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2 92nd General Assembly  
3 Regular Session, 2019  
4

# A Bill

HOUSE BILL 1965

5 By: Representatives V. Flowers, Jett, Bragg, Burch, Cavanaugh, Christiansen, D. Ferguson, K. Ferguson,  
6 Glover, M. Hodges, Holcomb, Hollowell, Lynch, Murdock, Nicks, Richey, Rye  
7 By: Senators E. Cheatham, B. Davis, Elliott, S. Flowers, K. Ingram, B. Johnson, D. Wallace  
8

## For An Act To Be Entitled

10 AN ACT TO CREATE THE ARKANSAS DELTA MUSIC TRAIL ACT;  
11 TO PROMOTE TOURISM AND PROVIDE TAX INCENTIVES FOR ART  
12 PROJECTS ALONG DESIGNATED MUSIC HIGHWAYS IN THE  
13 STATE; TO REQUIRE SIGNAGE ALONG DESIGNATED MUSIC  
14 HIGHWAYS IN THE STATE; AND FOR OTHER PURPOSES.  
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## Subtitle

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18 TO CREATE THE ARKANSAS DELTA MUSIC TRAIL  
19 ACT; TO PROMOTE TOURISM AND PROVIDE TAX  
20 INCENTIVES FOR ART PROJECTS ALONG  
21 DESIGNATED MUSIC HIGHWAYS IN THE STATE;  
22 AND TO REQUIRE SIGNAGE ALONG DESIGNATED  
23 MUSIC HIGHWAYS IN THE STATE.  
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26 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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28 SECTION 1. Arkansas Code Title 13 is amended to add an additional  
29 chapter to read as follows:

### CHAPTER 15

#### Arkansas Delta Music Trail Act

#### Subchapter 1 – General Provisions

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35 13-15-101. Title.

36 This chapter shall be known and may be cited as the "Arkansas Delta



1 Music Trail Act".

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3 13-15-102. Definitions.

4 As used in this chapter:

5 (1) "Art project" means a work of visual art, including without  
6 limitation a sculpture, mural, photographic rendering, mosaic, and electronic  
7 art installation, that is:

8 (A) Permanently installed in a space;

9 (B) Visible from public roadways and walkways without the  
10 payment of a required fee; and

11 (C) Installed within two (2) miles of a designated music  
12 highway;

13 (2) "Designated music highway" means each of the following:

14 (A) Rock 'n' Roll Highway 67, as designated in § 27-67-  
15 223;

16 (B) Louis Jordan Memorial Highway, as designated in § 27-  
17 67-227;

18 (C) Levon Helm Memorial Highway, as designated in § 27-67-  
19 227;

20 (D) Sister Rosetta Tharpe Memorial Highway, as designated  
21 in § 27-67-227;

22 (E) Americana Music Highway, as designated in § 27-67-227;

23 (F) Johnny Cash Memorial Highway, as designated in § 27-  
24 67-227; and

25 (G) Delta Rhythm & Bayous Highway, as designated in § 27-  
26 67-226;

27 (3) "Person" means an individual, trust, estate, fiduciary,  
28 partnership, limited liability company, limited liability partnership,  
29 corporation, or any other legal entity; and

30 (4)(A) "Qualified expenses" means the costs and expenses  
31 incurred by a person to create and install an art project.

32 (B) "Qualified expenses" includes without limitation the  
33 cost of supplies necessary to create and install an art project and the cost  
34 of an artist's labor in creating the art project.

35 (C) "Qualified expenses" does not include costs or  
36 expenses related to building a structure that is not used exclusively to

1 support or display an art project.

3 Subchapter 2 – Arkansas Delta Music Commission

5 13-15-201. Creation – Membership.

6 (a) There is created the Arkansas Delta Music Commission within the  
 7 Department of Arkansas Heritage.

8 (b) The commission shall be composed of nine (9) members:

9 (1) The Director of the Department of Arkansas Heritage or his  
 10 or her designee;

11 (2) The Director of the Department of Parks and Tourism or his  
 12 or her designee; and

13 (3)(A)(i) One (1) individual who shall be appointed from each  
 14 region containing a designated music highway.

15 (ii) The region for each designated music highway  
 16 shall be composed of the counties through which the designated music highway  
 17 runs.

18 (B) The Governor shall appoint the members of the  
 19 commission under this subdivision (b)(3).

20 (C)(i) Four (4) of the members appointed under this  
 21 subdivision (b)(3) shall have a background in the arts.

22 (ii) The remaining three (3) members shall have a  
 23 background in the arts, history, or tourism.

24 (c)(1) The term of office of the initial members of the commission  
 25 appointed under subdivision (b)(3) of this section shall be determined by lot  
 26 as follows:

27 (A) The initial term of office of three (3) of the members  
 28 shall be two (2) years; and

29 (B) The initial term of office of four (4) of the members  
 30 shall be three (3) years.

