

REPORT OF CONFERENCE COMMITTEE

MR. PRESIDENT AND MR. SPEAKER:

We, the undersigned conferees, have had under consideration the amendments to the following entitled BILL:

S. B. No. 2573: Department of Tourism; create.

We, therefore, respectfully submit the following report and recommendation:

1. That the House recede from its Amendment No. 1.
2. That the Senate and House adopt the following amendment:

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

42 **SECTION 1.** Sections 1 through 9 of this act shall be known
43 and may be cited as the "Mississippi Tourism Reorganization Act."

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

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

49 (3) All of the powers, duties, property, contractual rights
50 and obligations of the Tourism Division of the Mississippi
51 Development Authority shall be transferred to the Mississippi
52 Department of Tourism on July 1, 2025. The transfer of personnel
53 shall be commensurate with the number and classification of
54 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 9 of this act, the department is authorized:



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

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

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

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

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

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

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

101 (h) To coordinate with all agencies of state government
102 the necessary promotional and advertising materials needed to
103 promote all facilities and programs which may be of interest to
104 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 9 of this act, the Executive Director of the Department of Tourism:

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



130 (b) Shall prepare and submit to the Governor and the
131 Legislature annual reports of activities and expenditures and,
132 before each regular session of the Legislature, coordinate budget
133 requests required for carrying out Sections 1 through 9 of this
134 act and estimates of the amounts to be made available for this
135 purpose from all sources;

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

140 (d) Shall take such other action as he or she deems
141 necessary or appropriate to effectuate the purposes of Sections 1
142 through 9 of this act;

143 (e) May delegate to any officer or employee of the
144 department such of his or her powers and duties as he or she finds
145 necessary to effectuate the purposes of Sections 1 through 9 of
146 this act.

147 **SECTION 6.** The Department of Tourism, in its discretion, may
148 establish a program of grants to be matched by tourism entities in
149 the state to finance, promote and advertise local tourist
150 attractions. Monies committed to the program of grants shall not
151 lapse into the State General Fund at the end of a fiscal year.
152 Any program of grants established under this section shall be in
153 addition to those grants authorized by Title 57, Chapter 27,
154 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. The Department of Finance and Administration, the Department of Information Technology, and the State Personnel Board shall have the powers necessary in carrying out the creation of the Mississippi Department of Tourism required by this act.

SECTION 10. Section 27-65-75, Mississippi Code of 1972, as amended by House Bill No. 1, 2025 Regular Session, 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



228 allocated for distribution to the municipality and paid to the
229 municipal corporation. Except as otherwise provided in this
230 paragraph (a), on or before August 15, 1993, and each succeeding
231 month thereafter through August 15, 2025, eighteen and one-half
232 percent (18-1/2%) of the total sales tax revenue collected during
233 the preceding month under the provisions of this chapter, except
234 that collected under the provisions of Sections 27-65-15,
235 27-65-19(3), 27-65-21 and 27-65-24, on business activities within
236 a municipal corporation shall be allocated for distribution to the
237 municipality and paid to the municipal corporation. Except as
238 otherwise provided in this paragraph (a), on or before September
239 15, 2025, and each succeeding month thereafter, eighteen and
240 one-half percent (18.5%) of the total sales tax revenue collected
241 during the preceding month under this chapter, except that
242 collected under Sections 27-65-15, 27-65-17(1)(n), 27-65-19(3),
243 27-65-21 and 27-65-24, on business activities within a municipal
244 corporation shall be allocated for distribution and paid to the
245 municipal corporation. On or before September 15, 2025, and each
246 succeeding month thereafter, twenty-five and nine-tenths percent
247 (25.9%) of the total sales tax revenue collected during the
248 preceding month under Section 27-65-17(1)(n) on business
249 activities within a municipal corporation shall be allocated for
250 distribution and paid to the municipal corporation. However, in
251 the event the State Auditor issues a certificate of noncompliance
252 pursuant to Section 21-35-31, the department shall withhold ten



253 percent (10%) of the allocations and payments to the municipality
254 that would otherwise be payable to the municipality under this
255 paragraph (a) until such time that the department receives written
256 notice of the cancellation of a certificate of noncompliance from
257 the State Auditor.

