PEER MISSISSIPPI
Joint Legislative Committee on Performance Evaluation and Expenditure Review

FY 2026 Annual Report: A Review of the Mississippi Development Authority Tourism Advertising Fund

Report Highlights | #737 November 9, 2026

CONCLUSION: Under the authority of MISS. CODE ANN. § 57-1-64 (1972), the Mississippi Development Authority (MDA) oversees deposits to and expenditures from the Tourism Advertising Fund. As required by state law, PEER conducted a review to detail how funds were spent and deposited in FY 2026. In FY 2026, the Tourism Advertising Fund received approximately $15.9 million in revenues and MDA expended approximately $13 million from the fund to promote tourism in Mississippi.

Background

MISS. CODE ANN. Section 27-65-75 (24) (b) (1972) requires the Joint Legislative PEER Committee to provide an annual report to the Legislature reviewing the MDA Tourism Advertising Fund established by MISS. CODE ANN. Section 57-1-64 (1972) to include the amount of funds and a detail record of how the funds are spent.

MISS. CODE ANN. Section 57-1-64 created a special fund in the State Treasury known as the MDA Tourism Advertising Fund (Tourism Advertising Fund).

MDA is authorized to sell advertising and other promotion information and enter into agreement with other tourism associations for the purpose of facilitating revenue to deposit into the Tourism Advertising Fund.

MISS CODE ANN. Section 27-65-75 (24) (a) requires a 3% of each month's sales tax collections from restaurants and hotels to be deposited into the Tourism Advertising Fund.

During FY 2026 MDA issued a procurement for a new agency of record. MDA entered into a contract with Miles Partnerhsip, LLLP to replace Maris, West, & Baker, Inc. as the new agency of record for Visit Mississippi.

Recommendation

The Mississippi Development Authority should ensure that it is planning Tourism Advertising Fund expenditures around marketing activities that show increased tourism as well as increased restaurant and hotel sales tax revenues collection.

Key Findings

- **The Tourism Advertising Fund received approximately $15.9 million in restaurant and hotel sales tax revenue.**

  MISS. CODE ANN. Section 27-65-75 (24) (a) mandated a 1% increase in the amount of sales tax collections deposited into the Tourism Advertising Fund from FYs 2020 through 2022. The Tourism Advertising Fund received an increase of approximately $765,000 in hotel and restaurant sales tax collection deposits over FY 2025 collections.

- **In FY 2026, MDA expended approximately $13 million from the Tourism Advertising Fund on contractual expenditures to place advertisements, which includes the creation of the advertisements and any applicable fees and professional services.**

  FY 2026 expenditures decreased by $561,000 from FY 2025 expenditures. MDA worked with five companies to place advertisements in FY 2026. Local destination marketing organizations utilized Visit Mississippi's cooperative advertisement program to place advertisements during FY 2026, sharing the cost burden of placing advertisements.

- **MDA establishes spending levels based on the immediate past revenue collected and deposited into the Tourism Advertising Fund and evaluates all advertising and promotional services according to available metrics.**

  Proceeding into FY 2027 and future fiscal years, MDA's goal is to operate the Tourism Advertising Fund at a near net-zero balance. According to MDA, it utilizes metrics like impressions, clicks, website visits, press coverage, social media amplification, and visitation/spending in Mississippi from out-of-state visitors.

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