

DECLARATION OF EMERGENCY

Department of Culture and Recreation Office of Tourism

Major Events Incentive Fund Program (LAC 25:V.Chapter 7)

In accordance with the emergency provisions of the Administrative Procedure Act, R.S. 49:962 et seq., and pursuant to the authority set forth in R.S. 51:1260, the Lieutenant Governor declares an emergency to exist and adopts by emergency process the attached Rule relative to the administration of the Major Events Incentive Fund program by the Louisiana Office of Tourism (LOT).

Of the many sectors that the pandemic has severely impacted, tourism is one of the most affected. To continually support the tourism industry and lay the groundwork for a strong and equitable industry and promote employment opportunities for all citizens throughout the state through the orderly but accelerated development of facilities for tourism, travel and hospitality, the legislator authorized the emergency enactment of the major events incentive fund program. This Emergency Rule shall be effective October 1, 2023, and shall remain in effect for a period of 180 days unless renewed by the office or until adoption of the final rules, whichever occurs first.

Title 25

CULTURAL RESOURCES

Part V. Office of Tourism

Chapter 7. Major Event Incentive Fund Program

§701. Purpose

A. Act 751 of the 2022 Regular Legislative Session transferred from the Department of Economic Development to Lt. Governor, Office of Cultural, Recreation and Tourism, (LOT) the administration of the Major Events Incentive Program. LOT is authorized by Louisiana Revised Statute 51:1260 (R.S. 51:1260) to provide financial incentives for events held in Louisiana. The program funding is dependent on whether the event meets the definition of a “qualified major event”. The mission of the LOT is to

1. promote and assist expansion of tourism and the tourism industry in Louisiana;
2. increase employment opportunities for all citizens throughout the state through the orderly but accelerated development of facilities for tourism, travel and hospitality;
3. invite visitors from this nation and foreign countries to visit Louisiana; and
4. conduct an ongoing promotional campaign of information, advertising and publicity to create and sustain a positive image of Louisiana as a vacation and conference destination.

B. The purpose of the Major Events Incentive Program (MEIP) is to provide grant funding to event producers and hosts, local organizing committees, endorsing municipalities, endorsing parishes, official tourism commissions, convention and visitors bureaus, and official destination marketing organizations, for certain eligible costs associated with attracting, hosting and staging major events as specifically referenced in R.S 51:1260, provided that, all statutory and administrative requirements are satisfied.

C. The application materials, program guidelines, and criteria set forth in this Part, which governs the MEIP, will

be developed based on the enacting legislation for the program, Act 751 of the 2022 Regular Legislative Session.

D. This Rule shall have the force and effect of law on October 1, 2023, and will remain in effect for the maximum period allowed by the Administrative Procedure Act, unless renewed by the LOT, or until permanent rules are promulgated in accordance with law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§703. Construction of Rules

A. The LOT shall administer the MEIP in a manner consistent with the requirements in R.S. 51:1260. R.S. 51:1260 shall control over any conflicting provision of these administrative rules.

B. The LOT may, in their sole discretion, seek administrative oversight through the Division of Administration or the legislative committee under its jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§705. Definitions

A. The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

Applicant—an event producer, host, local organizing committees, endorsing municipality, endorsing parish, official tourism commissions, convention and visitor bureaus or official destination marketing organization.

Endorsing Municipality—either of the following:

a. a municipality that contains a site selected by a site selection organization for a major event and is a party to an event support contract;

b. a municipality that does not contain a site selected by a site selection organization for a qualified major event but is included in the market area for the event as designated by the secretary and is a party to an event support contract.

Endorsing Parish—either of the following:

a. a parish that contains a site selected by a site selection organization for a qualified major event and is a party to an event support contract;

b. a parish that does not contain a site selected by a site selection organization for a qualified major event but is included in the market area for the event as designated by the secretary and is a party to an event support contract.

Event Support Contract or Event Contract—a joint undertaking, a joint agreement, or a similar contract executed by a local organizing committee, an endorsing municipality, an endorsing parish, official tourism commission, convention and visitors bureau, or official destination marketing organization, or any combination thereof, and a site selection organization.

