By: Senator(s) Thompson

To: Government Structure; Accountability, Efficiency, Transparency

SENATE BILL NO. 2573

AN ACT TO CREATE THE "MISSISSIPPI TOURISM REORGANIZATION ACT"; TO CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM; TO REQUIRE THE GOVERNOR TO APPOINT, WITH THE ADVICE AND CONSENT OF THE SENATE, AN EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TOURISM; TO PRESCRIBE THE GENERAL POWERS AND DUTIES OF THE DEPARTMENT OF TOURISM AND THE EXECUTIVE DIRECTOR; TO AUTHORIZE THE DEPARTMENT OF TOURISM TO ESTABLISH A PROGRAM OF GRANTS TO BE MATCHED BY TOURISM ENTITIES IN THE STATE; TO AUTHORIZE THE DEPARTMENT OF TOURISM TO SELL ADVERTISING AND OTHER TOURISM PROMOTIONAL INFORMATION AND TO CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM ADVERTISING FUND; TO CREATE THE MISSISSIPPI TOURISM ASSOCIATION MARKETING ADVISORY BOARD TO ASSIST THE DEPARTMENT OF TOURISM; TO AMEND SECTION 27-65-75, MISSISSIPPI CODE OF 1972, TO DIVERT A PORTION OF SALES TAX REVENUE COLLECTED FROM RESTAURANTS AND HOTELS INTO THE DEPARTMENT OF TOURISM ADVERTISING FUND INSTEAD OF THE MISSISSIPPI DEVELOPMENT AUTHORITY TOURISM FUND; TO REPEAL SECTION 57-1-59, MISSISSIPPI CODE OF 1972, WHICH PROVIDES GENERAL POWERS AND DUTIES OF THE MISSISSIPPI DEVELOPMENT AUTHORITY WITH RESPECT TO TOURISM; TO REPEAL SECTION 57-1-60, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO ESTABLISH A PROGRAM OF GRANTS TO FINANCE, PROMOTE AND ADVERTISE LOCAL TOURIST ATTRACTIONS; TO REPEAL SECTION 57-1-61, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER OF FUNCTIONS OF THE TRAVEL AND TOURISM DIVISION OF THE AGRICULTURAL AND INDUSTRIAL BOARD TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT; TO REPEAL SECTION 57-1-63, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER OF POWERS AND DUTIES OF STATE AGENCIES RELATING TO TOURISM TO THE MISSISSIPPI DEVELOPMENT AUTHORITY; TO REPEAL SECTION 57-1-64, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES THE MISSISSIPPI DEVELOPMENT AUTHORITY TO SELL ADVERTISING AND OTHER TOURISM INFORMATION AND CREATES THE MISSISSIPPI DEVELOPMENT AUTHORITY TOURISM ADVERTISING FUND; TO REPEAL SECTION 57-1-64.1, MISSISSIPPI CODE OF 1972, WHICH CREATES THE MISSISSIPPI TOURISM ASSOCIATION

MARKETING ADVISORY BOARD TO ASSIST THE MISSISSIPPI DEVELOPMENT AUTHORITY; AND FOR RELATED PURPOSES.

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

SECTION 1. Sections 1 through 8 of this act shall be known and may be cited as the "Mississippi Tourism Reorganization Act."

SECTION 2. (1) There is hereby created the Mississippi Department of Tourism.

(2) The department shall be responsible for the promotion, development, and support services for the tourism industry within the state.

(3) All of the powers, duties, property, contractual rights and obligations of the Tourism Division of the Mississippi Development Authority shall be transferred to the Mississippi Department of Tourism on July 1, 2025. The transfer of personnel shall be commensurate with the number and classification of positions allocated to that division. The transfer shall also include direct support, clerical, data processing and communications positions allocated to that division.

SECTION 3. The Governor shall appoint an Executive Director of the Department of Tourism with the advice and consent of the Senate and in accordance with standards established by the State Personnel Board. The executive director shall serve at the will and pleasure of the Governor. The salary of the executive director shall be set by the Governor, subject to the approval of the State Personnel Board, and shall be provided for out of any funds made available for such purpose by the Legislature, the federal government or other gifts or grants. The executive director shall be responsible to the Governor for the proper administration of the programs of tourism provided for under this act in conformity with the policies adopted by the Governor and shall be responsible for appointing directors of offices and any necessary supervisors, assistants and employees. The salary and compensation of such employees shall be subject to the rules and regulations adopted and promulgated by the State Personnel Board as created under Section 25-9-101 et seq. The executive director shall be the State Tourism Director with such authority and responsibility as is prescribed by law.

