

116TH CONGRESS
2D SESSION

H. R. 7806

To establish a grant program for small live venue operators and talent representatives.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2020

Mr. WELCH (for himself and Mr. WILLIAMS) introduced the following bill;
which was referred to the Committee on Small Business

A BILL

To establish a grant program for small live venue operators
and talent representatives.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Save our Stages Act”
5 or the “SOS Act”.

6 **SEC. 2. GRANTS FOR INDEPENDENT LIVE VENUE OPERA-**
7 **TORS.**

8 (a) DEFINITIONS.—In this section:

1 (1) ADMINISTRATOR.—The term “Adminis-
2 trator” means the Administrator of the Small Busi-
3 ness Administration.

4 (2) ELIGIBLE OPERATOR, PROMOTER, PRO-
5 DUCER, OR TALENT REPRESENTATIVE.—

6 (A) IN GENERAL.—The term “eligible op-
7 erator, promoter, producer, or talent represent-
8 ative” means a live venue operator or producer
9 or promoter or a talent representative that
10 meets the following requirements:

11 (i) The live venue operator or pro-
12 ducer or promoter or the talent representa-
13 tive was fully operational as a live venue
14 operator or producer or promoter or talent
15 representative on February 29, 2020.

16 (ii) As of the date of the grant under
17 this section—

18 (I) the live venue operator or
19 producer or promoter is organizing,
20 promoting, producing, managing, or
21 hosting future events described in
22 paragraph (4)(A)(i); or

23 (II) the talent representative is
24 representing or managing artists and
25 entertainers.

1 (iii) The venues at which the live
2 venue operator or producer or promoter
3 promotes, produces, manages, or hosts
4 events described in paragraph (4)(A)(i) or
5 the artists and entertainers represented or
6 managed by the talent representative per-
7 form have the following characteristics:

8 (I) A defined performance and
9 audience space.

10 (II) A mixing desk, public ad-
11 dress system, and lighting rig.

12 (III) Employs not less than 2 of
13 the following:

14 (aa) A sound engineer.

15 (bb) A booker.

16 (cc) A promoter.

17 (dd) A stage manager.

18 (ee) Security personnel.

19 (ff) A box office manager.

20 (IV) There is a paid ticket or
21 cover charge to attend most perform-
22 ances and artists are paid fairly and
23 do not play for free or solely for tips,
24 except for legitimate fundraisers or
25 similar charitable events.

1 (V) For a venue owned or oper-
2 ated by a nonprofit entity that pro-
3 duces free events, the events are pro-
4 duced and managed by paid employ-
5 ees, not by volunteers.

6 (VI) Performances are marketed
7 through listings in printed or elec-
8 tronic publications, on websites, by
9 mass email, or on social media.

10 (iv) The live venue operator or pro-
11 ducer or promoter or the talent representa-
12 tive does not have, or is not majority
13 owned or controlled by an entity with,
14 more than 1 of the following characteris-
15 tics:

16 (I) Being an issuer, the securities
17 of which are listed on a national secu-
18 rities exchange.

19 (II) Owning or operating venues
20 or talent agencies or talent manage-
21 ment companies with offices in more
22 than 1 country.

23 (III) Owning or operating venues
24 in more than 10 States.

1 (IV) Employing more than 500
2 employees, determined on a full-time
3 equivalent basis in accordance with
4 subparagraph (B).

5 (V) Receiving more than 10 per-
6 cent of gross revenue from Federal
7 funding.

8 (B) CALCULATION OF FULL-TIME EMPLOY-
9 EES.—For purposes of determining the number
10 of full-time equivalent employees under sub-
11 paragraph (A)(iv)(IV)—

12 (i) any employee working not fewer
13 than 30 hours per week shall be considered
14 a full-time employee; and

15 (ii) any employee working not fewer
16 than 10 hours and fewer than 30 hours
17 per week shall be counted as one-half of a
18 full-time employee.

19 (3) EXCHANGE; ISSUER; SECURITY.—The terms
20 “exchange”, “issuer”, and “security” have the
21 meanings given such terms in section 3(a) of the Se-
22 curities Exchange Act of 1934 (15 U.S.C. 78c(a)).

