Regulatory Analysis

Notice of Intended Action to be published: 261—Chapter 201
"Iowa Major Events and Tourism Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 15.106A and 15G.103

State or federal law(s) implemented by the rulemaking: Iowa Code sections 15G.101 through 15G.104 as enacted by 2025 Iowa Acts, Senate File 660

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

November 4, 2025	1963 Bell Avenue
2:15 to 2:30 p.m.	Des Moines, Iowa

Public Comment

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Iowa Economic Development Authority (Authority) no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Lisa Connell
Iowa Economic Development
Authority
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Email: lisa.connell@iowaeda.com

Purpose and Summary

Pursuant to Iowa Code sections 15G.101 through 15G.104 as enacted by 2025 Iowa Acts, Senate File 660, the Authority proposes to adopt Chapter 201. The chapter describes the policies and procedures applicable to the Iowa Major Events and Tourism Program. The program provides grants for expenditures associated with event bidding and selection. The chapter will set forth eligibility requirements, application procedures, and review processes for the program.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

Entities interested in applying for or receiving a grant through the program will bear the costs of the proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Entities interested in applying for or receiving a grant through the program will benefit from the proposed rulemaking.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

Entities interested in applying for a grant may require staff time to complete an application. Recipients may similarly incur costs to comply with reporting and monitoring requirements of the program. Some applicants may choose to rely on an external service provider to complete these tasks,

such as a grant writer. The amount of the costs will vary depending on the compensation of staff or service providers involved.

- **Qualitative description of impact:**

The program provides grants for expenditures associated with event bidding and selection and will support events that generate large attendance, significant publicity, and have a measurable economic impact on this State.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

Authority staff time is required to review and approve applications, draft and execute program contracts, disburse funds, and communicate with program applicants and recipients.

- **Anticipated effect on State revenues:**

The proposed chapter has no anticipated impact on State revenues. 2025 Iowa Acts, Senate File 660, appropriates $4 million for the program.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Only the entities that will potentially benefit from the program will bear the costs of the proposed rulemaking. The costs to the State to administer the program are proportional to the activities supported by the program.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

The Authority has not identified any less costly methods or less intrusive methods for administering the program.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

The Authority did not consider any other methods.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The Authority did not consider any other methods.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

The proposed rulemaking does not have a substantial impact on small business. The rulemaking is no more than necessary to administer the statutory requirements of the program.

Text of Proposed Rulemaking

ITEM 1. Adopt the following **new** 261—Chapter 201:

CHAPTER 201
IOWA MAJOR EVENTS AND TOURISM PROGRAM

261—201.1(15G) Definitions.

"Applicant" means an eligible entity that is applying for financial assistance through the program.

"Authority" means the Iowa economic development authority created in Iowa Code section 15.105.

"Board" means the Iowa economic development authority board.

"Entity" means the same as defined in Iowa Code section 15G.101 as enacted by 2025 Iowa Acts, Senate File 660.

"Event" means the same as defined in Iowa Code section 15G.101 as enacted by 2025 Iowa Acts, Senate File 660.

"Financial assistance" means the same as defined in Iowa Code section 15G.101 as enacted by 2025 Iowa Acts, Senate File 660.

"Matching funds" means a cash contribution made by an entity applying for financial assistance. "Matching funds" does not include any in-kind noncash contributions.

"Program" means the Iowa major events and tourism program administered pursuant to this chapter and Iowa Code sections 15G.101 through 15G.104 as enacted by 2025 Iowa Acts, Senate File 660.

"Recipient" means an entity that has been awarded financial assistance.

261—201.2(15G) Eligibility.

201.2(1) In addition to the eligibility criteria in Iowa Code section 15G.103(2) as enacted by 2025 Iowa Acts, Senate File 660, an event must meet the following criteria to be eligible for financial assistance under the program:

a. The event must be an event that has not previously been held in Iowa or has a quality or qualities that substantially distinguish the event from other events that have been held or could be held in the state.

b. The event must be a ticketed event.

c. The event will generate 50 percent or more of its attendance from an out-of-state audience.

d. The event is or will be held no more frequently than one time annually.

e. The hosting rights for the event were not secured by the entity applying for financial assistance before July 1, 2025.

