MISSISSIPPI LEGISLATURE REGULAR SESSION 2021

By: Representative Faulkner

To: Ways and Means

HOUSE BILL NO. 446

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

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

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

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

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

SECTION 2. (1) Subject to the provisions of this section, a taxpayer that employs a person after July 1, 2021, who is a convicted felon, who has been unemployed for six (6) consecutive months immediately before being employed by the taxpayer, including any time spent incarcerated, shall be allowed an annual credit against the taxes imposed under this chapter. The credit shall be for an annual amount of Two Thousand Five Hundred Dollars ($2,500.00) for five (5) years for each person so employed and may be claimed by the taxpayer once for each person hired. The tax credit may not be claimed for hiring a person whose employment was previously utilized to claim the tax credit. The tax credit shall not exceed the amount of tax imposed upon the taxpayer for the taxable year reduced by the sum of all other credits allowable to the taxpayer under this chapter, except credit for tax payments made by or on behalf of the taxpayer. Any tax credit claimed under this section but not used in any taxable year may be carried forward for five (5) consecutive years from the close of the tax year in which the credits were earned. In order to be eligible to claim a tax credit for an employee, the taxpayer must employ the employee for at least six (6) consecutive months during the year for which the credit is claimed and the employee must work an

average of at least thirty (30) hours per week for the taxpayer during that time.

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

(3) Any taxpayer who is eligible for the credit authorized in this section before January 1, 2025, shall be approved for the credit authorized in this section, and shall be allowed to carry forward the credit after January 1, 2025, as provided for in subsection (1) of this section, notwithstanding the repeal of this section as provided in subsection (4) of this section.

(4) This section shall be repealed from and after January 1, 2025.

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

SECTION 4. Sections 2 and 3 of this act shall take effect and be in force from and after January 1, 2021, and the remainder of this act shall take effect and be in force from and after July 1, 2021.