SECTION 4. The Department of Tourism shall provide the tourism services authorized by law, and in carrying out the purposes of Sections 1 through 8 of this act, the department is authorized:

(a) To expend funds received either by appropriation or directly from federal or private sources;

(b) To develop and implement a comprehensive strategy for branding, advertising, promotion and development of the state's diverse tourism product;

(c) To use best practices for developing and coordinating marketing efforts, including data-driven and trackable marketing and advertising strategies;

(d) To promote Mississippi state parks and other outdoors and natural resources of the state;

(e) To develop individual plans and marketing strategies for each of the state's five (5) distinct regions based on their individual offerings, markets and growth opportunities;

(f) To coordinate with local tourism destination marketing organizations to most effectively and efficiently market their regions and tourism offerings to appropriate target markets;

(g) To support destination development and management around the state, including strengthening the state's tourism portfolio of museums, trails, wildlife and natural areas, state parks, culinary meeting venues, offerings, civil rights, music, beaches, casinos and attractions;

(h) To coordinate with all agencies of state government the necessary promotional and advertising materials needed to promote all facilities and programs which may be of interest to travelers and tourists;

(i) To maintain an educational awareness program for the citizens of the state to constantly encourage increased development of activities of interest to tourists and the traveling public;

(j) To develop and maintain an information services system to adequately guide tourists and the traveling public within the boundaries of the state;

(k) To enter into contracts and other agreements with local tourism commissions or similar entities for the purpose of developing regional strategies for tourism promotion. The

Department of Tourism, in conjunction with the formulation of regional strategies for tourism promotion, may require that local tourism commissions or similar entities enter into agreements with the authority as a condition for receiving any state grants to promote tourism; and

(l) To develop programs and projects promoting the state's heritage, history, culture, literature and arts, including the positive recovery of the state after damages caused by natural disasters and demonstrating the state's attractiveness as a tourism destination for those and other reasons.

SECTION 5. In carrying out his or her duties under Sections 1 through 8 of this act, the Executive Director of the Department of Tourism:

(a) Shall establish appropriate subordinate administrative units within the department;

(b) Shall prepare and submit to the Governor and the Legislature annual reports of activities and expenditures and, before each regular session of the Legislature, coordinate budget requests required for carrying out Sections 1 through 8 of this act and estimates of the amounts to be made available for this purpose from all sources;

(c) Shall be empowered to exercise executive and administrative supervision over all offices, programs and services now existing or hereafter acquired or created under the jurisdiction of the department;

(d) Shall take such other action as he or she deems necessary or appropriate to effectuate the purposes of Sections 1 through 8 of this act;

(e) May delegate to any officer or employee of the department such of his or her powers and duties as he or she finds necessary to effectuate the purposes of Sections 1 through 8 of this act.

SECTION 6. The Department of Tourism, in its discretion, may establish a program of grants to be matched by tourism entities in the state to finance, promote and advertise local tourist attractions. Monies committed to the program of grants shall not lapse into the State General Fund at the end of a fiscal year. Any program of grants established under this section shall be in addition to those grants authorized by Title 57, Chapter 27, Mississippi Code of 1972.

SECTION 7. (1) The Department of Tourism is authorized to sell advertising and other tourism promotional information through the Department of Tourism internet website and other marketing outlets, and to enter into agreements with tourism associations and similar entities for the purpose of making and facilitating sales through the use of such entities. Revenues received from such sales shall be placed into the special fund created in subsection (2) of this section.

(2) There is created a special fund in the State Treasury to be known as the Department of Tourism Advertising Fund which shall

consist of monies from any source designated for deposit into the fund. Any unexpended amounts remaining on June 30, 2025, in the Mississippi Development Authority Tourism Advertising Fund established in Section 57-1-64 shall be transferred and deposited into the fund. Monies in the fund may be used by the Department of Tourism for the purpose of paying costs incurred in connection with the purchase of advertising, marketing, promotional information and materials, and other services related to Mississippi tourism resources and activities. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund.

