

By: Representatives Currie, Felsher,  
Crawford, Haney, Faulkner, Karriem

To: Tourism

HOUSE BILL NO. 453

1 AN ACT TO DIRECT THE STATE FISCAL OFFICER TO TRANSFER FUNDS  
2 OUT OF THE BUDGET CONTINGENCY FUND TO THE SPECIAL FUND CREATED BY  
3 THIS ACT; TO CREATE THE "MISSISSIPPI TOURISM RECOVERY FUND - ROUND  
4 2" AS A SPECIAL FUND IN THE STATE TREASURY TO BE ADMINISTERED BY  
5 THE DEPARTMENT OF FINANCE AND ADMINISTRATION FOR THE PURPOSE OF  
6 PROVIDING FUNDS TO DESTINATION MARKETING ORGANIZATIONS TO ASSIST  
7 IN PAYING COSTS OF CERTAIN MARKETING ACTIVITIES; TO DEFINE THE  
8 TERMS "DESTINATION MARKETING ORGANIZATIONS" AND "MARKETING  
9 ACTIVITIES" FOR THE PURPOSES OF THIS ACT; TO PROVIDE FOR THE  
10 MANNER IN WHICH THE DEPARTMENT OF FINANCE AND ADMINISTRATION SHALL  
11 DISTRIBUTE FUNDS TO DESTINATION MARKETING ORGANIZATIONS UNDER THIS  
12 ACT; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** The COVID-19 public health emergency has had a  
15 significant negative impact on Mississippi's tourism industry.  
16 American Rescue Plan Act funds are specifically targeted toward  
17 assisting in the recovery of the tourism and hospitality sectors.  
18 The funds provided in this act are necessary expenditures related  
19 to COVID-19, the purpose of which is to publicize the resumption  
20 of tourism activities and steps taken to ensure a safe tourism  
21 experience and to support the travel and hospitality economy of  
22 Mississippi.



23           **SECTION 2.** Upon the effective date of this act, the State  
24 Fiscal Officer shall transfer the sum of Fifty-two Million Dollars  
25 (\$52,000,000.00) from the Budget Contingency Fund to the  
26 Mississippi Tourism Recovery Fund - Round 2 created by Section 3  
27 of this act.

28           **SECTION 3.** (1) As used in this section, the following words  
29 and phrases shall have the meanings ascribed in this section  
30 unless the context clearly indicates otherwise:

31                   (a) "Destination marketing organization" means:

32                           (i) Special local governmental units created by  
33 local and private laws of the State of Mississippi for the purpose  
34 of tourism promotion, funded by special local tax levies, and  
35 staffed with professionals engaged in out-of-state tourism  
36 marketing and tourism product development for municipalities,  
37 counties and/or regions; or

38                           (ii) Publicly-funded local organizations that  
39 engage in out-of-state tourism marketing and tourism development  
40 for municipalities, counties and/or regions.

41                   (b) "Marketing activities" means multimedia marketing  
42 and advertising, including digital media, broadcast media and  
43 printed media, including travel publications, production, travel  
44 market sector analysis, consumer travel sentiment, public  
45 relations, communication strategy, direct sales bookings, group  
46 tour bookings, tourism development and administrative costs to  
47 execute marketing activities related to the business disruption



48 effects of the Coronavirus Disease 2019 as expressed in Section 1  
49 of this act.

50 (2) (a) There is hereby created in the State Treasury a  
51 special fund to be designated as the "Mississippi Tourism Recovery  
52 Fund - Round 2," which shall consist of funds made available by  
53 the Legislature in any manner and funds from any other source  
54 designated for deposit into such fund. The fund shall be  
55 maintained by the State Treasurer as a separate and special fund,  
56 separate and apart from the General Fund of the state. Unexpended  
57 amounts remaining in the fund at the end of a fiscal year shall  
58 not lapse into the State General Fund, and any investment earnings  
59 or interest earned on amounts in the fund shall be deposited to  
60 the credit of the fund. Monies in the fund shall be used by the  
61 Department of Finance and Administration, upon appropriation by  
62 the Legislature, for the purposes provided in this section.  
63 Monies in the fund shall be disbursed in compliance with the  
64 guidelines, guidance, rules, regulations and/or other criteria, as  
65 may be amended from time to time, of the United States Department  
66 of the Treasury regarding the use of monies from the American  
67 Rescue Plan Act. Monies in the fund shall be disbursed by the  
68 Department of Finance and Administration to assist destination  
69 marketing organizations in paying costs for marketing activities  
70 as provided in this section. The Department of Finance and  
71 Administration shall determine, in conjunction with the



