

DECLARATION OF EMERGENCY

Department of Culture and Recreation Office of Tourism

Major Events Incentive 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 Major Events Incentive Fund; Major Events Incentive Program, the Department of Culture, Recreation and Tourism, adopts by emergency process the attached Rule relative to the administration of the Major Events Fund and the Major Events Incentive Program (MEIP).

Of the many sectors the pandemic severely impacted, tourism is one of the most affected. To expedite support for the tourism industry and to promote employment opportunities throughout the state through the orderly but accelerated development of tourism, travel and the hospitality industries, the legislature authorized the emergency enactment of rules to implement the MEIP. This Emergency Rule shall be effective March 28, 2024, and shall remain in effect for a period of 180 days or until adoption of the final rules, whichever occurs first.

The Department of Culture, Recreation and Tourism promulgated an Emergency Rule on October 1, 2023 (Louisiana Register, Volume 49, Number 10). Upon further discussion, the Department of Culture, Recreation and Tourism has determined that it is necessary to amend the provisions of the October 1, 2023 Emergency Rule.

Title 25

CULTURAL RESOURCES

Part V. Office of Tourism

Chapter 7. Major Events Incentive Program

§701. Purpose

A. Act 751 of the 2022 Regular Legislative Session transferred from the Department of Economic Development to the lieutenant governor, through the Department of Culture Recreation and Tourism, (the “department”) the administration of the Major Events Incentive Program (MEIP). The department is authorized by R.S. 51:1260 to provide financial incentives for eligible events to be held in Louisiana.

B. The purpose of the 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 costs associated with attracting and hosting major events that will have a significant positive impact on the state as specifically defined and provided for in R.S. 51:1260 and this Rule.

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 50:

§703. Construction of Rules

A. The department shall administer the MEIP in a manner consistent with the requirements in R.S. 51:1260, and R.S. 51:1260 shall control over any conflicting provision of this Chapter.

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 50:

§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 committee, endorsing municipality, endorsing parish, official tourism commission, convention and visitor bureau 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; or
- 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 Section.

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 50:

§707. Minimum Requirements for Eligibility to Apply

A. The department shall only consider MEIP grant applications that meet minimum eligibility criteria.

1. applicant eligibility:

a. eligibility to apply for an MEIP grant award is limited to event producers and hosts, local organizing committees, endorsing municipalities, endorsing parishes, official tourism commissions, convention and visitors bureaus, and official destination marketing organizations.

2. event eligibility:

a. eligibility to receive MEIP funding is limited to events that meet all of the following criteria:

i. The event is included in the definition of qualified major event; and

ii. A site selection organization, 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; or

(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; and

iii. The event is not held more than one time per year in Louisiana or any other state. The provisions of this Clause 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.

3. expense eligibility:

a. The use of an MEIP grant award is limited to the following purposes:

i. to pay or reimburse the costs of applying or bidding for selection as the site of the event; and

ii. to pay or reimburse the costs of planning for or conducting the event.

B. An applicant shall ensure its application for an MEIP grant includes all necessary information, documentation, and certifications to verify compliance with the minimum eligibility requirements.

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 50:

§709. Application for Major Event Incentive Funding

A. The department shall provide a standard application form for eligible applicants to apply for MEIP funding.

B. The applicant shall include in its application all information, documentation, and certifications relevant to the eligibility requirements, the purposes and objectives of the MEIP, economic impact data and other information that supports a determination that the event will have a significant positive impact in the state, and information that will be included in the grant agreement if a grant is awarded.

C. At a minimum, the applicant shall provide the department with a completed application, signed by an authorized official, which shall include but is not limited to, the following:

1. event information, including but not limited to:

a. event name;

b. date or date range of the event;

c. description of the event and any activities related to or associated with the event;

d. location of the event; and

e. documentation indicating the event meets all minimum eligibility requirements, including but not limited to:

i. written endorsement from the endorsing municipality or endorsing parish signed by a person authorized to bind the municipality or parish; and

ii. signed event support contract or letter, from the site selection organization or the event producer or host that has selected the site in Louisiana, which includes all the information necessary to establish that:

(a). the site was selected after holding a bidding or invitation selection process; or

(b). that the site is a sole site for the event.

2. economic impact information, including but not limited to:

a. identification of the designated area that will be impacted by the occurrence of the event;

b. an economic impact study, report or other data sufficient to reasonably estimate the total incremental increase in sales and use receipts and excise tax receipts in the designated area that will be directly attributable to the event;

c. attendance and spending data for the event and all activities related to or associated with the event, including:

i. projected attendance figures;

ii. a description of the methodology that will be used for determining the total actual attendance;

iii. projected average spending per attendee;

iv. other projected direct spending related to the event; and

v. how the event will have a significant positive impact in the state.

d. a certification from the person(s) who prepared the economic, attendance, and spending studies, reports and data for the application, attesting to the accuracy of the information provided.