(3) The Department of Tourism shall have all powers necessary to implement and administer the provisions of this section.

SECTION 8. (1) There is hereby created a Mississippi Tourism Association Marketing Advisory Board to assist the Department of Tourism in the planning of initiatives for advertising and promoting tourism in Mississippi.

(2) The advisory board shall be composed of the following members:

(a) The Executive Director of the Mississippi Tourism Association;

(b) The members of the Mississippi Tourism Association Board of Directors, composed through the bylaws of the Mississippi Tourism Association as being geographically and ethnically diverse members from the five (5) tourism regions designated as the Hills, the Delta, the Capital/River, the Pines and the Coastal regions of Mississippi, and three (3) at-large members;

(c) Three (3) at-large members appointed by the Governor;

(d) One (1) at-large member appointed by the Lieutenant Governor; and

(e) One (1) at-large member appointed by the Speaker of the House of Representatives.

(3) Members of the advisory board may not be compensated for the performance of their duties.

(4) The advisory board will give input and advice to the Department of Tourism on marketing and advertising planning, but shall have no executive powers at the Department of Tourism.

(5) For marketing activities paid for with federal funds related to the COVID-19 public health emergency and carried out by either the Department of Tourism or destination marketing organizations, the advisory board will give input on appropriate branding and messaging that communicates pertinent public health information.

SECTION 9. Section 27-65-75, Mississippi Code of 1972, is amended as follows:

27-65-75. On or before the fifteenth day of each month, the revenue collected under the provisions of this chapter during the preceding month shall be paid and distributed as follows:

(1) (a) On or before August 15, 1992, and each succeeding month thereafter through July 15, 1993, eighteen percent (18%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation. Except as otherwise provided in this paragraph (a), on or before August 15, 1993, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within a municipal corporation shall be allocated for distribution to the municipality and paid to the municipal corporation. However, in the event the State Auditor issues a certificate of noncompliance pursuant to Section 21-35-31, the Department of Revenue shall withhold ten percent (10%) of the allocations and payments to the municipality that would otherwise be payable to the municipality under this paragraph (a) until such time that the department receives written

notice of the cancellation of a certificate of noncompliance from the State Auditor.

A municipal corporation, for the purpose of distributing the tax under this subsection, shall mean and include all incorporated cities, towns and villages.

Monies allocated for distribution and credited to a municipal corporation under this paragraph may be pledged as security for a loan if the distribution received by the municipal corporation is otherwise authorized or required by law to be pledged as security for such a loan.

In any county having a county seat that is not an incorporated municipality, the distribution provided under this subsection shall be made as though the county seat was an incorporated municipality; however, the distribution to the municipality shall be paid to the county treasury in which the municipality is located, and those funds shall be used for road, bridge and street construction or maintenance in the county.

(b) On or before August 15, 2006, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities on the campus of a state institution of higher learning or community or junior college whose campus is not located within the corporate limits of a municipality, shall be allocated for distribution to the state institution of higher learning or community or junior college and paid to the state institution of higher learning or community or junior college.

(c) On or before August 15, 2018, and each succeeding month thereafter until August 14, 2019, two percent (2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2019, and each succeeding month thereafter until August 14, 2020, four percent (4%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2020, and each succeeding month thereafter through July 15, 2023, six percent (6%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215. On or before August 15, 2023, and each succeeding month thereafter, nine percent (9%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and 27-65-24, on business activities within the corporate limits of the City of Jackson, Mississippi, shall be deposited into the Capitol Complex Improvement District Project Fund created in Section 29-5-215.

(d) (i) On or before the fifteenth day of the month that the diversion authorized by this section begins, and each succeeding month thereafter, eighteen and one-half percent (18-1/2%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Sections 27-65-15, 27-65-19(3) and 27-65-21, on business activities within a redevelopment project area developed under a redevelopment plan adopted under the Tax Increment Financing Act (Section 21-45-1 et seq.) shall be allocated for distribution to the county in which the project area is located if:

1. The county:

a. Borders on the Mississippi Sound and the State of Alabama, or

b. Is Harrison County, Mississippi, and the project area is within a radius of two (2) miles from the intersection of Interstate 10 and Menge Avenue;

2. The county has issued bonds under Section 21-45-9 to finance all or a portion of a redevelopment project in the redevelopment project area;

3. Any debt service for the indebtedness incurred is outstanding; and

4. A development with a value of Ten Million Dollars ($10,000,000.00) or more is, or will be, located in the redevelopment area.

