SHUTTERED VENUE OPERATORS GRANTS (LIVE VENUE GRANTS)

In December 2020, Congress enacted legislation providing $15 billion for a new grant program for live venues and certain other entities, called the Shuttered Venue Operators Grant program.

NOTE: The program has not yet become operational, with many details pending rulemaking by the U.S. Small Business Administration (SBA). The following information is based on statutory text and initial guidance provided by SBA. Please check the SBA’s website for updates or contact your nearest SBA District Office if you need immediate assistance.

WHO Qualifies?

- Live Entertainment Venues/Promoters
- Facilities for the Performing Arts
- Theatrical producers
- Not-for-profit Museums (includes zoos, aquariums, botanical gardens, etc.)
- Movie Theaters
- Talent Representatives

Conditions (General)²

To be eligible, entities—

- Must have been operational on or before February 29, 2020.
- Must not have received a PPP loan after December 27, 2020.
- Must demonstrate at least a 25% decline in revenue³ in a quarter in 2020, compared to the same quarter in 2019.
- Cannot have more than 2 of the following characteristics⁴
  - Have more than 500 full-time equivalent employees,⁵
  - Own or operate similar venues in more than 1 country, or
  - Own or operate similar venues in more than 10 U.S. states.
- Must not be owned by a publicly traded company.
SHUTTERED VENUE OPERATORS GRANTS

Additional Conditions for Live Entertainment Venues/Promoters
Eligible Live Entertainment Venues/Promoters must meet ALL of the following criteria:

- Organizes, promotes, produces, manages, or hosts—as a principal business activity—live concerts, comedy shows, theatrical productions, or other events by performing artists; AND either—
  - Earns at least 70% of its revenue from cover charges, ticket sales, production fees, nonprofit educational initiatives, or the sale of event beverages, food, or merchandise; or
  - Makes tickets for sale to the public at least 60 days before the event, on average.
- Has a defined performance and audience space.
- Has sound mixing equipment, a public address system, and a lighting rig.
- Employs at least 2 of the following:
  - A sound engineer.
  - A booker.
  - A promoter.
  - A stage manager.
  - Security personnel.
  - A box office manager.
- Requires a paid ticket or cover charge to attend most performances, except for fundraisers or charitable events.6
- Markets performances through printed or electronic means.

Additional Conditions for Museums7
To be eligible, museums must—

- Have indoor exhibition spaces, and
- Have at least 1 auditorium, theater, or performance or lecture hall with fixed audience seating and regular programming.

FEATURES

Maximum Grant Amount
In general, the grant amount is based on 45% of the employer’s gross revenue in 2019, up to $10 million.

- For entities that began operations after January 1, 2019, the grant amount is based on 6x the average monthly gross revenue in 2019, up to $10 million.
Supplemental grants are available after the initial 28-day period, capped at 50% of the recipient’s initial grant, up to the difference between the initial grant and $10 million.

**Eligible Uses**
Funds can be used to cover the following expenses between March 1, 2020, and December 31, 2021—with an extension to June 30, 2022 for supplemental grants.

- Payroll Costs,
- Rent,
- Utilities,
- Interest on Preexisting Debt,
- Maintenance Costs,
- Advertising,
- Insurance Payments,
- Theatrical Productions,
- State and Local Taxes,
- Measures to Meet Covid-19 Health And Safety Guidelines
- Payments to Independent Contractors,
- Other Ordinary and Necessary Business Expenses,

**NOTE:** Any amount not used one year after the initial grant is disbursed must be returned to SBA (or 18 months after the initial grant in the case of supplemental grants).

**APPLICATION PROCESS**

Once the application process is open, grants can be requested directly from SBA. However, details on the application process are pending SBA rulemaking.

**Priority Access**

Under law, SBA must open the application process using the following procedures:

- For the 1st 14 days of the program: Only those experiencing at least a 90% decline or more in revenue can apply.
- For the 2nd 14 days: Only those experiencing at least a 70% decline or more in revenue can apply.
- After the initial 28-day period, any eligible entity can apply.
SHUTTERED VENUE OPERATORS GRANTS

Recommended Preparation Activities

- SBA recommends you take the following actions prior to applying:
  - Request a [DUNS number](https://www.duns número) so you can then register in the [System for Award Management](https://www.sam.gov).
  - Register in the [System for Award Management](https://www.sam.gov).
  - Gather documents that demonstrate you meet employee size limits, revenue decline requirements, and other eligibility criteria.

For more information on the application process, please visit the [SBA's website](https://www.sba.gov), see the [SBA's Shuttered Venue Grant FAQ](https://www.sba.gov/content/shuttered-venue-grants-faqs), or contact your nearest [SBA District Office](https://www.sba.gov).