

ARKANSAS REGISTER

Proposed Rule Cover Sheet



Secretary of State

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Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

Stricken language would be deleted from and underlined language would be added to the Code of Arkansas Rules.

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

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(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 ~~will may-~~ 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).~~

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(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.~~

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~~(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) ~~must~~ Must use matching funds; and

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(B) ~~will~~ Will be disbursed in two installments.

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(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.

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

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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.

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

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~~(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.~~

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(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.

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

(a)(1) Applications will be reviewed by a committee appointed by the ~~Secretary~~
Director of the Tourism Division of the Department of Parks, Heritage, and Tourism to include, but not be limited to:

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~~(A) employees of the~~ Tourism Division of the Department of Parks, Heritage, and Tourism ~~employees,~~ and

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~~(B) A representative of the Arkansas Festivals and Events Association board of directors.~~

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(2) The committee will present recommendations to the ~~secretary~~ director for final decision.

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(b)(1) Applications should be ~~typewritten~~ digitally submitted.

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(2) All applications must be accompanied by:

(A) The festival's operational budget;

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(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!"

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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 digitally 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 digital 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) Digital copy of invoice made out to the grant recipient (city/county) from the service provider;

(3) Digital copy of proof 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) Digital copy of 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) Digital copies of the 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-Digital copy of both 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

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(5) **Online ads.**

(A) A digital screenshot of the ad as it appears on the site to include the URL.

(B) Digital copies of the aAnalytics 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, a digital copy of the agency invoice made out to the grant recipient (city/county) must also be provided.

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To: Secretary of State, Arkansas Register
From: General Counsel, ADPHT

Festival Grants Rules Statement:

These rules needed to be amended to reflect the updated digital procedures for applying for and receiving these grant funds, and other updates detailed below.

Festival Grants Rules Summary:

This update includes an adjustment to the allocation of matching grant funds, allowing for increased eligibility for applicants, and clarifies the program deadlines. The Division is moving to an online application and management process for these grants. The amendments to the Rule reflect the new digital method used for all aspects of the application process and other required digital submissions for grant distribution.

**QUESTIONNAIRE FOR FILING PROPOSED RULES WITH
THE ARKANSAS LEGISLATIVE COUNCIL**

DEPARTMENT _____
BOARD/COMMISSION _____
BOARD/COMMISSION DIRECTOR _____
CONTACT PERSON _____
ADDRESS _____
PHONE NO. _____ EMAIL _____
NAME OF PRESENTER(S) AT SUBCOMMITTEE MEETING _____
PRESENTER EMAIL(S) _____

INSTRUCTIONS

In order to file a proposed rule for legislative review and approval, please submit this Legislative Questionnaire and Financial Impact Statement, and attach (1) a summary of the rule, describing what the rule does, the rule changes being proposed, and the reason for those changes; (2) both a markup and clean copy of the rule; and (3) all documents required by the Questionnaire.

If the rule is being filed for permanent promulgation, please email these items to the attention of Rebecca Miller-Rice, miller-ricer@blr.arkansas.gov, for submission to the Administrative Rules Subcommittee.

If the rule is being filed for emergency promulgation, please email these items to the attention of Director Marty Garrity, garritym@blr.arkansas.gov, for submission to the Executive Subcommittee.

Please answer each question completely using layman terms.

1. What is the official title of this rule?

2. What is the subject of the proposed rule? _____
3. Is this rule being filed under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, please attach the statement required by Ark. Code Ann. § 25-15-204(c)(1).

If yes, will this emergency rule be promulgated under the permanent provisions of the Arkansas Administrative Procedure Act? Yes No

4. Is this rule being filed for permanent promulgation? Yes No

If yes, was this rule previously reviewed and approved under the emergency provisions of the Arkansas Administrative Procedure Act? Yes No

If yes, what was the effective date of the emergency rule? _____

On what date does the emergency rule expire? _____

5. Is this rule required to comply with a *federal* statute, rule, or regulation? Yes No

If yes, please provide the federal statute, rule, and/or regulation citation.

6. Is this rule required to comply with a *state* statute or rule? Yes No

If yes, please provide the state statute and/or rule citation.

7. Are two (2) rules being repealed in accord with Executive Order 23-02? Yes No

If yes, please list the rules being repealed.

If no, please explain.

8. Is this a new rule? Yes No

Does this repeal an existing rule? Yes No

If yes, the proposed repeal should be designated by strikethrough. If it is being replaced with a new rule, please attach both the proposed rule to be repealed and the replacement rule.

Is this an amendment to an existing rule? Yes No

If yes, all changes should be indicated by strikethrough and underline. In addition, please be sure to label the markup copy clearly as the markup.

9. What is the state law that grants the agency its rulemaking authority for the proposed rule, outside of the Arkansas Administrative Procedure Act? Please provide the specific Arkansas Code citation(s), including subsection(s).

10. Is the proposed rule the result of any recent legislation by the Arkansas General Assembly?
Yes No

If yes, please provide the year of the act(s) and act number(s).

11. What is the reason for this proposed rule? Why is it necessary?

12. Please provide the web address by which the proposed rule can be accessed by the public as provided in Ark. Code Ann. § 25-19-108(b)(1).

13. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: _____

Time: _____

Place: _____

Please be sure to advise Bureau Staff if this information changes for any reason.

14. On what date does the public comment period expire for the permanent promulgation of the rule? Please provide the specific date. _____

15. What is the proposed effective date for this rule? _____

16. Please attach (1) a copy of the notice required under Ark. Code Ann. § 25-15-204(a)(1) and (2) proof of the publication of that notice.

17. Please attach proof of filing the rule with the Secretary of State, as required by Ark. Code Ann. § 25-15-204(e)(1)(A).

18. Please give the names of persons, groups, or organizations that you anticipate will comment on these rules. Please also provide their position (for or against), if known.

19. Is the rule expected to be controversial? Yes No

If yes, please explain.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY.

DEPARTMENT _____
BOARD/COMMISSION _____
PERSON COMPLETING THIS STATEMENT _____
TELEPHONE NO. _____ **EMAIL** _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the Financial Impact Statement and email it with the questionnaire, summary, markup and clean copy of the rule, and other documents. Please attach additional pages, if necessary.

TITLE OF THIS RULE _____

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes No

2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?
Yes No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If no, please explain:

(a) how the additional benefits of the more costly rule justify its additional cost;

(b) the reason for adoption of the more costly rule;

(c) whether the reason for adoption of the more costly rule is based on the interests of public health, safety, or welfare, and if so, how; and

(d) whether the reason for adoption of the more costly rule is within the scope of the agency's statutory authority, and if so, how.

4. If the purpose of this rule is to implement a *federal* rule or regulation, please state the following:
(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
 Federal Funds _____
 Cash Funds _____
 Special Revenue _____
 Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, private entity, or private business subject to the proposed, amended, or repealed rule? Please identify those subject to the rule, and explain how they are affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

6. What is the total estimated cost by fiscal year to a state, county, or municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ _____

Next Fiscal Year

\$ _____

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If yes, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.