basic health benefits plan to the individuals it employs in new direct jobs in this state which is approved by the MDA. Qualified business or industry does not include retail business or gaming business;

(b) "New direct job" means full-time employment in this state in a qualified business or industry that has qualified to receive an incentive payment pursuant to this chapter, which employment did not exist in this state before the date of approval by the MDA of the application of the qualified business or industry pursuant to the provisions of this chapter. "New direct job" shall include full-time employment in this state of employees who are employed by an entity other than the establishment that has qualified to receive an incentive payment and who are leased to the qualified business or industry, if such employment did not exist in this state before the date of approval by the MDA of the application of the establishment;

(c) "Full-time job" means a job of at least thirty-five (35) hours per week;

(d) "Estimated direct state benefits" means the tax revenues projected by the MDA to accrue to the state as a result of the qualified business or industry;

(e) "Estimated direct state costs" means the costs projected by the MDA to accrue to the state as a result of the qualified business or industry;

(f) "Estimated net direct state benefits" means the estimated direct state benefits less the estimated direct state costs;

(g) "Net benefit rate" means the estimated net direct state benefits computed as a percentage of gross payroll, provided that:

(i) Except as otherwise provided in this paragraph (g), the net benefit rate may be variable and shall not exceed four percent (4%) of the gross payroll; and shall be set in the sole discretion of the MDA;

(ii) In no event shall incentive payments, cumulatively, exceed the estimated net direct state benefits;

(h) "Gross payroll" means wages for new direct jobs of the qualified business or industry; and

(i) "MDA" means the Mississippi Development Authority.

[For businesses or industries that received or applied for incentive payments from and after July 1, 2005, but prior to July 1, 2010, this section shall read as follows:]

57-62-5. As used in this chapter, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Qualified business or industry" means any corporation, limited liability company, partnership, sole proprietorship, business trust or other legal entity and subunits or affiliates thereof, pursuant to rules and regulations of the MDA, which:

(i) Is a data/information processing enterprise meeting minimum criteria established by the MDA that provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred percent (100%)

of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser, and creates not less than two hundred (200) new direct jobs if the enterprise is located in a Tier One or Tier Two area (as such areas are designated in accordance with Section 57-73-21), or which creates not less than one hundred (100) new jobs if the enterprise is located in a Tier Three area (as such areas are designated in accordance with Section 57-73-21);

(ii) Is a manufacturing or distribution enterprise meeting minimum criteria established by the MDA that provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred ten percent (110%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser, invests not less than Twenty Million Dollars (\$20,000,000.00) in land, buildings and equipment, and creates not less than fifty (50) new direct jobs if the enterprise is located in a Tier One or Tier Two area (as such areas are designated in accordance with Section 57-73-21), or which creates not less than twenty (20) new jobs if the enterprise is located in a Tier Three area (as such areas are designated in accordance with Section 57-73-21);

(iii) Is a corporation, limited liability company, partnership, sole proprietorship, business trust or other legal entity and subunits or affiliates thereof, pursuant to rules and regulations of the MDA, which provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred twenty-five percent (125%) of the most recently published state average annual wage or the most

recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser, and creates not less than twenty-five (25) new direct jobs if the enterprise is located in a Tier One or Tier Two area (as such areas are designated in accordance with Section 57-73-21), or which creates not less than ten (10) new jobs if the enterprise is located in a Tier Three area (as such areas are designated in accordance with Section 57-73-21). An establishment shall not be considered to be a qualified business or industry unless it offers, or will offer within one hundred eighty (180) days of the date it receives the first incentive payment pursuant to the provisions of this chapter, a basic health benefits plan to the individuals it employs in new direct jobs in this state which is approved by the MDA. Qualified business or industry does not include retail business or gaming business; or

(iv) Is a research and development or a technology intensive enterprise meeting minimum criteria established by the MDA that provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser, and creates not less than ten (10) new direct jobs.

An establishment shall not be considered to be a qualified business or industry unless it offers, or will offer within one hundred eighty (180) days of the date it receives the first incentive payment pursuant to the provisions of this chapter, a basic health benefits plan to the individuals it employs in new direct jobs in this state which is approved by the MDA. Qualified

business or industry does not include retail business or gaming business.

(b) "New direct job" means full-time employment in this state in a qualified business or industry that has qualified to receive an incentive payment pursuant to this chapter, which employment did not exist in this state before the date of approval by the MDA of the application of the qualified business or industry pursuant to the provisions of this chapter. "New direct job" shall include full-time employment in this state of employees who are employed by an entity other than the establishment that has qualified to receive an incentive payment and who are leased to the qualified business or industry, if such employment did not exist in this state before the date of approval by the MDA of the application of the establishment.

(c) "Full-time job" or "full-time employment" means a job of at least thirty-five (35) hours per week.

(d) "Estimated direct state benefits" means the tax revenues projected by the MDA to accrue to the state as a result of the qualified business or industry.

(e) "Estimated direct state costs" means the costs projected by the MDA to accrue to the state as a result of the qualified business or industry.

(f) "Estimated net direct state benefits" means the estimated direct state benefits less the estimated direct state costs.

(g) "Net benefit rate" means the estimated net direct state benefits computed as a percentage of gross payroll, provided that:

(i) Except as otherwise provided in this paragraph (g), the net benefit rate may be variable and shall not exceed four percent (4%) of the gross payroll; and shall be set in the sole discretion of the MDA;

(ii) In no event shall incentive payments, cumulatively, exceed the estimated net direct state benefits.

(h) "Gross payroll" means wages for new direct jobs of the qualified business or industry.

(i) "MDA" means the Mississippi Development Authority.

