

# **Tourism and Opportunity Fund Bill Senate File 2419**

Last Action:  
Senate Appropriations  
Committee  
March 26, 2024

**An Act relating to economic development by establishing the Iowa Major Events and Tourism Program and Fund, modifying the Sports Tourism and Marketing Infrastructure Program, and making appropriations.**

**Fiscal Services Division  
Legislative Services Agency**

## **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available online at [www.legis.iowa.gov/publications/information/appropriationBillAnalysis](http://www.legis.iowa.gov/publications/information/appropriationBillAnalysis)

LSA Staff Contacts: Evan Johnson (515.281.6301) Maria Wagenhofer (515.281.5270)

**FUNDING SUMMARY**

---

Appropriates \$15.0 million from the Sports Wagering Receipts Fund to the Iowa Major Events and Tourism Fund. Page 4, Line 29

**NEW PROGRAMS, SERVICES, OR ACTIVITIES**

---

Establishes the Iowa Major Events and Tourism Program under the control of the Iowa Economic Development Authority (IEDA). Page 1, Line 19

Specifies eligible uses of awards made under the Program. Page 1, Line 28

Establishes eligibility criteria for the Program. Page 2, Line 11

Specifies areas that the IEDA must consider when evaluating an application for the Program. Page 2, Line 34

Requires an applicant to demonstrate the ability to provide matching funds for the event that equal at least 50.0% of the award amount. Page 3, Line 24

Establishes the Iowa Major Events and Tourism Fund under the control of the IEDA. Page 3, Line 28

**MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS**

---

Transfers any funds remaining in the Sports Tourism Marketing Program Fund to the Iowa Major Events Tourism Fund. Page 7, Line 24

**FUNDING FOR PROJECTS AND PROGRAMS**

---

Appropriates moneys in the Fund to the IEDA for the purposes of the Iowa Major Events and Tourism Program. Allows the IEDA to use up to 5.0% of the moneys in the Fund for administrative costs. Page 4, Line 17

**STUDIES AND INTENT**

---

*Nonreversion*

Allows any unexpended moneys in the Fund at the end of a fiscal year to remain available for expenditure for a total of three fiscal years. Interest or earnings on moneys in the Fund are credited to the Fund. Page 4, Line 2

**SIGNIFICANT CODE CHANGES**

---

Repeals the Sports Tourism Marketing Program Fund.

Page 7, Line 23

Senate File 2419 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	3	1	New	15G.101
1	19	2	New	15G.102
2	3	3	New	15G.103
3	28	4	New	15G.104
5	6	6	Amend	15F.401.1.a
5	15	7	Add	15F.401.1.b.(03)
5	19	8	Strike	15F.401.2.a.(1)
5	22	9	Amend	15F.401.2.a.(2)
6	4	10	Amend	15F.401.4.b
6	12	11	Amend	15F.401.5
6	27	12	Strike and Replace	15F.401.6
6	33	13	Amend	15F.402.1,2
7	16	14	Amend	15F.404.2.a
7	23	15	Repeal	15F.403