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

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

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

273 (b) On or before August 15, 2006, and each succeeding
274 month thereafter through August 15, 2025, eighteen and one-half
275 percent (18-1/2%) of the total sales tax revenue collected during
276 the preceding month under the provisions of this chapter, except
277 that collected under the provisions of Sections 27-65-15,



278 27-65-19(3) and 27-65-21, on business activities on the campus of
279 a state institution of higher learning or community or junior
280 college whose campus is not located within the corporate limits of
281 a municipality, shall be allocated for distribution to the state
282 institution of higher learning or community or junior college and
283 paid to the state institution of higher learning or community or
284 junior college. On or before September 15, 2025, and each
285 succeeding month thereafter, eighteen and one-half percent (18.5%)
286 of the total sales tax revenue collected during the preceding
287 month under this chapter, except that collected under Sections
288 27-65-15, 27-65-17(1)(n), 27-65-19(3) and 27-65-21, on business
289 activities on the campus of a state institution of higher learning
290 or community or junior college whose campus is not located within
291 the corporate limits of a municipality, shall be allocated for
292 distribution and paid to the state institution of higher learning
293 or community or junior college. On or before September 15, 2025,
294 and each succeeding month thereafter, twenty-five and nine-tenths
295 percent (25.9%) of the total sales tax revenue collected during
296 the preceding month under Section 27-65-17(1)(n) on business
297 activities on the campus of a state institution of higher learning
298 or community or junior college whose campus is not located within
299 the corporate limits of a municipality, shall be allocated for
300 distribution and paid to the state institution of higher learning
301 or community or junior college.



302 (c) On or before August 15, 2018, and each succeeding
303 month thereafter until August 14, 2019, two percent (2%) of the
304 total sales tax revenue collected during the preceding month under
305 the provisions of this chapter, except that collected under the
306 provisions of Sections 27-65-15, 27-65-19(3), 27-65-21 and
307 27-65-24, on business activities within the corporate limits of
308 the City of Jackson, Mississippi, shall be deposited into the
309 Capitol Complex Improvement District Project Fund created in
310 Section 29-5-215. On or before August 15, 2019, and each
311 succeeding month thereafter until August 14, 2020, four percent
312 (4%) of the total sales tax revenue collected during the preceding
313 month under the provisions of this chapter, except that collected
314 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
315 and 27-65-24, on business activities within the corporate limits
316 of the City of Jackson, Mississippi, shall be deposited into the
317 Capitol Complex Improvement District Project Fund created in
318 Section 29-5-215. On or before August 15, 2020, and each
319 succeeding month thereafter through July 15, 2023, six percent
320 (6%) of the total sales tax revenue collected during the preceding
321 month under the provisions of this chapter, except that collected
322 under the provisions of Sections 27-65-15, 27-65-19(3), 27-65-21
323 and 27-65-24, on business activities within the corporate limits
324 of the City of Jackson, Mississippi, shall be deposited into the
325 Capitol Complex Improvement District Project Fund created in
326 Section 29-5-215. On or before August 15, 2023, and each



succeeding month thereafter through August 15, 2025, 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. On or before September 15, 2025, and each succeeding month thereafter, nine percent (9%) of the total sales tax revenue collected during the preceding month under this chapter, except that collected under Sections 27-65-15, 27-65-17(1)(n), 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 27-5-215. On or before September 15, 2025, and each succeeding month thereafter, twelve and six-tenths percent (12.6%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) 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 27-5-215.

(d) (i) Except as otherwise provided in this paragraph (d), 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) For a county that is eligible to receive funds under this paragraph (d), as determined by the department



under this paragraph (d), from and after September 15, 2025, and each succeeding month thereafter, eighteen and one-half percent (18.5%) of the total sales tax revenue collected during the preceding month under this chapter, except that collected under Sections 27-65-15, 27-65-17(1)(n), 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 is located, and twenty-five and nine-tenths percent (25.9%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n) shall be allocated for distribution to that county.

(iii) Before any sales tax revenue may be allocated for distribution to a county under this paragraph (d), the county shall certify to the Department of Revenue that the requirements of this paragraph (d) 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.