[For businesses or industries that apply for incentive payments from and after July 1, 2010, this section shall read as follows:]

57-62-5. As used in this chapter, the following words and phrases shall have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "Qualified business or industry" means any corporation, limited liability company, partnership, sole proprietorship, business trust or other legal entity and subunits or affiliates thereof, pursuant to rules and regulations of the MDA, which:

(i) Is a data/information processing enterprise meeting minimum criteria established by the MDA that provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred percent (100%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser, and creates not less than two hundred (200) new direct jobs; or

(ii) Is a corporation, limited liability company, partnership, sole proprietorship, business trust or other legal entity and subunits or affiliates thereof, pursuant to rules and regulations of the MDA, which provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred ten percent (110%) of the most recently published state average annual wage or the most recently

published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser, and creates not less than twenty-five (25) new direct jobs.

An establishment shall not be considered to be a qualified business or industry unless it offers, or will offer within one hundred eighty (180) days of the date it receives the first incentive payment pursuant to the provisions of this chapter, a basic health benefits plan to the individuals it employs in new direct jobs in this state which is approved by the MDA. Qualified business or industry does not include retail business or gaming business.

(b) "New direct job" means full-time employment in this state in a qualified business or industry that has qualified to receive an incentive payment pursuant to this chapter, which employment did not exist in this state before the date of approval by the MDA of the application of the qualified business or industry pursuant to the provisions of this chapter. "New direct job" shall include full-time employment in this state of employees who are employed by an entity other than the establishment that has qualified to receive an incentive payment and who are leased to the qualified business or industry, if such employment did not exist in this state before the date of approval by the MDA of the application of the establishment.

(c) "Full-time job" or "full-time employment" means a job of at least thirty-five (35) hours per week.

(d) "Gross payroll" means wages for new direct jobs of the qualified business or industry.

(e) "MDA" means the Mississippi Development Authority.

SECTION 54. Section 57-62-9, Mississippi Code of 1972, is reenacted as follows:

[For businesses or industries that received or applied for incentive payments prior to July 1, 2005, this section shall read as follows:]

57-62-9. (1) Except as otherwise provided in this section, a qualified business or industry that meets the qualifications specified in this chapter may receive quarterly incentive payments for a period not to exceed ten (10) years from the Department of Revenue pursuant to the provisions of this chapter in an amount which shall be equal to the net benefit rate multiplied by the actual gross payroll of new direct jobs for a calendar quarter as verified by the Mississippi Department of Employment Security, but not to exceed the amount of money previously paid into the fund by the employer. A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 may elect the date upon which the ten-year period will begin. Such date may not be later than sixty (60) months after the date the business or industry applied for incentive payments.

(2) (a) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to receive incentive payments for an additional period not to exceed five (5) years beyond the expiration date of the initial ten-year period if:

(i) The qualified business or industry creates at least three thousand (3,000) new direct jobs within five (5) years after the date the business or industry commences commercial production;

(ii) Within five (5) years after the date the business or industry commences commercial production, the average annual wage of the jobs is at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is

the lesser. The criteria for the average annual wage requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of creation of the minimum number of jobs, and the threshold established at that time will remain constant for the duration of the additional period; and

(iii) The qualified business or industry meets and maintains the job and wage requirements of subparagraphs (i) and (ii) of this paragraph (a) for four (4) consecutive calendar quarters.

(b) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 and qualified to receive incentive payments for the additional period provided in paragraph (a) of this subsection (2) may apply to the MDA to receive incentive payments for an additional period not to exceed ten (10) years beyond the expiration date of the additional period provided in paragraph (a) of this subsection (2) if:

(i) The qualified business or industry creates at least four thousand (4,000) new direct jobs after qualifying for the additional incentive period provided in paragraph (a) of this subsection (2) but before the expiration of the additional period. For purposes of determining whether the business or industry meets the minimum jobs requirement of this subparagraph (i), the number of jobs the business or industry created in order to meet the minimum jobs requirement of paragraph (a) of this subsection (2) shall be subtracted from the minimum jobs requirement of this subparagraph (i);

(ii) The average annual wage of the jobs is at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The criteria for

the average annual wage requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of creation of the minimum number of jobs, and the threshold established at that time will remain constant for the duration of the additional period; and

(iii) The qualified business or industry meets and maintains the job and wage requirements of subparagraphs (i) and (ii) of this paragraph (b) for four (4) consecutive calendar quarters.

(3) In order to receive incentive payments, an establishment shall apply to the MDA. The application shall be on a form prescribed by the MDA and shall contain such information as may be required by the MDA to determine if the applicant is qualified.

(4) In order to qualify to receive such payments, the establishment applying shall be required to:

(a) Be engaged in a qualified business or industry;

(b) Provide an average salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred twenty-five percent (125%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The criteria for this requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of application, and the threshold established upon application will remain constant for the duration of the project;

(c) The business or industry must create and maintain a minimum of ten (10) full-time jobs in counties that have an average unemployment rate over the previous twelve-month period which is at least one hundred fifty percent (150%) of the most recently published state unemployment rate, as determined by the Mississippi Department of Employment Security or in Tier Three

counties as determined under Section 57-73-21. In all other counties, the business or industry must create and maintain a minimum of twenty-five (25) full-time jobs. The criteria for this requirement shall be based on the designation of the county at the time of the application. The threshold established upon the application will remain constant for the duration of the project. The business or industry must meet its job creation commitment within twenty-four (24) months of the application approval. However, if the qualified business or industry is applying for incentive payments for an additional period under subsection (2) of this section, the business or industry must comply with the applicable job and wage requirements of subsection (2) of this section.