<p>1 1</p> <p>1 2</p> <p>1 3</p> <p>1 4</p> <p>1 5</p> <p>1 6</p> <p>1 7</p> <p>1 8</p> <p>1 9</p> <p>1 10</p> <p>1 11</p> <p>1 12</p> <p>1 13</p> <p>1 14</p> <p>1 15</p> <p>1 16</p> <p>1 17</p> <p>1 18</p> <p>1 19</p> <p>1 20</p> <p>1 21</p> <p>1 22</p> <p>1 23</p> <p>1 24</p> <p>1 25</p> <p>1 26</p> <p>1 27</p> <p>1 28</p> <p>1 29</p> <p>1 30</p> <p>1 31</p> <p>1 32</p> <p>1 33</p> <p>1 34</p> <p>1 35</p> <p>2 1</p> <p>2 2</p>	<p style="text-align: center;">DIVISION I</p> <p>IOWA MAJOR EVENTS AND TOURISM PROGRAM AND FUND</p> <p>Section 1. NEW SECTION 15G.101 DEFINITIONS.</p> <p>As used in this subchapter, unless the context otherwise requires:</p> <p>1. "Board" means the same as defined in section 15.102.</p> <p>2. "Entity" means an Iowa nonprofit organization established to promote economic development and tourism in an area.</p> <p>3. "Event" means a tourism-oriented athletic contest, convention, music festival, or art festival.</p> <p>4. "Financial assistance" means assistance provided only from the funds, rights, and assets legally available to the authority and includes but is not limited to assistance in the form of grants.</p> <p>5. "Fund" means the Iowa major events and tourism fund established in section 15G.104.</p> <p>6. "Program" means the Iowa major events and tourism program established in section 15G.102.</p> <p>Sec. 2. NEW SECTION 15G.102 IOWA MAJOR EVENTS AND TOURISM PROGRAM — PURPOSE.</p> <p>1. The authority shall establish and administer the Iowa major events and tourism program to provide financial assistance to eligible entities that support events in this state, or support events involving a geographic region that includes this state, and the event generates large attendance, significant publicity, and has a measurable economic impact on this state.</p> <p>2. The program shall be administered for the purpose of awarding financial assistance to an eligible entity for any of the following purposes:</p> <p>a. To pay for or reimburse the costs incurred by the entity to apply or bid for selection as the site for the event.</p> <p>b. To pay for or reimburse the costs incurred by the entity to plan or to conduct the event, including any fees charged by a site selection organization as a prerequisite to hosting the event, including but not limited to hosting fees, sanctioning fees, participation fees, operational fees, or bid fees.</p>	<p>Establishes definitions related to the Iowa Major Events and Tourism Program.</p> <p>Establishes the Iowa Major Events and Tourism Program under the control of the Iowa Economic Development Authority (IEDA) to provide financial assistance to eligible entities that support events involving the State of Iowa that generate large attendance, significant publicity, and have a measurable economic impact to the State.</p> <p>Allows the Program to award financial assistance to cover the costs incurred by an entity for any of the following purposes:</p> <ul style="list-style-type: none"> <li>• To apply or bid for selection as a site for an event.</li> <li>• To plan or conduct the event, including fees charged by a site selection organization.</li> </ul>
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

2 3 Sec. 3. NEW SECTION 15G.103 PROGRAM — APPLICATION,  
2 4 REVIEW, ELIGIBILITY, AND FUNDING.

2 5 1. An application for financial assistance under the  
2 6 program shall be submitted to the authority. For each  
2 7 application that meets the eligibility criteria under  
2 8 subsection 2, the authority shall conduct a staff evaluation  
2 9 of the application and forward the application and staff  
2 10 evaluation to the board.

2 11 2. a. The authority shall establish eligibility criteria  
2 12 for the program by rule. The eligibility criteria must include  
2 13 all of the following:

2 14 (1) The entity must currently be involved in the bidding and  
2 15 selection process for the event for which the entity submits  
2 16 an application.

2 17 (2) The entity's application under subsection 1 must  
2 18 include an economic analysis of the event that includes but is  
2 19 not limited to all of the following:

2 20 (a) Projected hotel and motel room occupancies during the  
2 21 event.

2 22 (b) Projected number of event attendees from this state,  
2 23 other states, and other countries.

2 24 b. Notwithstanding paragraph "a", an entity shall be deemed  
2 25 eligible for the program if any of the following apply:

2 26 (1) After a highly competitive bidding and selection  
2 27 process involving potential sites not located in this state, a  
2 28 location in Iowa has been selected for the entity's event.

2 29 (2) This state serves as the sole site for the entity's  
2 30 event.

2 31 (3) The sole site for the entity's event is a geographical  
2 32 region that includes this state and one or more contiguous  
2 33 states.

2 34 3. When evaluating an application, the authority shall  
2 35 consider, at a minimum, all of the following:

3 1 a. The potential impact of the event on the local, regional,  
3 2 and state economies.

3 3 b. The event's potential to attract visitors from this  
3 4 state, other states, and other countries.

3 5 c. The amount of positive advertising or media coverage the  
3 6 event may generate.

3 7 d. The quality, size, and scope of the event.

Requires the IEDA to conduct a staff evaluation of each application that meets Program criteria and forward the application and evaluation to the IEDA Board.

To be eligible for the Program, an entity must meet at least one of following criteria:

- The entity is involved in the bidding and selection process for an event and has submitted an economic analysis of the event that includes the projected hotel and motel room occupancies and the projected number of attendees from Iowa, other states, and other countries.
- A location in Iowa has been selected for an entity's event after a highly competitive bidding and selection process involving sites not located in Iowa.
- The State of Iowa serves as the sole site for the entity's event.
- The sole site for the entity's event is a geographic region that includes the State of Iowa and one or more contiguous state.