(iv) The diversion of sales tax revenue authorized by this paragraph (d) shall begin the month following the month in which the Department of Revenue determines that the requirements of this paragraph (d) 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 (d) 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 through August 15, 2026, 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. After August 15, 2025, from the total amount of the proceeds of gasoline, diesel fuel or kerosene taxes apportioned by Section 27-5-101(a)(ii)1 and (iii), Five Million Dollars (\$5,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is greater, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund" on or before September 15, 2025, and on or before the fifteenth day of each succeeding month through August 15, 2026, and Six Million Five Hundred Thousand Dollars (\$6,500,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is greater, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund" on or before September 15, 2026, and on or before the fifteenth day of each succeeding month through August 15, 2027, and Eight Million Dollars (\$8,000,000.00) or an amount equal to twenty-three and one-fourth percent (23-1/4%) of those funds, whichever is greater, shall be deposited in the State Treasury to the credit of the "State Aid Road Fund" on or before September 15, 2027, and on or before the fifteenth day of each succeeding month. 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 funds 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 this subsection (4) * * *.



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

506 (6) An amount each month beginning August 15, 1983, through
507 November 15, 1986, as specified in Section 6, Chapter 542, Laws of
508 1983, shall be paid into the special fund known as the
509 Correctional Facilities Construction Fund created in Section 6,
510 Chapter 542, Laws of 1983.

511 (7) On or before August 15, 1992, and each succeeding month
512 thereafter through July 15, 2000, two and two hundred sixty-six
513 one-thousandths percent (2.266%) of the total sales tax revenue
514 collected during the preceding month under the provisions of this
515 chapter, except that collected under the provisions of Section
516 27-65-17(2), shall be deposited by the department into the School
517 Ad Valorem Tax Reduction Fund created under Section 37-61-35. On
518 or before August 15, 2000, and each succeeding month thereafter
519 through August 15, 2025, two and two hundred sixty-six
520 one-thousandths percent (2.266%) of the total sales tax revenue
521 collected during the preceding month under the provisions of this
522 chapter, except that collected under the provisions of Section
523 27-65-17(2), shall be deposited into the School Ad Valorem Tax
524 Reduction Fund created under Section 37-61-35 until such time that
525 the total amount deposited into the fund during a fiscal year



526 equals Forty-two Million Dollars (\$42,000,000.00). Thereafter,
527 the amounts diverted under this subsection (7) during the fiscal
528 year in excess of Forty-two Million Dollars (\$42,000,000.00) shall
529 be deposited into the Education Enhancement Fund created under
530 Section 37-61-33 for appropriation by the Legislature as other
531 education needs and shall not be subject to the percentage
532 appropriation requirements set forth in Section 37-61-33. On or
533 before September 15, 2025, and each succeeding month thereafter,
534 two and two hundred sixty-six one-thousandths percent (2.266%) of
535 the total sales tax revenue collected during the preceding month
536 under this chapter, except that collected under Section
537 27-65-17(1)(n) and (2), and three and seventeen one-hundredths
538 percent (3.17%) of the total sales tax revenue collected during
539 the preceding month under Section 27-65-17(1)(n), shall be
540 deposited into the School Ad Valorem Tax Reduction Fund created
541 under Section 37-61-35 until such time that the total amount
542 deposited into the fund during a fiscal year equals Forty-two
543 Million Dollars (\$42,000,000.00). Thereafter, the amounts
544 diverted under this subsection (7) during the fiscal year in
545 excess of Forty-two Million Dollars (\$42,000,000.00) shall be
546 deposited into the Education Enhancement Fund created under
547 Section 37-61-33 for appropriation by the Legislature as other
548 education needs and shall not be subject to the percentage
549 appropriation requirements set forth in Section 37-61-33.



(8) On or before August 15, 1992, and each succeeding month thereafter through August 15, 2025, 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. On or before September 15, 2025, 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 this chapter, except that collected under Section 27-65-17(1)(n) and (2), and twelve and seven-tenths percent (12.7%) of the total sales tax revenue collected during the preceding month under Section 27-65-17(1)(n), 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.



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

583 (12) Notwithstanding any other provision of this section to
584 the contrary, on or before August 15, 1995, and each succeeding
585 month thereafter, the sales tax revenue collected during the
586 preceding month under the provisions of Section 27-65-17(1) on
587 retail sales of private carriers of passengers and light carriers
588 of property, as defined in Section 27-51-101 and the corresponding
589 levy in Section 27-65-23 on the rental or lease of these vehicles,
590 shall be deposited, after diversion, into the Motor Vehicle Ad
591 Valorem Tax Reduction Fund established in Section 27-51-105.