(ii) Before any sales tax revenue may be allocated for distribution to a county under this paragraph, the county shall certify to the Department of Revenue that the requirements of this paragraph have been met, the amount of bonded indebtedness that has been incurred by the county for the redevelopment project and the expected date the indebtedness incurred by the county will be satisfied.

(iii) The diversion of sales tax revenue authorized by this paragraph shall begin the month following the month in which the Department of Revenue determines that the requirements of this paragraph have been met. The diversion shall end the month the indebtedness incurred by the county is satisfied. All revenue received by the county under this paragraph shall be deposited in the fund required to be created in the tax increment financing plan under Section 21-45-11 and be utilized solely to satisfy the indebtedness incurred by the county.

(2) On or before September 15, 1987, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month, One Million One Hundred Twenty-five Thousand Dollars ($1,125,000.00) shall be allocated for distribution to municipal corporations as defined under subsection (1) of this section in the proportion that the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each such municipality during the preceding fiscal year bears to the total gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in municipalities statewide during the preceding fiscal year. The Department of Revenue shall require all distributors of gasoline and diesel fuel to report to the department monthly the total number of gallons of gasoline and diesel fuel sold by them to consumers and retailers in each municipality during the preceding month. The Department of Revenue shall have the authority to promulgate such rules and regulations as is necessary to determine the number of gallons of gasoline and diesel fuel sold by distributors to consumers and retailers in each municipality. In determining the percentage allocation of funds under this subsection for the fiscal year beginning July 1, 1987, and ending June 30, 1988, the Department of Revenue may consider gallons of gasoline and diesel fuel sold

for a period of less than one (1) fiscal year. For the purposes of this subsection, the term "fiscal year" means the fiscal year beginning July 1 of a year.

(3) On or before September 15, 1987, and on or before the fifteenth day of each succeeding month, until the date specified in Section 65-39-35, the proceeds derived from contractors' taxes levied under Section 27-65-21 on contracts for the construction or reconstruction of highways designated under the highway program created under Section 65-3-97 shall, except as otherwise provided in Section 31-17-127, be deposited into the State Treasury to the credit of the State Highway Fund to be used to fund that highway program. The Mississippi Department of Transportation shall provide to the Department of Revenue such information as is necessary to determine the amount of proceeds to be distributed under this subsection.

(4) On or before August 15, 1994, and on or before the fifteenth day of each succeeding month through July 15, 1999, from the proceeds of gasoline, diesel fuel or kerosene taxes as provided in Section 27-5-101(a)(ii)1, Four Million Dollars ($4,000,000.00) shall be deposited in the State Treasury to the credit of a special fund designated as the "State Aid Road Fund," created by Section 65-9-17. On or before August 15, 1999, and on or before the fifteenth day of each succeeding month, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1, Four Million

Dollars ($4,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is the greater amount, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund," created by Section 65-9-17. Those funds shall be pledged to pay the principal of and interest on state aid road bonds heretofore issued under Sections 19-9-51 through 19-9-77, in lieu of and in substitution for the funds previously allocated to counties under this section. Those funds may not be pledged for the payment of any state aid road bonds issued after April 1, 1981; however, this prohibition against the pledging of any such funds for the payment of bonds shall not apply to any bonds for which intent to issue those bonds has been published for the first time, as provided by law before March 29, 1981. From the amount of taxes paid into the special fund under this subsection and subsection (9) of this section, there shall be first deducted and paid the amount necessary to pay the expenses of the Office of State Aid Road Construction, as authorized by the Legislature for all other general and special fund agencies. The remainder of the fund shall be allocated monthly to the several counties in accordance with the following formula:

(a) One-third (1/3) shall be allocated to all counties in equal shares;

(b) One-third (1/3) shall be allocated to counties based on the proportion that the total number of rural road miles in a county bears to the total number of rural road miles in all counties of the state; and

(c) One-third (1/3) shall be allocated to counties based on the proportion that the rural population of the county bears to the total rural population in all counties of the state, according to the latest federal decennial census.