Requires the IEDA to consider the following when evaluating an application:

- The event's potential impact on local, regional, and State economies.
- The event's potential to attract visitors from Iowa, other states, and other countries.
- The amount of positive advertising or media coverage the event may generate.

3 8 e. The ratio of public-to-private investment required for  
3 9 the event.

- The quality, size, and scope of the event.
- The ratio of public-to-private investment required for the event.

3 10 4. a. (1) Upon review of the staff evaluation, the board  
3 11 shall make the final funding decision on each application  
3 12 and may approve, deny, defer, or modify each application, in  
3 13 the board's discretion, to fund as many events as possible  
3 14 with the moneys available. The board and the authority may  
3 15 negotiate with an eligible applicant regarding the details of  
3 16 the applicant's proposed event and the amount and terms of  
3 17 any financial assistance. In making final funding decisions  
3 18 pursuant to this subsection, the board and the authority shall  
3 19 be exempt from chapter 17A.

Allows the IEDA Board to make final funding decisions to fund as many events as possible with available moneys. The IEDA Board may negotiate with an applicant regarding the details of the proposed event as well as the amount and terms of financial assistance. In making final funding decisions, the IEDA Board is exempt from administrative rules under Iowa Code chapter [17A](#).

3 20 (2) An application and staff evaluation forwarded to  
3 21 the board under subsection 1 shall remain eligible for  
3 22 consideration by the board under subparagraph (1) for up to two  
3 23 years from the date of receipt of the application by the board.

Specifies that an application and evaluation forwarded to the IEDA Board remains eligible for up to two years after receipt of the application.

3 24 b. In order to be awarded financial assistance under the  
3 25 program, an applicant must demonstrate the ability to provide  
3 26 matching funds for the event that equal at least fifty percent  
3 27 of the award of financial assistance.

Requires an applicant to demonstrate the ability to provide matching funds for the event that equal at least 50.00% of the award amount.

3 28 Sec. 4. NEW SECTION 15G.104 IOWA MAJOR EVENTS AND TOURISM  
3 29 FUND.

3 30 1. a. The authority shall establish an Iowa major events  
3 31 and tourism fund pursuant to section 15.106A, subsection 1,  
3 32 paragraph "o", for purposes of providing financial assistance  
3 33 as described in this subchapter. The fund may be administered  
3 34 as a revolving fund and shall consist of any moneys transferred  
3 35 to the fund and any moneys appropriated by the general assembly  
4 1 for purposes of this subchapter.

Establishes the Iowa Major Events and Tourism Fund under the control of the IEDA to provide financial assistance for the Program. Allows the Fund to be administered as a revolving fund. Specifies that the Fund consists of any moneys transferred or appropriated to the Fund.

4 2 b. (1) Notwithstanding section 8.33, moneys appropriated  
4 3 in this section that remain unencumbered or obligated at the  
4 4 close of the fiscal year shall not revert but shall remain  
4 5 available for expenditure for the purposes designated until the  
4 6 close of the fiscal year following the succeeding fiscal year.

Allows any unexpended moneys in the Fund at the end of a fiscal year to remain available for expenditure for a total of three fiscal years.

4 7 (2) Moneys encumbered or obligated pursuant to financial

Specifies that encumbered or obligated moneys in the Fund will be

4 8 assistance awarded under section 15G.103, subsection 4, shall  
4 9 be disbursed by the authority within five calendar years from  
4 10 the date of encumbrance or obligation, or the moneys shall  
4 11 revert to the state treasury and shall be credited to the funds  
4 12 from which the appropriations were made as provided in section  
4 13 8.33.

disbursed by the IEDA within five calendar years of obligation or the moneys will revert to the fund from which the appropriations were made.

4 14 c. Notwithstanding section 12C.7, subsection 2, interest or  
4 15 earnings on moneys deposited in the fund shall be credited to  
4 16 the fund.

Specifies that interest or earnings on moneys in the Fund are credited to the Fund.

4 17 2. a. Moneys in the fund are appropriated to the authority  
4 18 for purposes of providing financial assistance under the  
4 19 program. The authority may not use more than five percent of  
4 20 the moneys in the fund at the beginning of each fiscal year for  
4 21 purposes of administrative costs, technical assistance, and  
4 22 other program support.

Appropriates moneys in the Fund to the IEDA for the purposes of the Iowa Major Events and Tourism Program. Allows the IEDA to use up to 5.00% of the moneys in the Fund for administrative costs.