(5) The MDA shall determine if the applicant is qualified to receive incentive payments. If the applicant is determined to be qualified by the MDA, the MDA shall conduct a cost/benefit analysis to determine the estimated net direct state benefits and the net benefit rate applicable for a period not to exceed ten (10) years and to estimate the amount of gross payroll for the period. If the applicant is determined to be qualified to receive incentive payments for an additional period under subsection (2) of this section, the MDA shall conduct a cost/benefit analysis to determine the estimated net direct state benefits and the net benefit rate applicable for the appropriate additional period and to estimate the amount of gross payroll for the additional period. In conducting such cost/benefit analysis, the MDA shall consider quantitative factors, such as the anticipated level of new tax revenues to the state along with the cost to the state of the qualified business or industry, and such other criteria as deemed appropriate by the MDA, including the adequacy of retirement benefits that the business or industry provides to individuals it employs in new direct jobs in this state. In no event shall incentive payments, cumulatively, exceed the estimated net direct

state benefits. Once the qualified business or industry is approved by the MDA, an agreement shall be deemed to exist between the qualified business or industry and the State of Mississippi, requiring the continued incentive payment to be made as long as the qualified business or industry retains its eligibility.

(6) Upon approval of such an application, the MDA shall notify the Department of Revenue and shall provide it with a copy of the approved application and the estimated net direct state benefits. The Department of Revenue may require the qualified business or industry to submit such additional information as may be necessary to administer the provisions of this chapter. The qualified business or industry shall report to the Department of Revenue periodically to show its continued eligibility for incentive payments. The qualified business or industry may be audited by the Department of Revenue to verify such eligibility.

(7) If the qualified business or industry is located in an area that has been declared by the Governor to be a disaster area and as a result of the disaster the business or industry is unable to create or maintain the full-time jobs required by this section:

(a) The Commissioner of Revenue may extend the period of time that the business or industry may receive incentive payments for a period of time not to exceed two (2) years;

(b) The Commissioner of Revenue may waive the requirement that a certain number of jobs be maintained for a period of time not to exceed twenty-four (24) months; and

(c) The MDA may extend the period of time within which the jobs must be created for a period of time not to exceed twenty-four (24) months.

[For businesses or industries that received or applied for incentive payments from and after July 1, 2005, but prior to July 1, 2010, this section shall read as follows:]

57-62-9. (1) (a) Except as otherwise provided in this section, a qualified business or industry that meets the

qualifications specified in this chapter may receive quarterly incentive payments for a period not to exceed ten (10) years from the Department of Revenue pursuant to the provisions of this chapter in an amount which shall be equal to the net benefit rate multiplied by the actual gross payroll of new direct jobs for a calendar quarter as verified by the Mississippi Department of Employment Security, but not to exceed:

(i) Ninety percent (90%) of the amount of money previously paid into the fund by the employer if the employer provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred seventy-five percent (175%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser;

(ii) Eighty percent (80%) of the amount of money previously paid into the fund by the employer if the employer provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred twenty-five percent (125%) but less than one hundred seventy-five percent (175%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser; or

(iii) Seventy percent (70%) of the amount of money previously paid into the fund by the employer if the employer provides an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of less than one hundred twenty-five percent (125%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is

located as determined by the Mississippi Department of Employment Security, whichever is the lesser.

(b) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 may elect the date upon which the ten-year period will begin. Such date may not be later than sixty (60) months after the date the business or industry applied for incentive payments.

(2) (a) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to receive incentive payments for an additional period not to exceed five (5) years beyond the expiration date of the initial ten-year period if:

(i) The qualified business or industry creates at least three thousand (3,000) new direct jobs within five (5) years after the date the business or industry commences commercial production;

(ii) Within five (5) years after the date the business or industry commences commercial production, the average annual wage of the jobs is at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The criteria for the average annual wage requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of creation of the minimum number of jobs, and the threshold established at that time will remain constant for the duration of the additional period; and

(iii) The qualified business or industry meets and maintains the job and wage requirements of subparagraphs (i) and (ii) of this paragraph (a) for four (4) consecutive calendar quarters.

(b) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 and qualified to receive incentive payments for the additional period provided in paragraph (a) of this subsection (2) may apply to the MDA to receive incentive payments for an additional period not to exceed ten (10) years beyond the expiration date of the additional period provided in paragraph (a) of this subsection (2) if:

(i) The qualified business or industry creates at least four thousand (4,000) new direct jobs after qualifying for the additional incentive period provided in paragraph (a) of this subsection (2) but before the expiration of the additional period. For purposes of determining whether the business or industry meets the minimum jobs requirement of this subparagraph (i), the number of jobs the business or industry created in order to meet the minimum jobs requirement of paragraph (a) of this subsection (2) shall be subtracted from the minimum jobs requirement of this subparagraph (i);

(ii) The average annual wage of the jobs is at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The criteria for the average annual wage requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of creation of the minimum number of jobs, and the threshold established at that time will remain constant for the duration of the additional period; and

(iii) The qualified business or industry meets and maintains the job and wage requirements of subparagraphs (i) and (ii) of this paragraph (b) for four (4) consecutive calendar quarters.

(3) In order to receive incentive payments, an establishment shall apply to the MDA. The application shall be on a form prescribed by the MDA and shall contain such information as may be required by the MDA to determine if the applicant is qualified.

(4) (a) In order to qualify to receive such payments, the establishment applying shall be required to meet the definition of the term "qualified business or industry";

(b) The criteria for the average annual salary requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of application, and the threshold established upon application will remain constant for the duration of the project;

(c) The business or industry must meet its job creation commitment within twenty-four (24) months of the application approval. However, if the qualified business or industry is applying for incentive payments for an additional period under subsection (2) of this section, the business or industry must comply with the applicable job and wage requirements of subsection (2) of this section.

(5) (a) The MDA shall determine if the applicant is qualified to receive incentive payments.

(b) If the applicant is determined to be qualified to receive incentive payments for an additional period under subsection (2) of this section, the MDA shall conduct a cost/benefit analysis to determine the estimated net direct state benefits and the net benefit rate applicable for the appropriate additional period and to estimate the amount of gross payroll for the additional period. In conducting such cost/benefit analysis, the MDA shall consider quantitative factors, such as the anticipated level of new tax revenues to the state along with the cost to the state of the qualified business or industry, and such other criteria as deemed appropriate by the MDA, including the adequacy of retirement benefits that the business or industry

provides to individuals it employs in new direct jobs in this state. In no event shall incentive payments, cumulatively, exceed the estimated net direct state benefits. Once the qualified business or industry is approved by the MDA, an agreement shall be deemed to exist between the qualified business or industry and the State of Mississippi, requiring the continued incentive payment to be made as long as the qualified business or industry retains its eligibility.