For the purposes of this subsection, the term "gasoline, diesel fuel or kerosene taxes" means such taxes as defined in paragraph (f) of Section 27-5-101.

The amount of funds allocated to any county under this subsection for any fiscal year after fiscal year 1994 shall not be less than the amount allocated to the county for fiscal year 1994.

Any reference in the general laws of this state or the Mississippi Code of 1972 to Section 27-5-105 shall mean and be construed to refer and apply to <u>this</u> subsection (4) *** * ***.

(5) On or before August 15, 2024, and each succeeding month thereafter, One Million Six Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars ($1,666,666.00) shall be paid into the special fund known as the Education Enhancement Fund created and existing under the provisions of Section 37-61-33.

(6) An amount each month beginning August 15, 1983, through November 15, 1986, as specified in Section 6, Chapter 542, Laws of 1983, shall be paid into the special fund known as the Correctional Facilities Construction Fund created in Section 6, Chapter 542, Laws of 1983.

(7) On or before August 15, 1992, and each succeeding month thereafter through July 15, 2000, two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited by the department into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35. On or before August 15, 2000, and each succeeding month thereafter, two and two hundred sixty-six one-thousandths percent (2.266%) of the total sales tax revenue collected during the preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited into the School Ad Valorem Tax Reduction Fund created under Section 37-61-35 until such time that the total amount deposited into the fund during a fiscal year equals Forty-two Million Dollars ($42,000,000.00). Thereafter, the amounts diverted under this subsection (7) during the fiscal year in excess of Forty-two Million Dollars ($42,000,000.00) shall be deposited into the Education Enhancement Fund created under Section 37-61-33 for appropriation by the Legislature as other education needs and shall not be subject to the percentage appropriation requirements set forth in Section 37-61-33.

(8) On or before August 15, 1992, and each succeeding month thereafter, nine and seventy-three one-thousandths percent (9.073%) of the total sales tax revenue collected during the

preceding month under the provisions of this chapter, except that collected under the provisions of Section 27-65-17(2), shall be deposited into the Education Enhancement Fund created under Section 37-61-33.

(9) On or before August 15, 1994, and each succeeding month thereafter, from the revenue collected under this chapter during the preceding month, Two Hundred Fifty Thousand Dollars ($250,000.00) shall be paid into the State Aid Road Fund.

(10) On or before August 15, 1994, and each succeeding month thereafter through August 15, 1995, from the revenue collected under this chapter during the preceding month, Two Million Dollars ($2,000,000.00) shall be deposited into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(11) Notwithstanding any other provision of this section to the contrary, on or before February 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-17(2) and the corresponding levy in Section 27-65-23 on the rental or lease of private carriers of passengers and light carriers of property as defined in Section 27-51-101 shall be deposited, without diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(12) Notwithstanding any other provision of this section to the contrary, on or before August 15, 1995, and each succeeding month thereafter, the sales tax revenue collected during the

preceding month under the provisions of Section 27-65-17(1) on retail sales of private carriers of passengers and light carriers of property, as defined in Section 27-51-101 and the corresponding levy in Section 27-65-23 on the rental or lease of these vehicles, shall be deposited, after diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(13) On or before July 15, 1994, and on or before the fifteenth day of each succeeding month thereafter, that portion of the avails of the tax imposed in Section 27-65-22 that is derived from activities held on the Mississippi State Fairgrounds Complex shall be paid into a special fund that is created in the State Treasury and shall be expended upon legislative appropriation solely to defray the costs of repairs and renovation at the Trade Mart and Coliseum.

(14) On or before August 15, 1998, and each succeeding month thereafter through July 15, 2005, that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited in an amount not to exceed Two Million Dollars ($2,000,000.00) into the special fund created under Section 69-37-39. On or before August 15, 2007, and each succeeding month thereafter through July 15, 2010, that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be

deposited in an amount not to exceed Two Million Dollars ($2,000,000.00) into the special fund created under Section 69-37-39 until all debts or other obligations incurred by the Certified Cotton Growers Organization under the Mississippi Boll Weevil Management Act before January 1, 2007, are satisfied in full. On or before August 15, 2010, and each succeeding month thereafter through July 15, 2011, fifty percent (50%) of that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited into the special fund created under Section 69-37-39 until such time that the total amount deposited into the fund during a fiscal year equals One Million Dollars ($1,000,000.00). On or before August 15, 2011, and each succeeding month thereafter, that portion of the avails of the tax imposed in Section 27-65-23 that is derived from sales by cotton compresses or cotton warehouses and that would otherwise be paid into the General Fund shall be deposited into the special fund created under Section 69-37-39 until such time that the total amount deposited into the fund during a fiscal year equals One Million Dollars ($1,000,000.00).