592 (13) On or before July 15, 1994, and on or before the
593 fifteenth day of each succeeding month thereafter, that portion of
594 the avails of the tax imposed in Section 27-65-22 that is derived
595 from activities held on the Mississippi State Fairgrounds Complex
596 shall be paid into a special fund that is created in the State
597 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



623 during a fiscal year equals One Million Dollars (\$1,000,000.00).
624 On or before August 15, 2011, and each succeeding month
625 thereafter, that portion of the avails of the tax imposed in
626 Section 27-65-23 that is derived from sales by cotton compresses
627 or cotton warehouses and that would otherwise be paid into the
628 General Fund shall be deposited into the special fund created
629 under Section 69-37-39 until such time that the total amount
630 deposited into the fund during a fiscal year equals One Million
631 Dollars (\$1,000,000.00).

632 (15) Notwithstanding any other provision of this section to
633 the contrary, on or before September 15, 2000, and each succeeding
634 month thereafter, the sales tax revenue collected during the
635 preceding month under the provisions of Section
636 27-65-19(1)(d)(i)2, and 27-65-19(1)(d)(i)3 shall be deposited,
637 without diversion, into the Telecommunications Ad Valorem Tax
638 Reduction Fund established in Section 27-38-7.

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

646 (b) On or before August 15, 2007, and each succeeding
647 month thereafter, eighty percent (80%) of the sales tax revenue



648 collected during the preceding month under the provisions of this
649 chapter from the operation of a tourism project under the
650 provisions of Sections 57-26-1 through 57-26-5, shall be
651 deposited, after the diversions required in subsections (7) and
652 (8) of this section, into the Tourism Project Sales Tax Incentive
653 Fund created in Section 57-26-3.

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

661 (18) [Repealed]

662 (19) (a) On or before August 15, 2005, and each succeeding
663 month thereafter, the sales tax revenue collected during the
664 preceding month under the provisions of this chapter on the gross
665 proceeds of sales of a business enterprise located within a
666 redevelopment project area under the provisions of Sections
667 57-91-1 through 57-91-11, and the revenue collected on the gross
668 proceeds of sales from sales made to a business enterprise located
669 in a redevelopment project area under the provisions of Sections
670 57-91-1 through 57-91-11 (provided that such sales made to a
671 business enterprise are made on the premises of the business
672 enterprise), shall, except as otherwise provided in this



673 subsection (19), be deposited, after all diversions, into the
674 Redevelopment Project Incentive Fund as created in Section
675 57-91-9.

676 (b) For a municipality participating in the Economic
677 Redevelopment Act created in Sections 57-91-1 through 57-91-11,
678 the diversion provided for in subsection (1) of this section
679 attributable to the gross proceeds of sales of a business
680 enterprise located within a redevelopment project area under the
681 provisions of Sections 57-91-1 through 57-91-11, and attributable
682 to the gross proceeds of sales from sales made to a business
683 enterprise located in a redevelopment project area under the
684 provisions of Sections 57-91-1 through 57-91-11 (provided that
685 such sales made to a business enterprise are made on the premises
686 of the business enterprise), shall be deposited into the
687 Redevelopment Project Incentive Fund as created in Section
688 57-91-9, as follows:

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

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



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

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

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

708 (20) On or before January 15, 2007, and each succeeding
709 month thereafter, eighty percent (80%) of the sales tax revenue
710 collected during the preceding month under the provisions of this
711 chapter from the operation of a tourism project under the
712 provisions of Sections 57-28-1 through 57-28-5 shall be deposited,
713 after the diversions required in subsections (7) and (8) of this
714 section, into the Tourism Sales Tax Incentive Fund created in
715 Section 57-28-3.

716 (21) (a) On or before April 15, 2007, and each succeeding
717 month thereafter through June 15, 2013, One Hundred Fifty Thousand
718 Dollars (\$150,000.00) of the sales tax revenue collected during
719 the preceding month under the provisions of this chapter shall be
720 deposited into the MMEIA Tax Incentive Fund created in Section
721 57-101-3.