Local Organizing Committee—an organization created or recognized as the official host entity sanctioned by an endorsing municipality or parish for a specified qualified major event.

Qualified Major Event—a National Football League Super Bowl, a National Collegiate Athletic Association Final Four tournament game, the National Basketball Association All-Star Game, the X Games, a National Collegiate Athletic Association Division I Football Bowl Subdivision

postseason game, a college tournament or championship, the World Games, a national collegiate championship of an amateur sport sanctioned by the national governing body of the sport that is recognized by the United States Olympic Committee, an Olympic activity including a Junior or Senior activity, training program, or feeder program sanctioned by the United States Olympic Committee's Community Olympic Development Program, a mixed martial arts championship, the Breeders' Cup World Championships, a Bassmasters Classic, a National Motorsports race, the Red Bull Signature Series, a football kickoff game between two National Collegiate Athletic Association teams, a national championship or Olympic trials of an amateur or professional sport sanctioned by the national governing body of the sport, the United States Bowling Congress Tournament, the WWE WrestleMania, the Bayou Classic, the Essence Festival, the Zurich Classic or other PGA Tour event, a national military event, a national political convention of the Republican National Committee or of the Democratic National Committee, or any National Collegiate Athletic Association conference, convention, or conference media event, including conference media days. The term includes any activities related to or associated with a qualified major event.

Site Selection Organization—any of the following:

- a. the National Football League, the National Collegiate Athletic Association or any affiliated conference, or any team or teams thereof, the National Basketball Association, the International World Games Association, or the United States Olympic Committee;
- b. the national governing body of a sport that is recognized by the United States Olympic Committee;
- c. the National Thoroughbred Racing Association;
- d. the Republican National Committee or Democratic National Committee;
- e. the United States Bowling Congress;
- f. the national governing body of an organization not listed in Subparagraphs a-e of this Paragraph that schedules a qualified major event as defined in this Subsection.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260 (C).

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§707. Eligibility

A. An applicant is eligible to receive funding through the Major Events Incentive Fund Program only if all the following apply:

1. the event is included in the definition of qualified major event.
2. a site selection organization or the event producer or host selects or has selected a site in Louisiana under either of the following circumstances:
 - a. after holding a bidding or invitation selection process involving required terms and conditions that could be fulfilled by sites not located in Louisiana.
 - b. as the sole site for the event or the sole site for the event in a region composed of Louisiana and one or more states.
3. The event is not held more than one time per year in Louisiana or any other state. The provisions of this Paragraph shall not apply to events occurring twice in one year due to a natural disaster, an act of God, force majeure, a

catastrophe, pandemic, or such other occurrence which causes the event to move or be rescheduled.

4. Where applicable, the applicants must clearly state in their application that a similar proposal has been submitted for a separate grant program. If an applicant receives multiple sources of funding for the same project, they should clearly delineate which source, funds which activity, components, or phases.

5. Applicants are not allowed to receive multiple source funding for the same activity, component, phase or bill more than one grant or contract for the same activity for a qualifying event contained in their funding application. Additionally, the applicant may not receive funding for the same activity from other funding sources including MEIP, EIP or any other program funding administered by the Louisiana Department of Culture, Recreation and Tourism.

B. Only allowable expenses shall be paid or reimbursed through MEIP. Allowable expenses are determined by the LOT.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260 HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§709. Application for Major Event Incentive Funding

A. LOT will provide a standard application to be used to apply for funding under this program. The application for the Major Event Incentive Funding program must contain, but is not limited to the following:

1. a complete and signed application identifying:
 - a. event name;
 - b. date or date range of the event;
 - c. type of event consistent with definition of major event;
 - d. event deliverables for the state or key performance indicators valuable to the state;
2. documentation from the endorsing municipality or endorsing parish signed by a person authorized to bind the municipality or parish;
3. signed letter, from the site selection organization or the event producer or host selecting the site in Louisiana, that includes all the information necessary to establish that the site was selected after holding a bidding or invitation selection process; or that the site is a sole site for the event;
4. an economic impact study, report or other data sufficient for the LOT to make the determination of the estimated incremental increase in tax revenue directly attributable to the preparation or presentation of the event, including any data for any related activities. The economic impact report or other data should:
 - a. identify the designated area of impact
 - b. state the anticipated total increment increase in the state sales and use receipts in the designated area.
 - c. state the anticipated total increment increase in excise tax receipts in the designated area.
 - d. clearly identified event activities proposed to be included in the funding and how the major event will have a significant positive impact in the state, such by showing:
 - i. projected attendance figures
 - ii. a description of the methodology that will be used for determining the total actual attendance at the event.
 - iii. the projected spending of attendees.
 - iv. any anticipated expenditure information related to the activity; and
 - v. how the events complement the best interest of the state;

5. The economic impact study submitted shall include a certification from the person(s) who prepared the study for the application, attesting to the accuracy of the information provided.

B. The applicant must include within a line item, the proposed activities and budget for advertising and promoting of LOT. The value of this line item shall be the lesser of \$750,000 or 10 percent of the grant award. The following non-exhaustive forms of advertising are acceptable:

1. placing of LOT's logo with click-thru link to <https://www.ExploreLouisiana.com>, on the home page of the event's website;

2. a 30-second commercial spot placement leading up to and during the event, if televised;

3. an advertisement printed in all associated publication of the event;

4. sponsorship mentioned during televised or audio interviews;

5. placement of logo in materials promoting the event on the:

- a. official event website;
- b. print ad placement advertising the event;
- c. tv/radio advertisements promoting the event;
- d. email correspondence to event participants;
- e. billboards promoting the event;

6. passes to the event.

C. The advertising shall extend through the duration of the grant term, which will begin on the date of the grantee's award notice and ends no sooner than 30 days after the event.

D. LOT is not required to review or act on an application that does not contain all items in subsections A of this section.

E. LOT may issue guidance to establish, interpret, or clarify requirements for participation in the MEIP and compliance with any such guidance shall be required by the applicant. Any such guidance must be consistent with all applicable statutes and this chapter.

F. If LOT requires additional information from the applicant in order to review/approve the application, the applicant will be notified via email and must respond within 10 business days.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260.

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§711. Application Deadline

A. An application for participation in the MEIP must be submitted not earlier than three years and not later than 270 days before the date the event begins. Should the submittal date fall on a weekend or legal holiday, applications must be received by the close of business on the following workday. Applications submitted outside this time frame may not be reviewed.

B. The application deadline stated in the section shall be waived until such time when the permanent rules are promulgated in accordance with law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§713. Award amount

A. The award amount of the grant shall be based on the projected value of the proposed advertising and promotional expense along with the projected incremental increase to the

state sales and use receipts and the excise tax receipts in the designated area for the event.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§715. Grant Award Notification

A. Not later than the 30th day after the date LOT receives a completed request for participation and all required information, LOT will make a determination of whether the event meets the eligibility requirements of Louisiana Revised Statutes 51:1260 and the amount of incremental increase in tax receipts that is directly attributable to the preparation or presentation of the event.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§717. Post Event Reporting

A. Within the time provided in the agreement, the applicant shall submit an economic analysis to the lieutenant governor which shall include the following:

1. the designated area which was impacted by the occurrence of the qualified major event;

2. the total incremental increase in state sales and use receipts in the designated area;

3. the total incremental increase in excise tax receipts in the designated area.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§719. Review

A. LOT shall determine, based on the reported information and the exercise of reasonable judgment, the incremental increase in receipts from excise and use tax directly attributable to the event. If the actual incremental increase in sales tax receipts is less than the projected incremental increase in such receipts, the final disbursement may be denied, reduced or considered in the applicant's future funding.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260.

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

§721. Recapture

A. Any funds found not to be properly spent in accordance with the terms of this chapter and regulations of the funding source may be subject to recapture or considered applicant's future funding.

AUTHORITY NOTE: Promulgated in accordance with R.S. 51:1260

HISTORICAL NOTE: Promulgated by the Department of Culture, Recreation and Tourism, Office of Tourism, LR 49:

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Assistant Secretary

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