

By: Representatives Currie, Felsher,  
Crawford, Turner

To: Tourism

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 453

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

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

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



25 experience and to support the travel and hospitality economy of  
26 Mississippi.

27 **SECTION 2.** Upon the effective date of this act, the State  
28 Fiscal Officer shall transfer the sum of Fifty-two Million Dollars  
29 (\$52,000,000.00) from the Coronavirus State Fiscal Recovery Fund  
30 to the Mississippi Tourism Recovery Fund - Round 2 created by  
31 Section 3 of this act.

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

35 (a) "Destination marketing organization" means:

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

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

45 (b) "Marketing activities" means multimedia marketing  
46 and advertising, including digital media, broadcast media and  
47 printed media, including travel publications, production, travel  
48 market sector analysis, consumer travel sentiment, public  
49 relations, communication strategy, direct sales bookings, group



50 tour bookings, tourism development and administrative costs to  
51 execute marketing activities related to the business disruption  
52 effects of the Coronavirus Disease 2019 as expressed in Section 1  
53 of this act.

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



75 Administration shall determine, in conjunction with the  
76 destination marketing organizations, the allocations of monies  
77 provided under this paragraph (a) as follows:

78 (i) Not more than Nine Million Four Hundred  
79 Twenty-seven Thousand Five Hundred Fifty-seven Dollars  
80 (\$9,427,557.00) of such monies shall be allocated to destination  
81 marketing organizations in a manner that will provide monies to a  
82 destination marketing organization in an amount equal to  
83 seventy-five percent (75%) of the destination marketing  
84 organization's marketing and advertising expenditures during the  
85 2019 fiscal year, and

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



99                   (b) Within fifteen (15) days after the effective date  
100 of this act, the Department of Finance and Administration shall  
101 distribute the funds allocated under paragraph (a) of this  
102 subsection (2) to eligible destination marketing organizations.  
103 Before receiving funds under this subsection (2), a destination  
104 marketing organization must certify to the Department of Finance  
105 and Administration that:

106                               (i) The funds will only be used for marketing  
107 activities, and

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

111                               (iii) The destination marketing organization will  
112 obligate all funds by December 31, 2024 and fully expend all funds  
113 by December 31, 2026.

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



124 Governor, the Lieutenant Governor, the Speaker of the House of  
125 Representatives and the Department of Audit.

126 (d) Subject to applicable purchasing laws, destination  
127 marketing organizations will give preference, when available and  
128 practical, to Mississippi-based companies for any new contracts  
129 entered into for marketing activities.

130 (3) The Department of Finance and Administration and the  
131 Department of Audit shall have all powers necessary for the  
132 implementation of this section.

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



149 the Department of Finance and Administration or recipient, then  
150 the Department of Finance and Administration or recipient, as the  
151 case may be, that expended or otherwise used those funds  
152 improperly shall be required to pay the amount of those funds to  
153 the State of Mississippi for repayment to the federal government.

154 **SECTION 4.** There is hereby created in the State Treasury a  
155 special fund to be designated as the "Mississippi Destination  
156 Development Fund," which shall consist of funds made available by  
157 the Legislature in any manner and funds from any other source  
158 designated for deposit into such fund. The fund shall be  
159 maintained by the State Treasurer as a separate and special fund,  
160 separate and apart from the General Fund of the state. Unexpended  
161 amounts remaining in the fund at the end of a fiscal year shall  
162 not lapse into the State General Fund, and any investment earnings  
163 or interest earned on amounts in the fund shall be deposited to  
164 the credit of the fund. Monies in the fund shall be used by the  
165 Department of Finance and Administration, upon appropriation by  
166 the Legislature, for the purposes provided in this section.  
167 Monies in the fund shall be disbursed in compliance with the  
168 guidelines, guidance, rules, regulations and/or other criteria, as  
169 may be amended from time to time, of the United States Department  
170 of the Treasury regarding the use of monies from the American  
171 Rescue Plan Act. Monies in the fund shall be disbursed by the  
172 Department of Finance and Administration for the following  
173 purposes that support increased tourist visitation:



- 174 (a) Planning assistance;
- 175 (b) Enhancing outdoor venues and parks;
- 176 (c) Downtown revitalization;
- 177 (d) Improving public health amenities at tourism  
178 attractions and museums including displays and installations,  
179 signage, public health enhancements, and public green spaces;
- 180 (e) Enhancing recreational offerings that specifically  
181 support additional tourist visitation; and
- 182 (f) Improving wayfinding signage to direct travelers to  
183 support local tourist attractions and businesses.

184 **SECTION 5.** This act shall take effect and be in force from  
185 and after its passage.