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

728 (22) On or before June 1, 2024, and each succeeding month
729 thereafter until December 31, 2057, an amount determined annually
730 by the Mississippi Development Authority of the sales tax revenue
731 collected during the preceding month under the provisions of this
732 chapter shall be deposited into the MMEIA Tax Incentive Fund
733 created in Section 57-125-3. This amount shall be based on
734 estimated payments due within the upcoming year to construction
735 contractors pursuant to construction contracts subject to the tax
736 imposed by Section 27-65-21 for construction to be performed on
737 the project site of a project defined under Section
738 57-75-5(f)(xxxiii) for the coming year.

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

745 (24) (a) On or before August 15, 2019, and each month
746 thereafter through July 15, 2020, one percent (1%) of the total



747 sales tax revenue collected during the preceding month from
748 restaurants and hotels shall be allocated for distribution to the
749 Mississippi * * * Department of Tourism Advertising Fund
750 established under Section * * * 7 of this act, to be used
751 exclusively for the purpose stated therein. On or before August
752 15, 2020, and each month thereafter through July 15, 2021, two
753 percent (2%) of the total sales tax revenue collected during the
754 preceding month from restaurants and hotels shall be allocated for
755 distribution to the Mississippi * * * Department of Tourism
756 Advertising Fund established under Section * * * 7 of this act, to
757 be used exclusively for the purpose stated therein. On or before
758 August 15, 2021, and each month thereafter, three percent (3%) of
759 the total sales tax revenue collected during the preceding month
760 from restaurants and hotels shall be allocated for distribution to
761 the Mississippi * * * Department of Tourism Advertising Fund
762 established under Section * * * 7 of this act, to be used
763 exclusively for the purpose stated therein. The revenue diverted
764 pursuant to this subsection shall not be available for expenditure
765 until February 1, 2020.

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



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

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

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

790 (ii) Subject to the provisions of Sections
791 27-65-51 and 27-65-53, if any funds have been erroneously
792 disbursed to a municipality under subsection (1) of this section
793 for a period of three (3) years or more, the maximum amount that
794 may be recovered or withheld from the municipality is the total
795 amount of funds erroneously disbursed for a period of three (3)
796 years beginning with the date of the first erroneous disbursement.



797 However, if during such period, a municipality provides written
798 notice to the Department of Revenue indicating the erroneous
799 disbursement of funds, then the maximum amount that may be
800 recovered or withheld from the municipality is the total amount of
801 funds erroneously disbursed for a period of one (1) year beginning
802 with the date of the first erroneous disbursement.

803 **SECTION 11.** Section 57-1-59, Mississippi Code of 1972, which
804 provides for the general powers and duties of the Mississippi
805 Development Authority with respect to tourism, is repealed.

806 **SECTION 12.** Section 57-1-60, Mississippi Code of 1972, which
807 authorizes the Department of Economic and Community Development to
808 establish a program of grants to be matched by tourism entities in
809 the state, is repealed.

810 **SECTION 13.** Section 57-1-61, Mississippi Code of 1972, which
811 provide for the transfer of functions of travel and tourism from
812 the Department of the Agricultural and Industrial Board, is
813 repealed.

814 **SECTION 14.** Section 57-1-63, Mississippi Code of 1972, which
815 provide for the transfer of powers and duties of state agencies
816 relating to tourism to the Mississippi Development Authority, is
817 repealed.

818 **SECTION 15.** Section 57-1-64, Mississippi Code of 1972, which
819 authorizes the Mississippi Development Authority to sell
820 advertising and other tourism promotional information and creates



821 the Mississippi Development Authority Tourism Advertising Fund, is
822 repealed.

823 **SECTION 16.** Section 57-1-64.1, Mississippi Code of 1972,
824 which creates the Mississippi Tourism Association Marketing
825 Advisory Board to assist the Mississippi Development Authority, is
826 repealed.