(6) Upon approval of such an application, the MDA shall notify the Department of Revenue and shall provide it with a copy of the approved application and the estimated net direct state benefits. The Department of Revenue may require the qualified business or industry to submit such additional information as may be necessary to administer the provisions of this chapter. The qualified business or industry shall report to the Department of Revenue periodically to show its continued eligibility for incentive payments. The qualified business or industry may be audited by the Department of Revenue to verify such eligibility.

(7) If the qualified business or industry is located in an area that has been declared by the Governor to be a disaster area and as a result of the disaster the business or industry is unable to create or maintain the full-time jobs required by this section:

(a) The Commissioner of Revenue may extend the period of time that the business or industry may receive incentive payments for a period of time not to exceed two (2) years;

(b) The Commissioner of Revenue may waive the requirement that a certain number of jobs be maintained for a period of time not to exceed twenty-four (24) months; and

(c) The MDA may extend the period of time within which the jobs must be created for a period of time not to exceed twenty-four (24) months.

[For businesses or industries that apply for incentive payments from and after July 1, 2010, this section shall read as follows:]

57-62-9. (1) (a) Except as otherwise provided in this section, a qualified business or industry that meets the qualifications specified in this chapter may receive quarterly incentive payments for a period not to exceed ten (10) years from the Department of Revenue pursuant to the provisions of this chapter in an amount which shall be equal to ninety percent (90%) of the amount of actual income tax withheld for employees with new direct jobs, but in no event more than four percent (4%) of the total annual salary paid for new direct jobs during such period, excluding benefits which are not subject to Mississippi income taxes.

(b) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 may elect the date upon which the ten-year period will begin. Such date may not be later than sixty (60) months after the date the business or industry applied for incentive payments.

(2) (a) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 may apply to the MDA to receive incentive payments for an additional period not to exceed five (5) years beyond the expiration date of the initial ten-year period if:

(i) The qualified business or industry creates at least three thousand (3,000) new direct jobs within five (5) years after the date the business or industry commences commercial production;

(ii) Within five (5) years after the date the business or industry commences commercial production, the average annual wage of the jobs is at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in

which the qualified business or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The criteria for the average annual wage requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of creation of the minimum number of jobs, and the threshold established at that time will remain constant for the duration of the additional period; and

(iii) The qualified business or industry meets and maintains the job and wage requirements of subparagraphs (i) and (ii) of this paragraph (a) for four (4) consecutive calendar quarters.

(b) A qualified business or industry that is a project as defined in Section 57-75-5(f)(iv)1 and qualified to receive incentive payments for the additional period provided in paragraph (a) of this subsection (2) may apply to the MDA to receive incentive payments for an additional period not to exceed ten (10) years beyond the expiration date of the additional period provided in paragraph (a) of this subsection (2) if:

(i) The qualified business or industry creates at least four thousand (4,000) new direct jobs after qualifying for the additional incentive period provided in paragraph (a) of this subsection (2) but before the expiration of the additional period. For purposes of determining whether the business or industry meets the minimum jobs requirement of this subparagraph (i), the number of jobs the business or industry created in order to meet the minimum jobs requirement of paragraph (a) of this subsection (2) shall be subtracted from the minimum jobs requirement of this subparagraph (i);

(ii) The average annual wage of the jobs is at least one hundred fifty percent (150%) of the most recently published state average annual wage or the most recently published average annual wage of the county in which the qualified business

or industry is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The criteria for the average annual wage requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of creation of the minimum number of jobs, and the threshold established at that time will remain constant for the duration of the additional period; and

(iii) The qualified business or industry meets and maintains the job and wage requirements of subparagraphs (i) and (ii) of this paragraph (b) for four (4) consecutive calendar quarters.

(3) In order to receive incentive payments, an establishment shall apply to the MDA. The application shall be on a form prescribed by the MDA and shall contain such information as may be required by the MDA to determine if the applicant is qualified.

(4) (a) In order to qualify to receive such payments, the establishment applying shall be required to meet the definition of the term "qualified business or industry";

(b) The criteria for the average annual salary requirement shall be based upon the state average annual wage or the average annual wage of the county whichever is appropriate, at the time of application, and the threshold established upon application will remain constant for the duration of the project;

(c) The business or industry must meet its job creation commitment within twenty-four (24) months of the application approval. However, if the qualified business or industry is applying for incentive payments for an additional period under subsection (2) of this section, the business or industry must comply with the applicable job and wage requirements of subsection (2) of this section.

(5) (a) The MDA shall determine if the applicant is qualified to receive incentive payments.

(b) If the applicant is determined to be qualified to receive incentive payments for an additional period under subsection (2) of this section, the MDA shall conduct an analysis to estimate the amount of gross payroll for the appropriate additional period. Incentive payments, cumulatively, shall not exceed ninety percent (90%) of the amount of actual income tax withheld for employees with new direct jobs, but in no event more than four percent (4%) of the total annual salary paid for new direct jobs during the additional period, excluding benefits which are not subject to Mississippi income taxes. Once the qualified business or industry is approved by the MDA, an agreement shall be deemed to exist between the qualified business or industry and the State of Mississippi, requiring the continued incentive payment to be made as long as the qualified business or industry retains its eligibility.

(6) Upon approval of such an application, the MDA shall notify the Department of Revenue and shall provide it with a copy of the approved application and the minimum job and salary requirements. The Department of Revenue may require the qualified business or industry to submit such additional information as may be necessary to administer the provisions of this chapter. The qualified business or industry shall report to the Department of Revenue periodically to show its continued eligibility for incentive payments. The qualified business or industry may be audited by the Department of Revenue to verify such eligibility.

