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Proposed Rulemaking

Title

Promulgated by: Tourism Division

Title 15. Natural Resources and Economic Development
Chapter XXVI. Tourism Division, Department of Parks, Heritage, and Tourism
Subchapter A. Generally
Part 370. Festival Advertising Grants Program
Subpart 1. Generally

15 CAR § 370-101. Statement of intent.

It is the intent of this grant program to supplement the advertising of festivals run by small cities or communities that have minimal advertising funds.

15 CAR § 370-102. Festival Advertising Grants Program eligibility.

- (a) Incorporated Arkansas cities with a population of less than ten thousand five hundred (10,500), as established by the most recent federal decennial census, or unincorporated communities (applying through the county) are eligible to apply.
 - (b) Entities awarded grants will become vendors of the state.
- (c) No more than one (1) grant may be awarded to a city/community per fiscal year.
 - (d) To be eligible, the festival must:
 - (1) Be open to the public;
 - (2) Have no charge for admission, either by:
 - (A) Money;
 - (B) Donation; or



- (C) Otherwise; and
- (3) Be a recurring annual event in existence for at least one (1) year prior to applying for the grant.

15 CAR § 370-103. Grant awards.

- (a)(1) One hundred fifty thousand dollars (\$150,000) will be divided equally among the six (6) destination marketing areas (DMAs) as defined by the Tourism Division of the Department of Parks, Heritage, and Tourism.
- (2) If there is a shortage of qualified grant applications in a DMA, the funds can be distributed to other DMAs.
- (b)(1) Grants willmay-be awarded in amounts up to five thousand dollars (\$5,000), with no matching funds required. in increments of fifty dollars (\$50.00), with a minimum of five hundred dollars (\$500) and maximum of two thousand dollars (\$2,000).
- (2) Proof of performance must be submitted within ninety (90) days following the event.
- (c) Grant recipients will be reimbursed for two-thirds (2/3) of the advertising expenses up to, but not to exceed, the grant amount.
- (d) Payment will be made after grant recipient has provided_ all required documentation to the division.
- -(c)(1) Grants ranging from a minimum of five thousand one dollars (\$5,001) to a maximum of ten thousand dollars (\$10,000):
 - (A) mustMust use matching funds; and
 - (B) willWill be disbursed in two installments.
- (2) An initial payment of five thousand dollars (\$5,000) will be provided upfront.
- (3)(A) The remaining balance, up to an additional five thousand dollars (\$5,000), will be reimbursed upon submission of proof of performance demonstrating that at least two-thirds (2/3) of the grant amount above five thousand dollars (\$5,000) was used for eligible advertising expenses.
 - (B) Total reimbursement will not exceed the awarded grant amount.

(d) This section shall apply for grants to be awarded in fiscal year 2026 and following years.

15 CAR § 370-104. Grant periods — Application deadlines.

(a) There will be one (1) grant period per fiscal year. Beginning in fiscal year 2027, the application period will open annually in January of each year.

(b)(1) In the first year, grants will be awarded for advertising purchased between January 1 and June 30, 2016.

(2) Original applications must be received in full by 5:00 p.m. on November 13, 2015.

(3) Grant recipients will be notified on or before December 31, 2015.

(c)(1) In subsequent years, original applications must be received in full by 5:00 p.m. on March 1.

(b)(2) Grant recipients will be notified on or before May 1, with funding to be available July 1 for advertising purchased between July 1 and June 30 of the following year.

15 CAR § 370-105. Application review and requirements.

- (a)(1) Applications will be reviewed by a committee appointed by the Secretary

 <u>Director of the Tourism Division</u> of the Department of Parks, Heritage, and Tourism to include, but not be limited to:
- (A) <u>employees of the</u> Tourism Division of the Department of Parks, Heritage, and Tourism <u>employees.</u>; and
- (B) A representative of the Arkansas Festivals and Events Association board of directors.
- (2) The committee will present recommendations to the <u>secretary director</u> for final decision.
 - (b)(1) Applications should be typewritten digitally submitted.
 - (2) All applications must be accompanied by:
 - (A) The festival's operational budget;



- (B) An itemized advertising plan;
- (C) A statement of the minutes or administrative order from the governing city or county board approving the grant request; and
- (D) A statement affirming the amount of funds held by or committed for the purchase of said advertising.

15 CAR § 370-106. Use of funds — Required statements for advertisements.

- (a) Funds must be used to buy advertising:
 - (1) Magazine;
 - (2) Newspaper;
 - (3) Radio;
 - (4) Television;
 - (5) Online;
 - (6) Posters;
 - (7) Flyers; or
 - (8) Billboards.
- (b) Purchase of supplies, clothing, or other items that could be used for resale will not be approved for funding.
- (c)(1) All advertising purchased with grant money, excluding billboards, must include the following statement: "This ad paid for in part by AR Dept. of Parks, Heritage & Tourism. For more information on festivals in Arkansas, visit Arkansas.com."
- (2) In print advertising, the statement must be no smaller than eight (8) points.
- (3) In audio advertising, the statement must not be under five (5) seconds in duration.
- (d) Billboard ads must include the following statement large enough to be legible from the highway:

"Visit Arkansas.com for more events in The Natural State!"

15 CAR § 370-107. Grant fund disbursement.

- (a)(1) To disperse payment of grant, the Tourism Division of the Department of Parks, Heritage, and Tourism must <u>digitally</u> receive all required documentation no later than thirty (30) calendar days after the conclusion of the festival.
- (2) For advertising that runs or is purchased on or after May 15, the <u>digital</u> documentation must be received before June 28 to be processed and paid by end of fiscal year.
 - (b) Failure to meet required deadlines will result in forfeiting grant funding.
- (c) To request payment of grant, the grant recipient must provide each of the following to the division:
 - (1) Request for payment form, completed and signed by grant recipient;
- (2) <u>Digital copy of i</u>Invoice made out to the grant recipient (city/county) from the service provider;
- (3) <u>Digital copy of pProof</u> of payment from grant recipient (city/county) to the service provider; and
 - (4) Proof of performance.
 - (d) The following will serve as proof of performance:
 - (1) Newspapers/magazines.
- (A) <u>Digital copy of o</u>Original tear sheets of the page where the ad was placed.
 - (B) The sheet should have the publication name and issue date on it.
- (C) If the publication name and issue date are not on the tear sheet, the entire issue must be provided;
 - (2) Radio/television.
- (A) <u>Digital copies of the p</u>Performance affidavits signed by the station manager and signed and stamped by a notary.
 - (B) A digital copy of the ad as it ran on the station;
- (3) **Billboard.** A photo <u>Digital copy</u> of <u>both</u> the ad on the billboard at the location plus the invoice verifying the location and dates of display;
 - (4) Poster/flyer. An Digital copy original of the poster/flyer; and

(5) Online ads.

- (A) A <u>digital</u> screenshot of the ad as it appears on the site to include the URL.
- (B) <u>Digital copies of the aAnalytics</u> for the length of the ad run, as provided by the service provider, to include, but not be limited to:
 - (i) Exit links to festival site; and
 - (ii) Page views.
- (e) If an advertising agency is used, <u>a digital copy of</u> the agency invoice made out to the grant recipient (city/county) must also be provided.