23 (4) LIVE VENUE OPERATOR OR PRODUCER OR
24 PROMOTER.—The term “live venue operator or pro-
25 ducer or promoter”—

1 (A) means an individual or entity that—

2 (i) as not less than 70 percent of the
3 operations of the person, organizes, pro-
4 motes, sells tickets produces, manages, or
5 hosts live concerts, comedy shows, theat-
6 rical productions, or other events by per-
7 forming artists and applies cover charge
8 through ticketing or front door entrance
9 fee; or

10 (ii) makes tickets to events described
11 in clause (i) available for purchase by the
12 public an average of not less than 60 days
13 before the date of the event and pays per-
14 formers in an event described in clause (i)
15 in an amount that is based on a percent-
16 age of sales, guarantee (in writing or
17 standard contract), or another mutually
18 beneficial formal agreement; and

19 (B) includes an individual or entity de-
20 scribed in subparagraph (A) that—

21 (i) operates for profit or as a non-
22 profit;

23 (ii) is government-owned; or

1 (iii) is a corporation, limited liability
2 company, or partnership or operated as a
3 sole proprietorship.

4 (5) NATIONAL SECURITIES EXCHANGE.—The
5 term “national securities exchange” means an ex-
6 change registered as a national securities exchange
7 under section 6 of the Securities Exchange Act of
8 1934 (15 U.S.C. 78f).

9 (6) STATE.—The term “State” means—

10 (A) a State;

11 (B) the District of Columbia;

12 (C) the Commonwealth of Puerto Rico;

13 and

14 (D) any other territory or possession of the
15 United States.

16 (7) TALENT REPRESENTATIVE.—The term “tal-
17 ent representative”—

18 (A) means an agent or manager that—

19 (i) as not less than 70 percent of the
20 operations of the agent or manager, is en-
21 gaged in representing or managing artists
22 and entertainers;

23 (ii) books musicians, comedians, ac-
24 tors, or similar performing artists pri-

1 marily in independent venues or at fes-
2 tivals; and

3 (iii) represents performers described
4 in clause (ii) that are paid in an amount
5 that is based on the number of tickets sold,
6 or a similar basis; and

7 (B) includes an agent or manager de-
8 scribed in subparagraph (A) that—

9 (i) operates for profit or as a non-
10 profit;

11 (ii) is government-owned; or

12 (iii) is a corporation, limited liability
13 company, or partnership or operated as a
14 sole proprietorship.

15 (b) AUTHORITY.—

16 (1) INITIAL GRANTS.—The Administrator may
17 make initial grants to eligible operators, promoters,
18 and talent representatives in accordance with this
19 section.

20 (2) SUPPLEMENTAL GRANTS.—The Adminis-
21 trator may make a supplemental grant in accordance
22 with this section to an eligible operator, promoter,
23 producer, or talent representative that receives a
24 grant under paragraph (1) if, as of December 1,
25 2020, the revenues of the eligible operator, pro-

1 moter, producer, or talent representative for the
2 most recent calendar quarter are not more than 20
3 percent of the revenues of the eligible operator, pro-
4 moter, producer, or talent representative for the cor-
5 responding calendar quarter during 2019 due to the
6 COVID–19 pandemic.

7 (c) AMOUNT.—

8 (1) INITIAL GRANTS.—A grant under sub-
9 section (b)(1) shall be in the amount equal to the
10 lesser of—

11 (A) the amount equal to 45 percent of the
12 gross revenue of the eligible operator, promoter,
13 producer, or talent representative during 2019;

14 (B) for an eligible operator, promoter, pro-
15 ducer, or talent representative that began oper-
16 ations after January 1, 2019, the amount equal
17 to the product obtained by multiplying—

18 (i) the average monthly gross revenue
19 for each full month during which the entity
20 was in operation during 2019; by

21 (ii) 6; or

22 (C) \$12,000,000.

23 (2) SUPPLEMENTAL GRANTS.—A grant under
24 subsection (b)(2) shall be in the amount equal to 50
25 percent of the grant received by the eligible operator,

1 promoter, producer, or talent representative under
2 subsection (b)(1).

