

By: Representatives Currie, Felsher, Hulum

To: Tourism; Appropriations

HOUSE BILL NO. 419

1 AN ACT TO REQUIRE THE DEPARTMENT OF FINANCE AND
 2 ADMINISTRATION TO ESTABLISH A PROGRAM FOR THE PURPOSE OF PROVIDING
 3 FUNDS TO DESTINATION MARKETING ORGANIZATIONS TO ASSIST IN PAYING
 4 COSTS OF CERTAIN MARKETING ACTIVITIES AND TOURISM DEVELOPMENT
 5 ACTIVITIES; TO DEFINE THE TERMS "DESTINATION MARKETING
 6 ORGANIZATIONS", "MARKETING ACTIVITIES" AND "TOURISM DEVELOPMENT
 7 ACTIVITIES" FOR THE PURPOSES OF THIS ACT; AND FOR RELATED
 8 PURPOSES.

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

10 **SECTION 1.** The COVID-19 public health emergency has had a
 11 significant negative impact on Mississippi's tourism industry.
 12 American Rescue Plan Act funds are specifically targeted toward
 13 assisting in the recovery of the tourism and hospitality sectors.
 14 The funds provided in this act are necessary expenditures related
 15 to COVID-19, the purpose of which is to publicize the resumption
 16 of tourism activities and steps taken to ensure a safe tourism
 17 experience and to support the travel and hospitality economy of
 18 Mississippi. It is the intention of the Legislature that the
 19 activities defined in this act will address the negative economic
 20 impacts of COVID-19 on the tourism, travel, and hospitality
 21 industries as allowed by the American Rescue Plan Act of 2021 and



22 subsequent guidance issued by the United States Department of
23 Treasury.

24 **SECTION 2.** (1) As used in this section, the following words
25 and phrases shall have the meanings ascribed in this section
26 unless the context clearly indicates otherwise:

27 (a) "Destination marketing organization" means an
28 organization that received funds under Section 2 of Chapter 399,
29 Laws of 2022.

30 (b) "Marketing activities" means multimedia marketing
31 and advertising, including digital media, broadcast media and
32 printed media, including travel publications, production, travel
33 market sector analysis, consumer travel sentiment, public
34 relations, communication strategy, direct sales bookings, group
35 tour bookings, tourism development and administrative costs to
36 execute marketing activities related to the business disruption
37 effects of the Coronavirus Disease 2019 as expressed in Section 1
38 of this act.

39 (c) "Tourism development activities" means planning for
40 and investments into improvements at cultural, recreational and
41 sporting attractions, enhancing outdoor venues and parks that
42 serve as tourism attractions, or new or enhanced quality of place
43 experiences insofar as the purpose of these activities is to
44 result in new and repeat tourism visitation.

45 (2) (a) The Department of Finance and Administration shall
46 establish a program for the purpose of providing funds to assist



47 destination marketing organizations in paying costs for marketing
48 activities as provided in this section. Monies disbursed by the
49 Department of Finance and Administration under this section shall
50 be disbursed in compliance with all requirements and/or conditions
51 on funds appropriated from the Coronavirus State Fiscal Recovery
52 Fund for the program established under this section. The
53 Department of Finance and Administration shall determine, in
54 conjunction with the destination marketing organizations, the
55 allocation of funds under this section and shall disburse funds as
56 follows:

57 (i) Not more than Nine Million Four Hundred
58 Twenty-seven Thousand Five Hundred Fifty-seven Dollars
59 (\$9,427,557.00) of such monies shall be allocated to destination
60 marketing organizations in a manner that will provide monies to a
61 destination marketing organization in an amount equal to
62 seventy-five percent (75%) of the destination marketing
63 organization's marketing and advertising expenditures during the
64 2019 fiscal year, and

65 (ii) Not more than Twenty Million Five Hundred
66 Seventy-two Thousand Four Hundred Forty-three Dollars
67 (\$20,572,443.00) of such monies shall be allocated to destination
68 marketing organizations based on the proportion that a destination
69 marketing organization's contribution toward total tourism
70 visitors in the state according to the 2019 Fiscal Year Visit
71 Mississippi Visitors Profile Report bears to all destination



72 marketing organizations' contributions toward total tourism
73 visitors in the state according to the 2019 Fiscal Year Visit
74 Mississippi Visitors Profile Report. However, a destination
75 marketing organization shall not receive an amount less than Two
76 Hundred Fifty Thousand Dollars (\$250,000.00) under this
77 subparagraph (ii).

78 (b) Destination marketing organizations receiving funds
79 under this subsection (2) shall provide details related to their
80 planned expenditures to the Department of Finance and
81 Administration prior to funds being disbursed. If the plans
82 submitted by the destination marketing organizations include
83 activities described in this act as eligible under this program,
84 the department shall approve the plan within thirty (30) days of
85 receipt of the plans.

86 (c) Before receiving funds under this subsection (2), a
87 destination marketing organization must certify to the Department
88 of Finance and Administration that:

89 (i) The funds will only be used for marketing
90 activities and/or tourism development activities, and

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

94 (iii) The destination marketing organization will
95 obligate all funds by December 31, 2024, and fully expend all
96 funds by December 31, 2026.



97 (d) Destination marketing organizations receiving funds
98 under this subsection (2) shall keep and maintain records related
99 to expenditures. Destination marketing organizations receiving
100 funds under this subsection (2) shall also track impacts of their
101 marketing activities through special levy tax receipts, hotel
102 occupancy indicators, other tourism industry metrics, and
103 analytics from marketing campaigns, as appropriate. Such
104 destination marketing organizations shall provide semi-annual
105 reports on expenditures and economic impacts of their marketing
106 activities to the Department of Finance and Administration, the
107 Governor, the Lieutenant Governor, the Speaker of the House of
108 Representatives and the Department of Audit.

109 (e) Subject to applicable purchasing laws, destination
110 marketing organizations will give preference, when available and
111 practical, to Mississippi-based companies for any new contracts
112 entered into for marketing activities.

113 (3) The Department of Finance and Administration and the
114 Department of Audit shall have all powers necessary for the
115 implementation of this section.

116 **SECTION 3.** This act shall take effect and be in force from
117 and after July 1, 2023.

