

By: Senator(s) Sojourner, Chassaniol, Butler To: Tourism; Appropriations  
(36th), Butler (38th), Gandy, Horhn, Jackson  
(11th), Jordan, Watson

## SENATE BILL NO. 2565

1 AN ACT TO CREATE THE MISSISSIPPI TOURISM ADVISORY BOARD TO  
2 ADVISE THE MISSISSIPPI DEVELOPMENT AUTHORITY ON STRATEGIES FOR  
3 ADVERTISING AND MARKETING TOURISM IN THIS STATE; TO PROVIDE FOR  
4 THE MEMBERSHIP OF THE BOARD; TO CREATE A SPECIAL FUND IN THE STATE  
5 TREASURY TO BE DESIGNATED THE TOURISM ADVERTISING AND MARKETING  
6 FUND; TO PROVIDE THAT MONEY IN THE FUND SHALL BE USED TO DEFRAY  
7 COSTS INCURRED BY THE MISSISSIPPI DEVELOPMENT AUTHORITY IN  
8 ADVERTISING AND MARKETING MISSISSIPPI AS A TOURISM DESTINATION; TO  
9 ESTABLISH A FIVE-YEAR PILOT PROGRAM TO TEST A NEW FUNDING  
10 MECHANISM FOR THE STATE'S TRAVEL AND TOURISM ADVERTISING AND  
11 MARKETING BEGINNING IN FISCAL YEAR 2015; TO PROVIDE THAT STARTING  
12 IN FISCAL YEAR 2014 AND ENDING IN FISCAL YEAR 2018 THE  
13 COMMISSIONER OF REVENUE SHALL CALCULATE THE GROWTH IN FISCAL YEAR  
14 SALES TAX REVENUE FROM CERTAIN DEFINED CATEGORIES THAT ARE RELATED  
15 TO TOURISM AND CERTIFY THAT AMOUNT TO THE EXECUTIVE DIRECTOR OF  
16 THE DEPARTMENT OF FINANCE AND ADMINISTRATION; TO PROVIDE THAT IF  
17 THE AMOUNT SO CERTIFIED IS GREATER THAN ZERO, THE EXECUTIVE  
18 DIRECTOR SHALL TRANSFER THAT AMOUNT TO THE TOURISM ADVERTISING AND  
19 MARKETING FUND CREATED BY THIS ACT; TO PROVIDE THAT THE AMOUNT SO  
20 TRANSFERRED SHALL NOT EXCEED \$15,000,000.00 IN ANY FISCAL YEAR  
21 ADJUSTED FOR INFLATION; TO PROVIDE THAT THE EXECUTIVE DIRECTOR OF  
22 THE MISSISSIPPI DEVELOPMENT AUTHORITY, IN CONSULTATION WITH THE  
23 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF FINANCE AND ADMINISTRATION  
24 AND THE COMMISSIONER OF REVENUE, SHALL REVIEW THE PILOT PROGRAM  
25 AND MAKE RECOMMENDATIONS TO THE GOVERNOR AND THE LEGISLATURE ON  
26 WHETHER TO MAKE THE FUNDING MECHANISM PERMANENT AND, IF SO,  
27 WHETHER ANY CHANGES SHOULD BE MADE TO IT; TO AMEND SECTION  
28 57-1-59, MISSISSIPPI CODE OF 1972, TO REVISE THE MISSISSIPPI  
29 DEVELOPMENT AUTHORITY'S GENERAL POWERS AND DUTIES WITH RESPECT TO  
30 TOURISM AND TO REQUIRE THE MISSISSIPPI DEVELOPMENT AUTHORITY TO  
31 PERFORM AN ANNUAL RETURN-ON-INVESTMENT STUDY ANALYZING THE  
32 DEPARTMENT'S SUCCESS PROMOTING MISSISSIPPI TOURISM AND FILE A  
33 REPORT CONTAINING THE FINDINGS OF THE STUDY WITH THE GOVERNOR, THE



34 SECRETARY OF THE SENATE AND THE CLERK OF THE HOUSE OF  
35 REPRESENTATIVES; AND FOR RELATED PURPOSES.

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

37 **SECTION 1.** (1) The Mississippi Tourism Advisory Board is  
38 established. The board shall consist of the Executive Director of  
39 the Mississippi Development Authority, the Director of the  
40 Division of Tourism of Mississippi Development Authority, the  
41 President of the Mississippi Tourism Association and seven (7)  
42 members to be appointed by the Governor as provided in subsection  
43 (2) of this section. All members of the board except the  
44 Executive Director of the Mississippi Development Authority and  
45 the Director of the Mississippi Development Authority Tourism  
46 Development Division, shall be voting members.