(15) Notwithstanding any other provision of this section to the contrary, on or before September 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section

27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited, without diversion, into the Telecommunications Ad Valorem Tax Reduction Fund established in Section 27-38-7.

(16) (a) On or before August 15, 2000, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of this chapter on the gross proceeds of sales of a project as defined in Section 57-30-1 shall be deposited, after all diversions except the diversion provided for in subsection (1) of this section, into the Sales Tax Incentive Fund created in Section 57-30-3.

(b) On or before August 15, 2007, and each succeeding month thereafter, eighty percent (80%) of the sales tax revenue collected during the preceding month under the provisions of this chapter from the operation of a tourism project under the provisions of Sections 57-26-1 through 57-26-5, shall be deposited, after the diversions required in subsections (7) and (8) of this section, into the Tourism Project Sales Tax Incentive Fund created in Section 57-26-3.

(17) Notwithstanding any other provision of this section to the contrary, on or before April 15, 2002, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under Section 27-65-23 on sales of parking services of parking garages and lots at airports shall be deposited, without diversion, into the special fund created under Section 27-5-101(d).

(18) [Repealed]

(19) (a) On or before August 15, 2005, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of this chapter on the gross proceeds of sales of a business enterprise located within a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11, and the revenue collected on the gross proceeds of sales from sales made to a business enterprise located in a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11 (provided that such sales made to a business enterprise are made on the premises of the business enterprise), shall, except as otherwise provided in this subsection (19), be deposited, after all diversions, into the Redevelopment Project Incentive Fund as created in Section 57-91-9.

(b) For a municipality participating in the Economic Redevelopment Act created in Sections 57-91-1 through 57-91-11, the diversion provided for in subsection (1) of this section attributable to the gross proceeds of sales of a business enterprise located within a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11, and attributable to the gross proceeds of sales from sales made to a business enterprise located in a redevelopment project area under the provisions of Sections 57-91-1 through 57-91-11 (provided that such sales made to a business enterprise are made on the premises of the business enterprise), shall be deposited into the Redevelopment Project Incentive Fund as created in Section 57-91-9, as follows:

(i) For the first six (6) years in which payments are made to a developer from the Redevelopment Project Incentive Fund, one hundred percent (100%) of the diversion shall be deposited into the fund;

(ii) For the seventh year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, eighty percent (80%) of the diversion shall be deposited into the fund;

(iii) For the eighth year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, seventy percent (70%) of the diversion shall be deposited into the fund;

(iv) For the ninth year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, sixty percent (60%) of the diversion shall be deposited into the fund; and

(v) For the tenth year in which such payments are made to a developer from the Redevelopment Project Incentive Fund, fifty percent (50%) of the funds shall be deposited into the fund.

(20) On or before January 15, 2007, and each succeeding month thereafter, eighty percent (80%) of the sales tax revenue collected during the preceding month under the provisions of this

chapter from the operation of a tourism project under the provisions of Sections 57-28-1 through 57-28-5 shall be deposited, after the diversions required in subsections (7) and (8) of this section, into the Tourism Sales Tax Incentive Fund created in Section 57-28-3.

(21) (a) On or before April 15, 2007, and each succeeding month thereafter through June 15, 2013, One Hundred Fifty Thousand Dollars ($150,000.00) of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the MMEIA Tax Incentive Fund created in Section 57-101-3.

(b) On or before July 15, 2013, and each succeeding month thereafter, One Hundred Fifty Thousand Dollars ($150,000.00) of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the Mississippi Development Authority Job Training Grant Fund created in Section 57-1-451.

(22) On or before June 1, 2024, and each succeeding month thereafter until December 31, 2057, an amount determined annually by the Mississippi Development Authority of the sales tax revenue collected during the preceding month under the provisions of this chapter shall be deposited into the MMEIA Tax Incentive Fund created in Section 57-125-3. This amount shall be based on estimated payments due within the upcoming year to construction contractors pursuant to construction contracts subject to the tax

imposed by Section 27-65-21 for construction to be performed on the project site of a project defined under Section 57-75-5(f)(xxxiii) for the coming year.