(7) If the qualified business or industry is located in an area that has been declared by the Governor to be a disaster area and as a result of the disaster the business or industry is unable to create or maintain the full-time jobs required by this section:

(a) The Commissioner of Revenue may extend the period of time that the business or industry may receive incentive payments for a period of time not to exceed two (2) years;

(b) The Commissioner of Revenue may waive the requirement that a certain number of jobs be maintained for a period of time not to exceed twenty-four (24) months; and

(c) The MDA may extend the period of time within which the jobs must be created for a period of time not to exceed twenty-four (24) months.

SECTION 55. Section 57-75-5, Mississippi Code of 1972, is reenacted as follows:

57-75-5. Words and phrases used in this chapter shall have meanings as follows, unless the context clearly indicates a different meaning:

(a) "Act" means the Mississippi Major Economic Impact Act as originally enacted or as hereafter amended.

(b) "Authority" means the Mississippi Major Economic Impact Authority created pursuant to the act.

(c) "Bonds" means general obligation bonds, interim notes and other evidences of debt of the State of Mississippi issued pursuant to this chapter.

(d) "Facility related to the project" means and includes any of the following, as the same may pertain to the project within the project area: (i) facilities to provide potable and industrial water supply systems, sewage and waste disposal systems and water, natural gas and electric transmission systems to the site of the project; (ii) airports, airfields and air terminals; (iii) rail lines; (iv) port facilities; (v) highways, streets and other roadways; (vi) public school buildings, classrooms and instructional facilities, training facilities and equipment, including any functionally related facilities; (vii) parks, outdoor recreation facilities and athletic facilities; (viii) auditoriums, pavilions, campgrounds, art centers, cultural centers, folklore centers and other public facilities; (ix) health care facilities, public or private; and

(x) fire protection facilities, equipment and elevated water tanks.

(e) "Person" means any natural person, corporation, association, partnership, receiver, trustee, guardian, executor, administrator, fiduciary, governmental unit, public agency, political subdivision, or any other group acting as a unit, and the plural as well as the singular.

(f) "Project" means:

(i) Any industrial, commercial, research and development, warehousing, distribution, transportation, processing, mining, United States government or tourism enterprise together with all real property required for construction, maintenance and operation of the enterprise with an initial capital investment of not less than Three Hundred Million Dollars (\$300,000,000.00) from private or United States government sources together with all buildings, and other supporting land and facilities, structures or improvements of whatever kind required or useful for construction, maintenance and operation of the enterprise; or with an initial capital investment of not less than One Hundred Fifty Million Dollars (\$150,000,000.00) from private or United States government sources together with all buildings and other supporting land and facilities, structures or improvements of whatever kind required or useful for construction, maintenance and operation of the enterprise and which creates at least one thousand (1,000) net new full-time jobs; or which creates at least one thousand (1,000) net new full-time jobs which provides an average salary, excluding benefits which are not subject to Mississippi income taxation, of at least one hundred twenty-five percent (125%) of the most recently published average annual wage of the state as determined by the Mississippi Department of Employment Security. "Project" shall include any addition to or expansion of an existing enterprise if such addition or expansion has an initial capital investment of not

less than Three Hundred Million Dollars (\$300,000,000.00) from private or United States government sources, or has an initial capital investment of not less than One Hundred Fifty Million Dollars (\$150,000,000.00) from private or United States government sources together with all buildings and other supporting land and facilities, structures or improvements of whatever kind required or useful for construction, maintenance and operation of the enterprise and which creates at least one thousand (1,000) net new full-time jobs; or which creates at least one thousand (1,000) net new full-time jobs which provides an average salary, excluding benefits which are not subject to Mississippi income taxation, of at least one hundred twenty-five percent (125%) of the most recently published average annual wage of the state as determined by the Mississippi Department of Employment Security. "Project" shall also include any ancillary development or business resulting from the enterprise, of which the authority is notified, within three (3) years from the date that the enterprise entered into commercial production, that the project area has been selected as the site for the ancillary development or business.

(ii) 1. Any major capital project designed to improve, expand or otherwise enhance any active duty or reserve United States armed services bases and facilities or any major Mississippi National Guard training installations, their support areas or their military operations, upon designation by the authority that any such base was or is at risk to be recommended for closure or realignment pursuant to the Defense Base Closure and Realignment Act of 1990, as amended, or other applicable federal law; or any major development project determined by the authority to be necessary to acquire or improve base properties and to provide employment opportunities through construction of projects as defined in Section 57-3-5, which shall be located on or provide direct support service or access to such military

installation property in the event of closure or reduction of military operations at the installation.

2. Any major study or investigation related to such a facility, installation or base, upon a determination by the authority that the study or investigation is critical to the expansion, retention or reuse of the facility, installation or base.

3. Any project as defined in Section 57-3-5, any business or enterprise determined to be in the furtherance of the public purposes of this act as determined by the authority or any facility related to such project each of which shall be, directly or indirectly, related to any military base or other military-related facility no longer operated by the United States armed services or the Mississippi National Guard.

(iii) Any enterprise to be maintained, improved or constructed in Tishomingo County by or for a National Aeronautics and Space Administration facility in such county.

(iv) 1. Any major capital project with an initial capital investment from private sources of not less than Seven Hundred Fifty Million Dollars (\$750,000,000.00) which will create at least three thousand (3,000) jobs meeting criteria established by the Mississippi Development Authority.

2. "Project" shall also include any ancillary development or business resulting from an enterprise operating a project as defined in item 1 of this paragraph (f)(iv), of which the authority is notified, within three (3) years from the date that the enterprise entered into commercial production, that the state has been selected as the site for the ancillary development or business.