31 (2) All successor members, other than those appointed to fill  
 32 unexpired terms, shall serve two-year terms.

33 (c) All vacancies in positions filled by members appointed under  
 34 subdivision (b)(3) of this section shall be filled by appointment by the  
 35 Governor and shall be for the remainder of the term.

36 (d) Members of the commission shall serve without compensation for

1 their service but may receive expense reimbursement in accordance with § 25-  
2 16-901 et seq.

3 (e) The Department of Arkansas Heritage shall provide meeting space  
4 and staffing for the commission.

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6 13-15-202. Meetings.

7 (a)(1) The Arkansas Delta Music Commission shall meet as often as  
8 necessary to perform its duties under this chapter.

9 (2) The commission shall meet at least quarterly.

10 (b) The Director of the Department of Arkansas Heritage shall call the  
11 first meeting of the commission.

12 (c)(1) At the first meeting of the commission, the commission shall  
13 select a Chair of the Arkansas Delta Music Commission.

14 (2) The chair shall serve as chair for the period of time  
15 determined by the commission.

16 (d) A quorum for each meeting of the commission shall be five (5)  
17 members.

18 (e) A majority vote of the members present is required for the  
19 commission to take action.

20  
21 13-15-203. Powers and duties.

22 (a) The Arkansas Delta Music Commission shall:

23 (1) Develop, implement, and administer a tourism program based  
24 on art projects that focus on highlighting music stories and related dynamics  
25 on the designated music highways;

26 (2) Develop guidelines for the types of art projects that will  
27 be eligible for the tax incentives provided in this chapter and the process  
28 for applying for approval of qualified expenses for art projects under this  
29 chapter;

30 (3) Create a signage program that captures the stories,  
31 biographies, and points of interest in blues, rock and roll, jazz,  
32 rockabilly, soul, hip hop, opera, country, and gospel music throughout the  
33 Arkansas Delta;

34 (4) Maintain information about federal and state grant  
35 opportunities to encourage cities and towns to develop exhibits related to  
36 the musical heritage of the city or town; and

1           (5) Adopt rules necessary to implement the Arkansas Delta Music  
 2 Trail Program created under this chapter, including without limitation rules  
 3 stating:

4                   (A) The procedure to apply for approval of qualified  
 5 expenses; and

6                   (B) The criteria to be used by the commission when  
 7 determining whether to approve qualified expenses and issue a certificate of  
 8 completion for an art project.

9           (b) The commission may accept, receive, and use grants, moneys,  
 10 equipment, material, services, and real and personal property donated,  
 11 bequeathed, or devised for any purpose relating to the activities of the  
 12 commission and not expressly designated for any other agency.

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 14           13-15-204. Biennial report.

15           (a) The Arkansas Delta Music Commission shall submit a report by  
 16 December 31 of each even-numbered year to the:

17                   (1) Governor;

18                   (2) Chair of the Senate Committee on Revenue and Taxation;

19                   (3) Chair of the House Committee on Revenue and Taxation;

20                   (4) Chair of the Senate Committee on Agriculture, Forestry, and  
 21 Economic Development; and

22                   (5) Chair of the House Committee on Agriculture, Forestry, and  
 23 Economic Development.

24           (b) The report required under subsection (a) of this section shall  
 25 include:

26                   (1) The commission's goals for increasing the number of art  
 27 projects and signage over the next biennium;

28                   (2) The economic development opportunities the commission will  
 29 focus on over the next biennium;

30                   (3) The qualified expenses approved under this chapter during  
 31 the biennium for which the report is being made, including without  
 32 limitation:

33                   (A) The name of the person who applied for approval of  
 34 qualified expenses for an art project;

35                   (B) A description of the art project for which the  
 36 qualified expenses were approved; and

1                   (C) The location of the art project for which the  
 2 qualified expenses were approved; and

3                   (4) The benefits realized in terms of economic development as a  
 4 result of the commission's actions and the tax incentives provided under this  
 5 chapter.

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 7                   Subchapter 3 – Arkansas Delta Music Trail Program

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 9                   13-15-301. Creation.

10                  (a) The Arkansas Delta Music Commission shall establish and administer  
 11 the Arkansas Delta Music Trail Program to:

12                   (1) Create a tourism program based on art projects that focus on  
 13 highlighting music stories and related dynamics on the designated music  
 14 highways;

15                   (2) Provide tax incentives to eligible persons for the creation  
 16 and installation of an art project under this chapter; and

17                   (3) Create a signage program that captures the stories,  
 18 biographies, and points of interest in blues, rock and roll, jazz,  
 19 rockabilly, soul, hip hop, opera, country, and gospel music throughout the  
 20 Delta region of Arkansas.