(23) Notwithstanding any other provision of this section to the contrary, on or before August 15, 2009, and each succeeding month thereafter, the sales tax revenue collected during the preceding month under the provisions of Section 27-65-201 shall be deposited, without diversion, into the Motor Vehicle Ad Valorem Tax Reduction Fund established in Section 27-51-105.

(24) (a) On or before August 15, 2019, and each month thereafter through July 15, 2020, one percent (1%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi *** * *** <u>Department of</u> Tourism Advertising Fund established under Section *** * *** <u>7 of this act</u>, to be used exclusively for the purpose stated therein. On or before August 15, 2020, and each month thereafter through July 15, 2021, two percent (2%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to the Mississippi *** * *** <u>Department of</u> Tourism Advertising Fund established under Section *** * *** <u>7 of this act</u>, to be used exclusively for the purpose stated therein. On or before August 15, 2021, and each month thereafter, three percent (3%) of the total sales tax revenue collected during the preceding month from restaurants and hotels shall be allocated for distribution to

the Mississippi * * * Department of Tourism Advertising Fund established under Section * * * 7 of this act, to be used exclusively for the purpose stated therein. The revenue diverted pursuant to this subsection shall not be available for expenditure until February 1, 2020.

(b) The Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER) must provide an annual report to the Legislature indicating the amount of funds deposited into the Mississippi * * * Department of Tourism Advertising Fund established under Section * * * 7 of this act, and a detailed record of how the funds are spent.

(25) The remainder of the amounts collected under the provisions of this chapter shall be paid into the State Treasury to the credit of the General Fund.

(26) (a) It shall be the duty of the municipal officials of any municipality that expands its limits, or of any community that incorporates as a municipality, to notify the commissioner of that action thirty (30) days before the effective date. Failure to so notify the commissioner shall cause the municipality to forfeit the revenue that it would have been entitled to receive during this period of time when the commissioner had no knowledge of the action.

(b) (i) Except as otherwise provided in subparagraph (ii) of this paragraph, if any funds have been erroneously disbursed to any municipality or any overpayment of tax is recovered by the taxpayer, the commissioner may make correction and adjust the error or overpayment with the municipality by withholding the necessary funds from any later payment to be made to the municipality.

(ii) Subject to the provisions of Sections 27-65-51 and 27-65-53, if any funds have been erroneously disbursed to a municipality under subsection (1) of this section for a period of three (3) years or more, the maximum amount that may be recovered or withheld from the municipality is the total amount of funds erroneously disbursed for a period of three (3) years beginning with the date of the first erroneous disbursement. However, if during such period, a municipality provides written notice to the Department of Revenue indicating the erroneous disbursement of funds, then the maximum amount that may be recovered or withheld from the municipality is the total amount of funds erroneously disbursed for a period of one (1) year beginning with the date of the first erroneous disbursement.

SECTION 10. Section 57-1-59, Mississippi Code of 1972, which provides for the general powers and duties of the Mississippi Development Authority with respect to tourism, is repealed.

SECTION 11. Section 57-1-60, Mississippi Code of 1972, which authorizes the Department of Economic and Community Development to establish a program of grants to be matched by tourism entities in the state, is repealed.

SECTION 12. Section 57-1-61, Mississippi Code of 1972, which provide for the transfer of functions of travel and tourism from the Department of the Agricultural and Industrial Board, is repealed.

SECTION 13. Section 57-1-63, Mississippi Code of 1972, which provide for the transfer of powers and duties of state agencies relating to tourism to the Mississippi Development Authority, is repealed.

SECTION 14. Section 57-1-64, Mississippi Code of 1972, which authorizes the Mississippi Development Authority to sell advertising and other tourism promotional information and creates the Mississippi Development Authority Tourism Advertising Fund, is repealed.

SECTION 15. Section 57-1-64.1, Mississippi Code of 1972, which creates the Mississippi Tourism Association Marketing Advisory Board to assist the Mississippi Development Authority, is repealed.

SECTION 16. This act shall take effect and be in force from and after July 1, 2025.