3. budget, revenue, and expenditure information, including but not limited to:

a. the most current budget for the attracting and hosting of the event, which shall include:

i. the amount of the requested funding from the MEIP;

ii. line items for all projected expenses, noting those expenses that are eligible expenses under the MEIP and those the applicant proposes funding with the requested MEIP grant;

iii. line items for revenue, noting all revenue sources that are public entities;

iv. in-kind goods and services.

4. public value and positive impact;

a. In compliance Article VII, Section 14 of the Louisiana Constitution, the applicant shall include in its application a detailed proposal describing how the MEIP award for the event will support the statewide development and implementation of cultural, recreation, and/or tourism programs in Louisiana, specifically, the marketing of Louisiana as a tourism destination. This information will be included in the language of the grant agreement.

b. The applicant shall include proposed activities and budget for marketing Louisiana as a tourism destination, and the proposed activities must reflect a minimum value of the lesser of \$750,000 or 10 percent of the grant award.

c. The department explicitly recognizes the following non-exhaustive forms of marketing as acceptable, if provided by the grant recipient upon notification of the grant award and continued throughout the term of the grant agreement:

i. a 30-second commercial spot leading up to and during the event, if broadcast;

ii. an advertisement printed in all associated publicity of the event;

iii. a recognition during broadcast interviews for the event;

iv. a placement for the Louisiana Office of Tourism logo with click-through link to <https://www.ExploreLouisiana.com>, in materials or media promoting the event, such as:

(a). home page of the applicant's website;

(b). home pages of the official event website;

(c). print, tv, or social media ad(s) marketing the event;

(d). email correspondence to target audiences for the event; and

(e). billboards promoting the event;

vi. a set of passes to the event.

5. Information and documentation necessary to draft the grant agreement, including but not limited to:

a. name and title of the official authorized to execute the grant agreement;

b. federal and state tax identification numbers; and

c. documentation the applicant is in good standing with the office of the secretary of state and has authority to enter into contracts with the state.

D. The department is not required to review or act on an application that does not contain all information and documentation contained in this Section.

E. The department may issue guidance to establish, interpret, or clarify requirements for participation in the MEIP, and compliance with any such guidance shall be required. Any such guidance shall be consistent with all applicable statutes and this Chapter.

F. If the department requires additional information from an 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 50:

§711. Application Deadline

A. An application for grant funding through the MEIP must be submitted in accordance with the time frames established by law.

B. The department shall not consider an application to fund expenses already incurred by an applicant or for an event that has already occurred.

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 50:

§713. Award Amount

A. The amount of any MEIP grant awarded by the department shall be based on the projected economic impact of the event in the state, the amount of the funding requested by the applicant, the total number and amount of MEIP funding requests from other applicants then under review, the availability of funding in the Major Events Incentive Fund, the value of the proposed marketing activities and other public benefits, the projected attendance at the event and related activities, the projected incremental increase to the state sales and use receipts and the excise tax receipts in the designated area for the event, and other relevant factors.

B. An applicant shall not receive multiple source funding for the same activity or component, or invoice more than one grant or contract for the same activity or component of a qualifying event contained in the funding application.

C. An applicant may not receive funding for the same qualifying event from both the MEIP and any other program funding administered by the department.

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 50:

§715. Grant Agreement

A. Not later than the 30th day after the date the department notifies the applicant it has been awarded a grant through the MEIP, the department and applicant shall execute an agreement that provides for a financial commitment to the entity and all terms and conditions relevant thereto.

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 50:

§717. Post-event Reporting

A. Within the time provided by written agreement with each MEIP grant recipient, the grantee shall submit an economic impact data and attendance report of all collected and available economic impact data, including but not limited to the incremental increase in sales and use receipts and excise tax receipts if available, and the actual attendance at all event activities with any available geographic data and overnight accommodations data, plus a description of the methodology by which such figures were obtained.

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 50:

§719. Review

A. The department shall determine, based on the reported information and the exercise of reasonable judgment, the incremental increase in sales and use receipts and excise tax receipts directly attributable to the event. If the actual incremental increase in sales and use receipts and excise tax receipts is less than the projected incremental increase in such receipts, final disbursement of grant funding may be denied or reduced, or the department may consider the shortfall in an 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 50:

§721. Recapture

A. Any funds found not to be properly spent in accordance with R.S. 51:1260, this Chapter, the terms of the grant agreement or regulations of the funding source may be subject to recapture and shall be considered in the department's evaluation of any application for funding submitted by the grantee to the department in the future.

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 50:

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