72 destination marketing organizations, the allocations of monies  
73 provided under this paragraph (a) as follows:

74 (i) Not more than Nine Million Four Hundred  
75 Twenty-seven Thousand Five Hundred Fifty-seven Dollars  
76 (\$9,427,557.00) of such monies shall be allocated to destination  
77 marketing organizations in a manner that will provide monies to a  
78 destination marketing organization in an amount equal to  
79 seventy-five percent (75%) of the destination marketing  
80 organization's marketing and advertising expenditures during the  
81 2019 fiscal year, and

82 (ii) Not more than Forty-two Million Five Hundred  
83 Seventy-two Thousand Four Hundred Forty-three Dollars  
84 (\$42,572,443.00) of such monies shall be allocated to destination  
85 marketing organizations based on the proportion that a destination  
86 marketing organization's contribution toward total tourism  
87 visitors in the state according to the 2019 Fiscal Year Visit  
88 Mississippi Visitors Profile Report bears to all destination  
89 marketing organizations' contributions toward total tourism  
90 visitors in the state according to the 2019 Fiscal Year Visit  
91 Mississippi Visitors Profile Report. However, a destination  
92 marketing organization shall not receive an amount less than Four  
93 Hundred Thousand Dollars (\$400,000.00) under this subparagraph  
94 (ii).

95 (b) Within fifteen (15) days after the effective date  
96 of this act, the Department of Finance and Administration shall



97 distribute the funds allocated under paragraph (a) of this  
98 subsection (2) to eligible destination marketing organizations.  
99 Before receiving funds under this subsection (2), a destination  
100 marketing organization must certify to the Department of Finance  
101 and Administration that:

102 (i) The funds will only be used for marketing  
103 activities, and

104 (ii) The destination marketing organization will  
105 comply with applicable federal and state regulations and  
106 requirements related to American Rescue Plan Act funds, and

107 (iii) The destination marketing organization will  
108 obligate all funds by December 31, 2024 and fully expend all funds  
109 by December 31, 2026.

110 (c) Destination marketing organizations receiving funds  
111 under this subsection (2) shall keep and maintain records related  
112 to expenditures. Destination marketing organizations receiving  
113 funds under this subsection (2) shall also track impacts of their  
114 marketing activities through special levy tax receipts, hotel  
115 occupancy indicators, other tourism industry metrics, and  
116 analytics from marketing campaigns, as appropriate. Such  
117 destination marketing organizations shall provide semi-annual  
118 reports on expenditures and economic impacts of their marketing  
119 activities to the Department of Finance and Administration, the  
120 Governor, the Lieutenant Governor, the Speaker of the House of  
121 Representatives and the Department of Audit.



122 (d) Subject to applicable purchasing laws, destination  
123 marketing organizations will give preference, when available and  
124 practical, to Mississippi-based companies for any new contracts  
125 entered into for marketing activities.

126 (3) The Department of Finance and Administration and the  
127 Department of Audit shall have all powers necessary for the  
128 implementation of this section.

129 (4) If the Office of Inspector General of the United States  
130 Department of the Treasury, or the Office of Inspector General of  
131 any other federal agency having oversight over the use of monies  
132 from the Coronavirus State and Local Fiscal Recovery Funds  
133 established by the American Rescue Plan Act determines that the  
134 Department of Finance and Administration or recipient has expended  
135 or otherwise used any of the funds appropriated to the Department  
136 of Finance and Administration under this act for any purpose that  
137 is not in compliance with the guidelines, guidance, rules,  
138 regulations and/or other criteria, as may be amended from time to  
139 time, by the United States Department of the Treasury regarding  
140 the use of monies from the Coronavirus State and Local Fiscal  
141 Recovery Funds established by the American Rescue Plan Act, and

142 (b) the State of Mississippi is required to repay the federal  
143 government for any of those funds that the Office of the Inspector  
144 General determined were expended or otherwise used improperly by  
145 the Department of Finance and Administration or recipient, then  
146 the Department of Finance and Administration or recipient, as the



147 case may be, that expended or otherwise used those funds  
148 improperly shall be required to pay the amount of those funds to  
149 the State of Mississippi for repayment to the federal government.

150         **SECTION 4.** This act shall take effect and be in force from  
151 and after its passage.