(v) Any manufacturing, processing or industrial project determined by the authority, in its sole discretion, to contribute uniquely and significantly to the economic growth and development of the state, and which meets the following criteria:

1. The project shall create at least two thousand (2,000) net new full-time jobs meeting criteria established by the authority, which criteria shall include, but not be limited to, the requirement that such jobs must be held by persons eligible for employment in the United States under applicable state and federal law.

2. The project and any facility related to the project shall include a total investment from private sources of not less than Sixty Million Dollars (\$60,000,000.00), or from any combination of sources of not less than Eighty Million Dollars (\$80,000,000.00).

(vi) Any real property owned or controlled by the National Aeronautics and Space Administration, the United States government, or any agency thereof, which is legally conveyed to the State of Mississippi or to the State of Mississippi for the benefit of the Mississippi Major Economic Impact Authority, its successors and assigns pursuant to Section 212 of Public Law 104-99, enacted January 26, 1996 (110 Stat. 26 at 38).

(vii) Any major capital project related to the establishment, improvement, expansion and/or other enhancement of any active duty military installation and having a minimum capital investment from any source or combination of sources other than the State of Mississippi of at least Forty Million Dollars (\$40,000,000.00), and which will create at least four hundred (400) military installation related full-time jobs, which jobs may be military jobs, civilian jobs or a combination of military and civilian jobs. The authority shall require that binding commitments be entered into requiring that the minimum requirements for the project provided for in this subparagraph shall be met not later than July 1, 2008.

(viii) Any major capital project with an initial capital investment from any source or combination of sources of not less than Ten Million Dollars (\$10,000,000.00) which will

create at least eighty (80) full-time jobs which provide an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one hundred thirty-five percent (135%) of the most recently published average annual wage of the state or the most recently published average annual wage of the county in which the project is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(ix) Any regional retail shopping mall with an initial capital investment from private sources in excess of One Hundred Fifty Million Dollars (\$150,000,000.00), with a square footage in excess of eight hundred thousand (800,000) square feet, which will create at least seven hundred (700) full-time jobs with an average hourly wage of Eleven Dollars (\$11.00) per hour. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(x) Any major capital project with an initial capital investment from any source or combination of sources of not less than Seventy-five Million Dollars (\$75,000,000.00) which will create at least one hundred twenty-five (125) full-time jobs which provide an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least one

hundred thirty-five percent (135%) of the most recently published average annual wage of the state or the most recently published average annual wage of the county in which the project is located as determined by the Mississippi Department of Employment Security, whichever is the greater. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xi) Any potential major capital project that the authority has determined is feasible to recruit.

(xii) Any project built according to the specifications and federal provisions set forth by the National Aeronautics and Space Administration Center Operations Directorate at Stennis Space Center for the purpose of consolidating common services from National Aeronautics and Space Administration centers in human resources, procurement, financial management and information technology located on land owned or controlled by the National Aeronautics and Space Administration, which will create at least four hundred seventy (470) full-time jobs.

(xiii) Any major capital project with an initial capital investment from any source or combination of sources of not less than Ten Million Dollars (\$10,000,000.00) which will create at least two hundred fifty (250) full-time jobs. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xiv) Any major pharmaceutical facility with a capital investment of not less than Fifty Million Dollars (\$50,000,000.00) made after July 1, 2002, through four (4) years after the initial date of any loan or grant made by the authority for such project, which will maintain at least seven hundred fifty (750) full-time employees. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xv) Any pharmaceutical manufacturing, packaging and distribution facility with an initial capital investment from any local or federal sources of not less than Five Hundred Thousand Dollars (\$500,000.00) which will create at least ninety (90) full-time jobs. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xvi) Any major industrial wood processing facility with an initial capital investment of not less than One Hundred Million Dollars (\$100,000,000.00) which will create at least one hundred twenty-five (125) full-time jobs which provide an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least Thirty Thousand Dollars (\$30,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xvii) Any technical, engineering, manufacturing-logistic service provider with an initial capital investment of not less than One Million Dollars (\$1,000,000.00) which will create at least ninety (90) full-time jobs. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xviii) Any major capital project with an initial capital investment from any source or combination of sources other than the State of Mississippi of not less than Six Hundred Million Dollars (\$600,000,000.00) which will create at least four hundred fifty (450) full-time jobs with an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least Seventy Thousand Dollars (\$70,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xix) Any major coal and/or petroleum coke gasification project with an initial capital investment from any source or combination of sources other than the State of Mississippi of not less than Eight Hundred Million Dollars (\$800,000,000.00), which will create at least two hundred (200)

full-time jobs with an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least Forty-five Thousand Dollars (\$45,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xx) Any planned mixed use development located on not less than four thousand (4,000) acres of land that will consist of commercial, recreational, resort, tourism and residential development with a capital investment from private sources of not less than Four Hundred Seventy-five Million Dollars (\$475,000,000.00) in the aggregate in any one (1) or any combination of tourism projects that will create at least three thousand five hundred (3,500) jobs in the aggregate. For the purposes of this paragraph (f)(xx), the term "tourism project" means and has the same definition as that term has in Section 57-28-1. In order to meet the minimum capital investment required under this paragraph (f)(xx), at least Two Hundred Thirty-seven Million Five Hundred Thousand Dollars (\$237,500,000.00) of such investment must be made not later than June 1, 2015, and the remainder of the minimum capital investment must be made not later than June 1, 2017. In order to meet the minimum number of jobs required to be created under this paragraph (f)(xx), at least one thousand seven hundred fifty (1,750) of such jobs must be created not later than June 1, 2015, and the remainder of the jobs must be created not later than June 1, 2017. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xxi) Any enterprise owning or operating an automotive manufacturing and assembly plant and its affiliates for which construction begins after March 2, 2007, and not later than December 1, 2007, with an initial capital investment from private sources of not less than Five Hundred Million Dollars (\$500,000,000.00) which will create at least one thousand five hundred (1,500) jobs meeting criteria established by the authority, which criteria shall include, but not be limited to, the requirement that such jobs must be held by persons eligible for employment in the United States under applicable state and federal law. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xxii) Any enterprise owning or operating a major powertrain component manufacturing and assembly plant for which construction begins after May 11, 2007, and not later than December 1, 2007, with an initial capital investment from private sources of not less than Three Hundred Million Dollars (\$300,000,000.00) which will create at least five hundred (500) new full-time jobs meeting criteria established by the authority, which criteria shall include, but not be limited to, the requirement that such jobs must be held by persons eligible for employment in the United States under applicable state and federal law, and the requirement that the average annual wages and taxable benefits of such jobs shall be at least one hundred twenty-five percent (125%) of the most recently published average annual wage