201.2(2) To determine whether an event is a tourism-oriented athletic contest, convention, music festival, or art festival for the purposes of the program, the authority will consider the following factors:

a. Whether the event encourages overnight stays.

b. Whether the event contributes to the vitality of the host region's tourism and economic development activity.

c. Whether the marketing plan for the event targets a tourist audience.

d. Whether the event elevates the profile of the state as a destination and encourages other events to seek Iowa communities as a host.

e. Whether the event is specifically designed to attract and sell tickets to attendees 50 or more miles away.

261—201.3(15G) Preapplication. Entities interested in applying for financial assistance shall submit a preapplication to the authority in the form and content prescribed by the authority. The preapplication will be evaluated by staff for eligibility based on the criteria in Iowa Code section 15G.103(2) as enacted by 2025 Iowa Acts, Senate File 660, and rule 261—201.2(15G).

261—201.4(15G) Application.

201.4(1) Entities that are invited to apply for the program based on their preapplication and staff review conducted pursuant to subrule 201.3(1) shall submit an application to the authority in the form and content prescribed by the authority. The application shall contain the following:

a. An economic analysis that meets the requirements in Iowa Code section 15G.103(2)*"a"*(2).

b. A marketing plan for the event that demonstrates to the satisfaction of the authority that the entity has the capacity and expertise to market the event appropriately.

c. Documentation of the entity's nonprofit status and documentation that the entity is established to promote economic development and tourism in an area.

d. The request for proposals or other comparable documents that the entity has responded to or will respond to in order to secure the event.

e. Documentation of the entity's ability to provide matching funds as required by Iowa Code section 15G.103(4)*"b."*

f. Documentation of the expenditures required as part of the entity's bid for the event.

201.4(2) An application must be for a minimum request of $200,000.

201.4(3) An entity shall submit only one application for the program per bid process.

201.4(4) Authority staff will evaluate each application based on the criteria identified in Iowa Code section 15G.103 and the following criteria:

a. Whether the event would be new to Iowa or has been held in Iowa within the previous three years.

b. Whether receipt of financial assistance will be necessary for a successful bid or selection.

201.4(5) Following staff evaluation, eligible applications will be forwarded to the board for its final funding decision.

261—201.5(15G) Eligible expenses.

201.5(1) Expenditures identified in Iowa Code section 15G.102(2) that are required as part of the entity's bid for an event are eligible for financial assistance.

201.5(2) Expenses for expenditures not directly related to the bidding and selection process are ineligible for reimbursement, including but not limited to:

a. Costs of developing or making permanent improvements to facilities, payroll or operating expenses.

b. Costs otherwise eligible but associated with a recipient-owned or recipient-controlled venue or asset.

c. Items that are purchased for resale.

d. Any item not required as part of the entity's bid for an event.

261—201.6(15G) Administration.

201.6(1) *Notification.* The authority will notify successful applicants in writing of their approved application for financial assistance and prepare an agreement that reflects the terms of the financial assistance. The recipient must execute and return the agreement to the authority within 60 days of the transmittal of the final agreement from the authority. Failure to do so may result in the authority terminating the financial assistance.

201.6(2) *Disbursement.* Financial assistance will be disbursed on a reimbursement basis.

201.6(3) *Reporting requirements.*

a. Each recipient shall submit an annual report that includes information about the status of the event and any information required by Iowa Code section 8.57.

b. A recipient shall submit information reasonably required by the authority to make reports to the authority's board, the governor's office, or the general assembly.

201.6(4) *Remedies for noncompliance.* If the authority finds that a recipient is not in compliance with program requirements or the terms and conditions of the agreement, the authority may employ any remedies it deems appropriate, including but not limited to the following:

a. Issue a warning letter stating that continued failure to comply with program requirements within a stated period of time will result in a more serious action.

b. Condition future financial assistance on correcting compliance issues.

c. Require that some or all of the financial assistance be remitted to the authority.

d. Elect not to provide future financial assistance to the recipient until appropriate actions are taken to ensure compliance.

e. Prohibit future awards of financial assistance.

These rules are intended to implement Iowa Code sections 15G.101 through 15G.104 as enacted by 2025 Iowa Acts, Senate File 660.