47 (2) The Governor shall, within sixty (60) days after the  
48 effective date of this act, appoint to the Mississippi Tourism  
49 Advisory Board one (1) individual who is a representative of  
50 convention and visitors' bureaus, one (1) individual who is a  
51 representative of the lodging industry, one (1) individual who is  
52 a representative of the restaurant industry, one (1) individual  
53 who is a representative of attractions, one (1) individual who is  
54 a representative of special events and festivals, one (1)  
55 individual who is a representative of agritourism, and one (1)  
56 individual who is a representative of the gaming industry. Of the  
57 initial appointments, two (2) individuals shall serve a term of  
58 one (1) year, three (3) individuals shall serve a term of two (2)  
59 years and the remainder shall serve a term of three (3) years.



60 All members shall serve at the will and pleasure of the Governor.  
61 Thereafter, terms of office shall be for three (3) years. Each  
62 individual appointed to the board shall be a United States  
63 citizen.

64 (3) (a) Each member of the Mississippi Tourism Advisory  
65 Board shall hold office from the date of the member's appointment  
66 until the end of the term for which the member is appointed.  
67 Vacancies that occur on the board shall be filled in the manner  
68 prescribed for regular appointments to the board for the remainder  
69 of the unexpired term. A member shall continue in office  
70 subsequent to the expiration date of the member's term until the  
71 member's successor takes office or until sixty (60) days have  
72 elapsed, whichever occurs first. Any member appointed to the  
73 board is eligible for reappointment.

74 (b) The Governor shall designate one (1) member of the  
75 board as chairperson. The board shall meet upon the call of the  
76 chairman and shall elect such additional officers determined to be  
77 necessary. Four (4) members of the board shall constitute a  
78 quorum.

79 (c) Members of the board shall serve without  
80 compensation.

81 (d) The board shall make and from time to time amend  
82 and repeal bylaws.

83 (4) The duties and responsibilities of the Mississippi  
84 Tourism Advisory Board consist of:



85 (a) Advising the Mississippi Development Authority on  
86 strategies for advertising and marketing tourism in this state.

87 (b) Advising and provide input on the annual plan for  
88 the expenditure of funds in the Tourism Advertising and Marketing.

89 (c) Such other duties and responsibilities as directed  
90 by the Director of the Division of Tourism of the Mississippi  
91 Development Authority.

92 **SECTION 2.** (1) There is hereby created in the State  
93 Treasury a special fund to be designated as the Tourism  
94 Advertising and Marketing Fund which shall consist of money  
95 credited or transferred or appropriated to it and grants, gifts  
96 and contributions made directly to the fund. Money in the fund  
97 shall be used to defray costs incurred by the Mississippi  
98 Development Authority in advertising and marketing Mississippi as  
99 a tourism destination. Money in the fund shall not be used for  
100 salaries, operational expenses or for construction or repair and  
101 renovation of facilities.

102 (2) Money in the fund shall be expended by the Mississippi  
103 Development Authority for the purposes provided for in subsection  
104 (1) of this section upon appropriation by the Legislature. Within  
105 the fund there shall be created a reserve fund to be developed and  
106 adopted according to the authority of the Director of the Division  
107 of Tourism of Mississippi Development Authority and the advisory  
108 board. Unexpended amounts remaining in the fund at the end of a



109 fiscal year shall not lapse and any investment earnings on amounts  
110 in the fund shall be deposited to the credit of the fund.

111 **SECTION 3.** (1) There is established a five-year pilot  
112 program to test a new funding mechanism for the state's travel and  
113 tourism advertising and marketing. The funding mechanism shall  
114 begin operation in fiscal year 2015 and be calculated as follows:

115 (a) (i) Not later than the twentieth day of October of  
116 each year, starting in 2014 and ending in 2018, the Commissioner  
117 of Revenue shall calculate the growth in fiscal year sales tax  
118 revenue from certain defined categories that are related to  
119 tourism and certify that amount to the Executive Director of the  
120 Department of Finance and Administration.

121 (ii) Not later than the twentieth day of October  
122 of each year, starting in 2014 and ending in 2018, the  
123 Commissioner of Revenue shall calculate and certify to the  
124 Executive Director of the Department of Finance and Administration  
125 the difference, if greater than zero, between the revenue  
126 collected from the tax imposed under the Mississippi Sales Tax Law  
127 during the twelve-month period ending on the last day of the  
128 preceding June and the revenue collected during the same  
129 twelve-month period one (1) year earlier, for all vendors  
130 classified under the industry codes identified in paragraph (b) of  
131 this subsection. On or before the last day of October of each  
132 year, starting in 2014 and ending in 2018, the Executive Director  
133 of the Department of Finance and Administration shall transfer



134 from the State General Fund to the Tourism Advertising and  
135 Marketing Fund created in Section 2 of this act the amount  
136 certified by the Commissioner of Revenue under this paragraph;  
137 however, the transfer shall not exceed Fifteen Million Dollars  
138 (\$15,000,000.00) for any fiscal year.