of the state or the most recently published average annual wage of the county in which the project is located as determined by the Mississippi Department of Employment Security, whichever is the lesser. The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xxiii) Any biological and agricultural defense project operated by an agency of the government of the United States with an initial capital investment of not less than Four Hundred Fifty Million Dollars (\$450,000,000.00) from any source other than the State of Mississippi and its subdivisions, which will create at least two hundred fifty (250) new full-time jobs. All jobs created by the project must be held by persons eligible for employment in the United States under applicable state and federal law.

(xxiv) Any enterprise owning or operating an existing tire manufacturing plant which adds to such plant capital assets of not less than Twenty-five Million Dollars (\$25,000,000.00) after January 1, 2009, and that maintains at least one thousand two hundred (1,200) full-time jobs in this state at one (1) location with an average annual salary, excluding benefits which are not subject to Mississippi income taxes, of at least Forty-five Thousand Dollars (\$45,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xxv) Any enterprise owning or operating a facility for the manufacture of composite components for the aerospace industry which will have an investment from private sources of not less than One Hundred Seventy-five Million Dollars (\$175,000,000.00) by not later than December 31, 2015, and which will result in the full-time employment at the project site of not less than two hundred seventy-five (275) persons by December 31, 2011, and not less than four hundred twenty-five (425) persons by December 31, 2013, and not less than eight hundred (800) persons by December 31, 2017, all with an average annual compensation, excluding benefits which are not subject to Mississippi income taxes, of at least Fifty-three Thousand Dollars (\$53,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xxvi) Any enterprise owning or operating a facility for the manufacture of pipe which will have an investment from any source other than the State of Mississippi and its subdivisions of not less than Three Hundred Million Dollars (\$300,000,000.00) by not later than December 31, 2015, and which will create at least five hundred (500) new full-time jobs within five (5) years after the start of commercial production and maintain such jobs for at least ten (10) years, all with an average annual compensation, excluding benefits which are not subject to Mississippi income taxes, of at least Thirty-two

Thousand Dollars (\$32,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(xxvii) Any enterprise owning or operating a facility for the manufacture of solar panels which will have an investment from any source other than the State of Mississippi and its subdivisions of not less than One Hundred Thirty-two Million Dollars (\$132,000,000.00) by not later than December 31, 2015, and which will create at least five hundred (500) new full-time jobs within five (5) years after the start of commercial production and maintain such jobs for at least ten (10) years, all with an average annual compensation, excluding benefits which are not subject to Mississippi income taxes, of at least Thirty-four Thousand Dollars (\$34,000.00). The authority shall require that binding commitments be entered into requiring that:

1. The minimum requirements for the project provided for in this subparagraph shall be met; and

2. That if such commitments are not met, all or a portion of the funds provided by the state for the project as determined by the authority shall be repaid.

(g) (i) "Project area" means the project site, together with any area or territory within the state lying within sixty-five (65) miles of any portion of the project site whether or not such area or territory be contiguous; however, for the project defined in paragraph (f)(iv) of this section the term "project area" means any area or territory within the state. The project area shall also include all territory within a county if any portion of such county lies within sixty-five (65) miles of any portion of the project site. "Project site" means the real

property on which the principal facilities of the enterprise will operate. The provisions of this subparagraph (i) shall not apply to a project as defined in paragraph (f)(xxi) of this section.

(ii) For the purposes of a project as defined in paragraph (f)(xxi) of this section, the term "project area" means the acreage authorized in the certificate of convenience and necessity issued by the Mississippi Development Authority to a regional economic development alliance under Section 57-64-1 et seq.

(h) "Public agency" means:

(i) Any department, board, commission, institution or other agency or instrumentality of the state;

(ii) Any city, town, county, political subdivision, school district or other district created or existing under the laws of the state or any public agency of any such city, town, county, political subdivision or district or any other public entity created or existing under local and private legislation;

(iii) Any department, commission, agency or instrumentality of the United States of America; and

(iv) Any other state of the United States of America which may be cooperating with respect to location of the project within the state, or any agency thereof.

(i) "State" means State of Mississippi.

(j) "Fee-in-lieu" means a negotiated fee to be paid by the project in lieu of any franchise taxes imposed on the project by Chapter 13, Title 27, Mississippi Code of 1972. The fee-in-lieu shall not be less than Twenty-five Thousand Dollars (\$25,000.00) annually. A fee-in-lieu may be negotiated with an enterprise operating an existing project defined in Section 57-75-5(f)(iv)1; however, a fee-in-lieu shall not be negotiated for other existing enterprises that fall within the definition of the term "project."

(k) "Affiliate" means a subsidiary or related business entity which shares a common direct or indirect ownership with the enterprise owning or operating a project as defined in Section 57-75-5(f)(xxi). The subsidiary or related business must provide services directly related to the core activities of the project.

(1) "Tier One supplier" means a supplier of a project as defined in Section 57-75-5(f)(xxi) that is certified by the enterprise owning the project and creates a minimum of fifty (50) new full-time jobs.