4 23 b. An entity that is awarded financial assistance pursuant  
4 24 to this subchapter is not eligible to receive financial  
4 25 assistance under the sports tourism infrastructure program  
4 26 pursuant to chapter 15F, subchapter IV.

Specifies that an entity that is awarded financial assistance under the Program is not eligible to receive financial assistance under the [Sports Tourism Infrastructure Program](#).

4 27 DIVISION II  
4 28 APPROPRIATIONS FROM SPORTS WAGERING RECEIPTS FUND

4 29 Sec. 5. APPROPRIATIONS — SPORTS WAGERING RECEIPTS  
4 30 FUND. There is appropriated from the sports wagering receipts  
4 31 fund created in section 8.57 to the authority for the fiscal  
4 32 year beginning July 1, 2024, and ending June 30, 2025, the  
4 33 following amount, or so much thereof as is necessary, to be  
4 34 used for the purposes designated:

Sports Wagering Receipts Fund appropriation to the Iowa Major Events and Tourism Fund.

4 35 For deposit into the Iowa major events and tourism fund  
5 1 established in section 15G.104, as enacted in division I of  
5 2 this Act:  
5 3 ..... \$ 15,000,000

DETAIL: As of March 29, 2024, there was \$24,203,258 in the Sports Wagering Receipts Fund. This accounts for the FY 2024 appropriation of \$1,750,000 from the Fund.

5 4 DIVISION III  
5 5 SPORTS TOURISM MARKETING PROGRAM AND FUND — REPEAL

5 6 Sec. 6. Section 15F.401, subsection 1, paragraph a, Code  
5 7 2024, is amended to read as follows:

Adopts conforming changes related to the repeal of the Sports Tourism Marketing Program Fund.



5 8 a. The authority shall establish, and, at the direction  
5 9 of the board, shall administer a sports tourism ~~marketing and~~  
5 10 infrastructure program to provide financial assistance for  
5 11 ~~projects that promote sporting events or for infrastructure~~  
5 12 projects supporting sporting events for organizations of  
5 13 accredited colleges and universities, professional sporting  
5 14 events, and other sporting events in the state.

5 15 Sec. 7. Section 15F.401, subsection 1, paragraph b, Code  
5 16 2024, is amended by adding the following new subparagraph:  
5 17 NEW SUBPARAGRAPH (03) "Fund" means the sports tourism  
5 18 infrastructure program fund established in section 15F.404.

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

5 19 Sec. 8. Section 15F.401, subsection 2, paragraph a,  
5 20 subparagraph (1), Code 2024, is amended by striking the  
5 21 subparagraph.

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

5 22 Sec. 9. Section 15F.401, subsection 2, paragraph a,  
5 23 subparagraph (2), Code 2024, is amended to read as follows:  
5 24 ~~(2)~~ A city or county in the state or a public entity that  
5 25 is a convention and visitors bureau or a district may apply to  
5 26 the authority for financial assistance from the ~~sports tourism~~  
5 27 ~~infrastructure program fund created in section 15F.404~~ fund for  
5 28 an infrastructure project that actively and directly supports  
5 29 sporting events for accredited colleges and universities,  
5 30 professional sporting events, and other sporting events in the  
5 31 area served by the city, county, or public entity. However,  
5 32 financial assistance shall not be provided to an applicant  
5 33 from the ~~sports tourism infrastructure program fund created in~~  
5 34 ~~section 15F.404~~ fund for infrastructure projects located in a  
5 35 reinvestment district as defined and approved by the authority  
6 1 pursuant to section 15J.4 or to applicants that have received a  
6 2 rebate of sales tax imposed and collected by retailers pursuant  
6 3 to section 423.4, subsection 5.

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

6 4 Sec. 10. Section 15F.401, subsection 4, paragraph b, Code  
6 5 2024, is amended to read as follows:

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

6 6 b. An applicant under the program shall not receive  
6 7 financial assistance from the ~~sports tourism marketing~~  
6 8 ~~program fund created in section 15F.403 or the sports tourism~~  
6 9 ~~infrastructure program fund created in section 15F.404~~ fund  
6 10 in an amount exceeding fifty percent of the total cost of the

6 11 project.