139 (iii) Each fiscal year, beginning in fiscal year  
140 2016, the Commissioner of Revenue shall adjust the Fifteen Million  
141 Dollar (\$15,000,000.00) annual limit on transfers to the Tourism  
142 Advertising and Marketing Fund. The adjustment shall be made by  
143 adding to the annual limit the product of multiplying the limit  
144 for the preceding fiscal year by the sum of one (1) plus the  
145 percentage increase in the Consumer Price Index for all urban  
146 consumers for the Southeast region, as determined by the United  
147 States Bureau of Labor Statistics, for the twelve-month period  
148 corresponding to the preceding fiscal year. The result shall be  
149 rounded to the nearest One Thousand Dollars (\$1,000.00). The  
150 calculation of the percentage increase in the Consumer Price Index  
151 shall be done by taking the average index value over the twelve  
152 (12) months of the last completed fiscal year and comparing that  
153 to the average index value over the twelve (12) months of the  
154 immediately preceding fiscal year.

155 (b) The following industries included in the industrial  
156 classification system used by the Commissioner of Revenue shall be  
157 used in the computations under paragraph (a) of this section: air  
158 transportation; water transportation; interurban and rural bus



159 transportation; taxi service; limousine service; other transit and  
160 ground passenger transportation; scenic and sightseeing  
161 transportation; support activities for air transportation;  
162 automotive equipment rental and leasing; travel arrangement and  
163 reservation services; performing arts companies; spectator sports;  
164 independent artists, writers, and performers; museums, historical  
165 sites, and similar institutions; amusement parks and arcades;  
166 gambling industries; hotels and motels; casino hotels;  
167 bed-and-breakfast inns; other travel accommodations; recreational  
168 vehicle parks and recreational camps; full-service restaurants;  
169 limited-service eating places; and drinking places (alcoholic  
170 beverages).

171 (2) The pilot program shall terminate when the last transfer  
172 of funds made in accordance with subsection (1)(a)(ii) of this  
173 section occurs in fiscal year 2018, specifically in October 2018.  
174 Prior to October 1, 2018, the Executive Director of the  
175 Mississippi Development Authority, in consultation with the  
176 Executive Director of the Department of Finance and Administration  
177 and the Commissioner of Revenue, shall review the pilot program  
178 and make recommendations to the Governor and the Legislature on  
179 whether to make the funding mechanism permanent and, if so,  
180 whether any changes should be made to it.

181 (3) It is the intent of the Legislature that the funds  
182 generated under the pilot program authorized by this section shall  
183 be in addition to, and not in lieu of, other funds appropriated to



184 the Mississippi Development Authority for its activities related  
185 to tourism.

186 **SECTION 4.** Section 57-1-59, Mississippi Code of 1972, is  
187 amended as follows:

188 57-1-59. The Mississippi Development Authority shall have  
189 the following general powers and duties with respect to tourism:

190 (a) To promote and advertise the image of Mississippi  
191 both within and without the boundaries of this state;

192 \* \* \* ~~————— (b) To promote and advertise fairs and similar  
193 activities of interest to tourists and the traveling public;~~

194 ~~————— (c) To promote and advertise the use of wildlife and  
195 natural areas by tourists and the traveling public;~~

196 ~~————— (d) To promote and advertise the use of state  
197 recreational and park facilities by tourists and the traveling  
198 public;~~

199 ~~————— (e) To promote and advertise all resources of the State  
200 of Mississippi as attractions to tourists and the traveling  
201 public;~~

202 ~~————— (f) To develop for all agencies of state government the  
203 necessary promotional and advertising materials needed to promote  
204 all facilities and programs which may be of interest to travelers  
205 and tourists;~~

206 ~~————— (g) To maintain an educational awareness program for  
207 the citizens of the state to constantly encourage increased~~





208 ~~development of activities of interest to tourists and the~~  
209 ~~traveling public;~~

210 ( \* \* \*hb) To develop and maintain an information  
211 services system to adequately guide tourists and the traveling  
212 public within the boundaries of the state;

213 ( \* \* \*ic) To develop and maintain an extensive media  
214 program to adequately inform the national and international  
215 consumer about Mississippi;

216 ( \* \* \*jd) To enter into contracts and other agreements  
217 with local tourism commissions or similar entities for the purpose  
218 of developing regional strategies for tourism promotion. The  
219 Mississippi Development Authority, in conjunction with the  
220 formulation of regional strategies for tourism promotion, may  
221 require that local tourism commissions or similar entities enter  
222 into agreements with the authority as a condition for receiving  
223 any state grants to promote tourism; \* \* \*and

224 ( \* \* \*ke) To develop programs and projects promoting  
225 the state's heritage, history, culture, literature and arts,  
226 including the positive recovery of the state after damages caused  
227 by natural disasters, and demonstrating the state's attractiveness  
228 as a tourism destination for those and other reasons \* \* \*; and

229 (f) To perform an annual return-on-investment study  
230 analyzing the department's success promoting Mississippi tourism  
231 and file a report containing the findings of the study with the  
232 Governor, the Secretary of the Senate and the Clerk of the House



233 of Representatives. The report shall also be made available to  
234 the public.

235       **SECTION 5.** This act shall take effect and be in force from  
236 and after July 1, 2013.