SECTION 56. Section 57-80-7, Mississippi Code of 1972, is reenacted as follows:

57-80-7. (1) From and after December 31, 2000, and until December 31, 2012, the following counties may apply to the MDA for the issuance of a certificate of public convenience and necessity:

(a) Any county of this state which has an annualized unemployment rate that is at least two hundred percent (200%) of the state's unemployment rate as of December 31 of any year from 2000 through 2012, as determined by the Mississippi Department of Employment Security's most recently published data;

(b) Any county of this state in which thirty percent (30%) or more of the population of the county is at or below the federal poverty level according to the official data compiled by the United States Census Bureau as of August 30, 2000, for counties that apply before December 31, 2002, or the most recent official data compiled by the United States Census Bureau for counties that apply from and after December 31, 2002; or

(c) Any county of this state having an eligible supervisors district.

(2) The application, at a minimum, must contain (a) the Mississippi Department of Employment Security's most recently published figures that reflect the annualized unemployment rate of the applying county as of December 31 or the most recent official data by the United States Census Bureau required by subsection (1)

of this section, as the case may be, and (b) an order or resolution of the county consenting to the designation of the county as a growth and prosperity county.

(3) Any municipality of a designated growth and prosperity county or within an eligible supervisors district and not more than eight (8) miles from the boundary of the county that meets the criteria of subsection (1)(b) of this section may by order or resolution of the municipality consent to participation in the Growth and Prosperity Program.

(4) No incentive or tax exemption shall be given under this chapter without the consent of the affected county or municipality.

SECTION 57. Section 69-2-5, Mississippi Code of 1972, is reenacted as follows:

69-2-5. (1) The Mississippi Cooperative Extension Service shall act as a clearinghouse for the dissemination of information regarding programs and services which may be available to help those persons and businesses which have been adversely affected by the present emergency in the agricultural community. The Cooperative Extension Service shall develop a plan of assistance which shall identify all programs and services available within the state which can be of assistance to those affected by the present emergency. The Department of Agriculture and Commerce, Department of Finance and Administration, Department of Human Services, Department of Mental Health, State Department of Health, Board of Trustees of State Institutions of Higher Learning, State Board for Community and Junior Colleges, Research and Development Center, Mississippi Development Authority, Department of Employment Security, Office of the Governor, Board of Vocational and Technical Education, Mississippi Authority for Educational Television, and other agencies of the state which have programs and services that can be of assistance to those affected by the present emergency, shall provide information regarding their

programs and services to the Cooperative Extension Service for use in the clearinghouse. The types of programs and services shall include, but not be limited to, financial counseling, farm and small business management, employment services, labor market information, job retraining, vocational and technical training, food stamp programs, personal counseling, health services, and free or low cost legal services. The clearinghouse shall provide a single contact point to provide program information and referral services to individuals interested or needing services from state funded assistance programs affecting agriculture, horticulture, aquaculture and other agribusinesses or related industries. Such assistance information shall identify all monies available under the Small Business Financing Act, the Business Investment Act, the Emerging Crops Fund legislation and any other sources which may be used singularly or combined, to provide a comprehensive financing package. The provisions of this section in establishing a single contact point for information and referral services shall not be construed to authorize the hiring of additional personnel.

(2) The Cooperative Extension Service may accept monetary or in-kind contributions, gifts and grants for the establishment or operation of the clearinghouse.

(3) The Cooperative Extension Service shall establish a method for the dissemination of information to those who can be benefited by the existing programs and services of the state.

(4) The Cooperative Extension Service shall file an annual report with the Governor, Lieutenant Governor and Speaker of the House of Representatives regarding the efforts which have been made in the clearinghouse operation. The report shall also recommend any additional measures, including legislation, which may be needed or desired in providing programs and benefits to those affected by the agricultural emergency.

SECTION 58. Section 7-1-355, Mississippi Code of 1972, is reenacted as follows:

7-1-355. (1) The Mississippi Department of Employment Security, Office of the Governor, is designated as the sole administrator of all programs for which the state is the prime sponsor under Title 1(B) of Public Law 105-220, Workforce Investment Act of 1998, and the regulations promulgated thereunder, and may take all necessary action to secure to this state the benefits of that legislation. The Mississippi Department of Employment Security, Office of the Governor, may receive and disburse funds for those programs that become available to it from any source.

(2) The Mississippi Department of Employment Security, Office of the Governor, shall establish guidelines on the amount and/or percentage of indirect and/or administrative expenses by the local fiscal agent or the Workforce Development Center operator. The Mississippi Department of Employment Security, Office of the Governor, shall develop an accountability system and make an annual report to the Legislature before December 31 of each year on Workforce Investment Act activities. The report shall include, but is not limited to, the following:

(a) The total number of individuals served through the Workforce Development Centers and the percentage and number of individuals for which a quarterly follow up is provided;

(b) The number of individuals who receive core services by each center;

(c) The number of individuals who receive intensive services by each center;

(d) The number of Workforce Investment Act vouchers issued by the Workforce Development Centers including:

(i) A list of schools and colleges to which these vouchers were issued and the average cost per school of the vouchers; and

(ii) A list of the types of programs for which these vouchers were issued;

(e) The number of individuals placed in a job through Workforce Development Centers;

(f) The monies and the amount retained for administrative and other costs received from Workforce Investment Act funds for each agency or organization that Workforce Investment Act funds flow through as a percentage and actual dollar amount of all Workforce Investment Act funds received.

SECTION 59. Section 60, Chapter 572, Laws of 2004, as amended by Section 58, Chapter 30, Laws of the First Extraordinary Session of 2008, as amended by Section 58, Chapter 559, Laws of 2010 Regular Session, is amended as follows:

Section 60. This act shall stand repealed on July 1, 2014.

SECTION 60. This act shall take effect and be in force from and after July 1, 2011.

PASSED BY THE SENATE
February 9, 2011



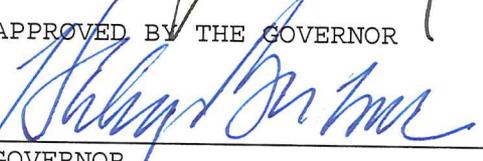
PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 7, 2011



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

3/30/11 2:23p