6 12 Sec. 11. Section 15F.401, subsection 5, Code 2024, is  
6 13 amended to read as follows:

6 14 5. The board shall make final funding decisions on  
6 15 each application and may approve, deny, defer, or modify  
6 16 applications for financial assistance under the sports tourism  
6 17 ~~marketing and~~ infrastructure program, in its discretion, in  
6 18 order to fund as many projects with the moneys available as  
6 19 possible. The board and the authority may negotiate with  
6 20 applicants regarding the details of projects and the amount and  
6 21 terms of any award. ~~The total amount of financial assistance~~  
6 22 ~~provided to an applicant from the sports tourism marketing~~  
6 23 ~~program fund created in section 15F.403 in any one fiscal year~~  
6 24 ~~shall not exceed five hundred thousand dollars.~~ In making  
6 25 final funding decisions pursuant to this subsection, the board  
6 26 and the authority are exempt from chapter 17A.

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

6 27 Sec. 12. Section 15F.401, subsection 6, Code 2024, is  
6 28 amended by striking the subsection and inserting in lieu  
6 29 thereof the following:

6 30 6. A city, county, or public entity shall not use financial  
6 31 assistance received under the program from the fund as  
6 32 reimbursement for completed projects.

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

6 33 Sec. 13. Section 15F.402, subsections 1 and 2, Code 2024,  
6 34 are amended to read as follows:

6 35 1. Applications for assistance under the sports tourism  
7 1 ~~marketing and~~ infrastructure program established in section  
7 2 15F.401 shall be submitted to the authority. For those  
7 3 applications that meet the eligibility criteria, the authority  
7 4 shall forward the applications to the board and provide a staff  
7 5 review analysis and evaluation to the sports tourism program  
7 6 review committee referred to in subsection 2 and to the board.

7 7 2. A review committee composed of five members of the  
7 8 board shall review sports tourism ~~marketing and~~ infrastructure  
7 9 program applications forwarded to the board and make  
7 10 recommendations regarding the applications to the authority.  
7 11 The review committee shall consist of members of the board,  
7 12 with one member from each congressional district under section  
7 13 15F.102, subsection 2, paragraph "a", and one member from the  
7 14 state at large under section 15F.102, subsection 2, paragraph

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

7 15 “b”.

7 16 Sec. 14. Section 15F.404, subsection 2, paragraph a, Code  
7 17 2024, is amended to read as follows:

7 18 a. Moneys in the fund are appropriated to the authority for  
7 19 purposes of providing financial assistance to cities, counties,  
7 20 and eligible public entities under the sports tourism ~~marketing~~  
7 21 ~~and~~ infrastructure program established and administered  
7 22 pursuant to this subchapter.

7 23 Sec. 15. REPEAL. Section 15F.403, Code 2024, is repealed.

7 24 Sec. 16. TRANSFER OF MONEYS. On the effective date of  
7 25 this division of this Act, any moneys remaining in the sports  
7 26 tourism marketing program fund in section 15F.403, Code 2024,  
7 27 shall be transferred to the Iowa major events tourism fund  
7 28 established in section 15G.104, as enacted in division I of  
7 29 this Act.

Adopts conforming changes related to the repeal of the Sports  
Tourism Marketing Program Fund.

Repeals the Sports Tourism Marketing Program Fund.

Transfers any funds remaining in the Sports Tourism Marketing  
Program Fund to the Iowa Major Events Tourism Fund.

DETAIL: As of March 29, 2024, there was \$2,965,184 remaining in the Sports Tourism Marketing Program Fund. The Sports Tourism Program was established in the 2016 Legislative Session to fund projects that promote sporting events. The Program first received funding from the Sports Wagering Receipts Fund in FY 2022. The name of the Sports Tourism Program was changed to the Sports Tourism Marketing and Infrastructure Program during the 2022 Legislative Session and infrastructure projects were allowed to receive funding under the Program. During the 2022 Legislative Session, the name of Sports Tourism Program Fund was changed to the Sports Tourism Marketing Fund and the Sports Tourism Infrastructure Program Fund was established.

# Transportation, Infrastructure, and Capitals

## Other Funds

	<u>Senate Approp</u> <u>FY 2025</u> <u>(1)</u>
<b><u>Economic Development Authority</u></b>	
Economic Development Authority	
Major Events and Tourism - SWRF	\$ 15,000,000
<b>Total Economic Development Authority</b>	<u>\$ 15,000,000</u>
<b>Total Transportation, Infrastructure, and Capitals</b>	<u><u>\$ 15,000,000</u></u>