3 (d) USE OF FUNDS.—

4 (1) TIMING.—

5 (A) EXPENSES INCURRED.—

6 (i) IN GENERAL.—Except as provided
7 in clause (ii), amounts received under a
8 grant under this section may be used for
9 costs incurred during the period beginning
10 on March 1, 2020, and ending on Decem-
11 ber 31, 2020.

12 (ii) EXTENSION FOR SUPPLEMENTAL
13 GRANTS.—If an eligible operator, pro-
14 moter, producer, or talent representative
15 receives a grant under subsection (b)(2),
16 amounts received under either grant under
17 this section may be used for costs incurred
18 during the period beginning on March 1,
19 2020, and ending on June 30, 2021.

20 (B) EXPENDITURE.—

21 (i) IN GENERAL.—Except as provided
22 in clause (ii), an eligible operator, pro-
23 moter, producer, or talent representative
24 shall return to the Administrator any
25 amounts received under a grant under this

1 section that are not expended on or before
2 the date that is 1 year after the date of
3 disbursement of the grant.

4 (ii) EXTENSION FOR SUPPLEMENTAL
5 GRANTS.—If an eligible operator, pro-
6 moter, producer, or talent representative
7 receives a grant under subsection (b)(2),
8 the eligible operator, promoter, producer,
9 or talent representative shall return to the
10 Administrator any amounts received under
11 either grant under this section that are not
12 expended on or before the date that is 18
13 months after the date of disbursement to
14 the eligible operator, promoter, producer,
15 or talent representative of the grant under
16 subsection (b)(1).

17 (2) ALLOWABLE EXPENSES.—An eligible oper-
18 ator, promoter, producer, or talent representative
19 may use amounts received under a grant under this
20 section for—

21 (A) payroll costs for employees and fur-
22 loughed employees, including—

23 (i) costs for continuation coverage
24 provided pursuant to part 6 of subtitle B
25 of title I of the Employee Retirement In-

1 come Security Act of 1974 (other than
2 under section 609), title XXII of the Pub-
3 lic Health Service Act, section 4980B of
4 the Internal Revenue Code of 1986 (other
5 than subsection (f)(1) of such section inso-
6 far as it relates to pediatric vaccines), or
7 section 8905a of title 5, United States
8 Code, or under a State program that pro-
9 vides comparable continuation coverage,
10 other than coverage under a health flexible
11 spending arrangement under a cafeteria
12 plan within the meaning of section 125 of
13 the Internal Revenue Code of 1986; or

14 (ii) any other non-cash benefit;

15 (B) rent;

16 (C) utilities;

17 (D) mortgage interest payments on exist-
18 ing mortgages as of February 15, 2020;

19 (E) scheduled interest payments on other
20 scheduled debt as of February 15, 2020;

21 (F) costs related to personal protective
22 equipment;

23 (G) payments of principal on outstanding
24 loans;

1 (H) payments made to independent con-
2 tractors, as reported on Form-1099 MISC; and

3 (I) other ordinary and necessary business
4 expenses, including—

5 (i) settling existing debts owed to ven-
6 dors;

7 (ii) maintenance expenses;

8 (iii) administrative costs;

9 (iv) taxes;

10 (v) operating leases;

11 (vi) insurance; and

12 (vii) any other capital expenditure or
13 expense required under any State, local, or
14 Federal law or guideline related to social
15 distancing.

16 (3) PROHIBITED EXPENSES.—An eligible oper-
17 ator, promoter, producer, or talent representative
18 may not use amounts received under a grant under
19 this section—

20 (A) to purchase real estate;

21 (B) for payments of interest or principal
22 on loans originated after February 15, 2020;

23 (C) to invest or re-lend funds;

1 (D) for contributions or expenditures to, or
2 on behalf of, any political party, party com-
3 mittee, or candidate for elective office; or

4 (E) for any other use as may be prohibited
5 by the Administrator.

6 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
7 authorized to be appropriated \$10,000,000,000 to carry
8 out this section.

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