827 **SECTION 17.** Section 9 of this act shall take effect and be
828 in force from and after its passage. Sections 1 through 8 and
829 Sections 10 through 16 of this act shall take effect and be in
830 force from and after July 1, 2025.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO CREATE THE "MISSISSIPPI TOURISM REORGANIZATION
2 ACT"; TO CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM; TO REQUIRE
3 THE GOVERNOR TO APPOINT, WITH THE ADVICE AND CONSENT OF THE
4 SENATE, AN EXECUTIVE DIRECTOR OF THE DEPARTMENT OF TOURISM; TO
5 PRESCRIBE THE GENERAL POWERS AND DUTIES OF THE DEPARTMENT OF
6 TOURISM AND THE EXECUTIVE DIRECTOR; TO AUTHORIZE THE DEPARTMENT OF
7 TOURISM TO ESTABLISH A PROGRAM OF GRANTS TO BE MATCHED BY TOURISM
8 ENTITIES IN THE STATE; TO AUTHORIZE THE DEPARTMENT OF TOURISM TO
9 SELL ADVERTISING AND OTHER TOURISM PROMOTIONAL INFORMATION AND TO
10 CREATE THE MISSISSIPPI DEPARTMENT OF TOURISM ADVERTISING FUND; TO
11 CREATE THE MISSISSIPPI TOURISM ASSOCIATION MARKETING ADVISORY
12 BOARD TO ASSIST THE DEPARTMENT OF TOURISM; TO PROVIDE THAT THE
13 DEPARTMENT OF FINANCE AND ADMINISTRATION, THE DEPARTMENT OF
14 INFORMATION TECHNOLOGY, AND THE STATE PERSONNEL BOARD SHALL HAVE
15 THE POWERS NECESSARY IN CARRYING OUT THE CREATION OF THE
16 MISSISSIPPI DEPARTMENT OF TOURISM REQUIRED BY THIS ACT; TO AMEND
17 SECTION 27-65-75, MISSISSIPPI CODE OF 1972, AS AMENDED BY HOUSE
18 BILL NO. 1, 2025 REGULAR SESSION, TO DIVERT A PORTION OF SALES TAX
19 REVENUE COLLECTED FROM RESTAURANTS AND HOTELS INTO THE DEPARTMENT
20 OF TOURISM ADVERTISING FUND INSTEAD OF THE MISSISSIPPI DEVELOPMENT
21 AUTHORITY TOURISM FUND; TO REPEAL SECTION 57-1-59, MISSISSIPPI
22 CODE OF 1972, WHICH PROVIDES GENERAL POWERS AND DUTIES OF THE
23 MISSISSIPPI DEVELOPMENT AUTHORITY WITH RESPECT TO TOURISM; TO
24 REPEAL SECTION 57-1-60, MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES



25 THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT TO ESTABLISH
26 A PROGRAM OF GRANTS TO FINANCE, PROMOTE AND ADVERTISE LOCAL
27 TOURIST ATTRACTIONS; TO REPEAL SECTION 57-1-61, MISSISSIPPI CODE
28 OF 1972, WHICH PROVIDES FOR THE TRANSFER OF FUNCTIONS OF THE
29 TRAVEL AND TOURISM DIVISION OF THE AGRICULTURAL AND INDUSTRIAL
30 BOARD TO THE DEPARTMENT OF ECONOMIC DEVELOPMENT; TO REPEAL SECTION
31 57-1-63, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR THE TRANSFER
32 OF POWERS AND DUTIES OF STATE AGENCIES RELATING TO TOURISM TO THE
33 MISSISSIPPI DEVELOPMENT AUTHORITY; TO REPEAL SECTION 57-1-64,
34 MISSISSIPPI CODE OF 1972, WHICH AUTHORIZES THE MISSISSIPPI
35 DEVELOPMENT AUTHORITY TO SELL ADVERTISING AND OTHER TOURISM
36 INFORMATION AND CREATES THE MISSISSIPPI DEVELOPMENT AUTHORITY
37 TOURISM ADVERTISING FUND; TO REPEAL SECTION 57-1-64.1, MISSISSIPPI
38 CODE OF 1972, WHICH CREATES THE MISSISSIPPI TOURISM ASSOCIATION
39 MARKETING ADVISORY BOARD TO ASSIST THE MISSISSIPPI DEVELOPMENT
40 AUTHORITY; AND FOR RELATED PURPOSES.

CONFEREES FOR THE SENATE

X (SIGNED)
Johnson

X (SIGNED)
Robinson

X (SIGNED)
Thompson

CONFEREES FOR THE HOUSE

X (SIGNED)
Haney

X (SIGNED)
Denton

X (SIGNED)
Ford (54th)