21                  (b) The Department of Arkansas Heritage and the Department of Parks  
 22 and Tourism shall provide assistance to the commission in establishing and  
 23 administering the program.

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 25                  13-15-302. Income tax credit for approved art project.

26                  (a) There is allowed an income tax credit against the income tax  
 27 imposed by the Income Tax Act of 1929, § 26-51-101 et seq., in an amount  
 28 equal to the lesser of one hundred percent (100%) of the total qualified  
 29 expenses stated in a certificate of completion issued by the Arkansas Delta  
 30 Music Commission under § 13-15-303 or twenty-five thousand dollars (\$25,000).

31                  (b) The amount of the income tax credit under this section that may be  
 32 claimed by the taxpayer in a tax year shall not exceed the amount of income  
 33 tax due by the taxpayer.

34                  (c) Any unused income tax credit under this section may be carried  
 35 forward for five (5) consecutive tax years following the tax year in which  
 36 the income tax credit was earned.

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 2 13-15-303. Application for approval of qualified expenses –  
 3 Certificate of completion.

4 (a) A person may apply to the Arkansas Delta Music Commission for  
 5 approval of qualified expenses for the purpose of claiming the income tax  
 6 credit allowed under § 13-15-302.

7 (b) An application for approval of qualified expenses shall:

8 (1) Be for an art project that will:

9 (A) Stimulate regional tourism;

10 (B) Enhance local community development efforts;

11 (C) Create opportunities for Arkansas artists to showcase  
 12 their work;

13 (D) Enhance the community where the art project will be  
 14 located; and

15 (E) Promote awareness and encourage the enjoyment of the  
 16 stories, biographies, and points of interest in blues, rock and roll,  
 17 country, and gospel music throughout the Arkansas Delta;

18 (2) Be in the form prescribed by the commission; and

19 (3) Indicate the amount of qualified expenses the applicant  
 20 expects to incur.

21 (c)(1) The commission shall not approve qualified expenses exceeding  
 22 two hundred fifty thousand dollars (\$250,000) in any one (1) calendar year.

23 (2)(A) The total amount of qualified expenses that may be  
 24 approved under this subsection shall be divided among the designated music  
 25 highways in proportion to each designated music highway’s length as compared  
 26 to the total length of all of the designated music highways.

27 (B) If the commission does not approve qualified expenses  
 28 under this section that are equal to the amount of funds allocated to a  
 29 designated music highway under subdivision (c)(2) of this section, the  
 30 commission may reallocate the funds to another designated music highway to  
 31 fund one (1) or more additional art projects.

32 (3)(A) The approval of qualified expenses under this section is  
 33 contingent on the appropriation and availability of funding for the Arkansas  
 34 Delta Music Trail Program.

35 (B) The commission shall not solicit or accept  
 36 applications for the program if funds for the program are not available.

1       (d) At least one-third (1/3) of art projects for which qualified  
2 expenses are approved under this section shall be visible from a designated  
3 music highway.

4       (e)(1) Upon completion of an art project, the owner shall submit  
5 documentation required by the commission to verify that the completed art  
6 project complies with the requirements of this chapter.

7       (2) If the commission determines that an art project is complete  
8 and complies with the requirements of this chapter, the commission shall  
9 issue a certification of completion specifying the total amount of qualified  
10 expenses and the income tax credit allowed under this subchapter.

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12       13-15-304. Highway signage.

13       (a) The Arkansas Department of Transportation shall erect appropriate  
14 signs along each of the designated music highways, including without  
15 limitation a sign at or near each of the art projects that has been issued a  
16 certificate of completion under § 13-15-303.

17       (b) If the department does not have the funds available to erect the  
18 signs required under subsection (a) of this section, the department may  
19 accept and use gifts, grants, and donations received from private, public,  
20 and nonprofit sources, including without limitation a city street department  
21 or a county road department for:

22               (1) Acquiring and installing the signs required under subsection  
23 (a) of this section; and

24               (2) Maintaining, replacing, or reconstructing the signs required  
25 under subsection (a) of this section.

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27       SECTION 2. DO NOT CODIFY. Rules.

28       (a) When adopting the initial rules required under this act, the  
29 Arkansas Delta Music Commission shall file the final rules with the Secretary  
30 of State for adoption under § 25-15-204(f):

31               (1) On or before July 1, 2020; or

32               (2) If approval under § 10-3-309 has not occurred by July 1,  
33 2020, as soon as practicable after approval under § 10-3-309.

34       (b) The commission shall file the proposed rules with the Legislative  
35 Council under § 10-3-309(c) sufficiently in advance of July 1, 2020, so that  
36 the Legislative Council may consider the rules for approval before July 1,



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