

Financial Assistance Needed for Public Entertainment and Event Industry Recovery

Government action in response to the COVID-19 pandemic at the local, state, and federal level has halted all live events and public gatherings, including entertainment, sports, and conferences with no clear end in sight. Our businesses were the first to close and will be the last to reopen. As a result, the nationwide impact on our industry, and our workers, has been and will continue to be catastrophic. Without immediate financial assistance, the future of the public entertainment and event industry is in question. Accordingly, Congress must act now to address the severe impact that governmental closures orders have had on this industry by providing targeted relief such as:

1. Expansion of Paycheck Protection Program (PPP) under CARES Act – Much of the public entertainment and event industry does not qualify for the worker protection programs present in the CARES Act. The unique nature of our industry means that, despite a relatively small number of full-time employees, many of our businesses are considered too large for the program. Additionally, many are owned by state or local governments or are nonprofits other than 501(c)3 organizations. Finally, due to the protracted interruption this pandemic is causing to our industry, the initial loans for eight weeks of payroll support are inadequate to retain our employees. Congress should recognize the unique circumstances of this industry and immediately expand access to the PPP for live entertainment and other public event businesses by a targeted raising of the current 500 employee cap, revising the affiliation rules, and covering all nonprofits—including those owned by state and local governments—whose budgets primarily come from event revenue. The duration of payroll support should be need-based and address longer periods of disruption in the live event industry.

2. Enact Special Provisions Applicable to Events and Entertainment Industry for Loans to Larger Employers– Our industry was immediately impacted by this public health emergency, as it resulted in the cancellation or postponement of literally thousands of events around the country. This has come at significant cost to workers at concert venues, conference venues, stadiums, arenas, fairgrounds, theaters and has resulted in the loss of jobs across the board. We expect the industry will continue to be disproportionately impacted, as it is likely that even once many of the current orders are relaxed there may well continue to be restrictions and limitations imposed upon public gatherings for an extended period. While we remain committed to preserving our workforce to the greatest extent possible, it will take much longer for venues, production companies and promoters to fully resume business once the immediate public health emergency has passed and this will apply to businesses of all sizes, including some that are not eligible for small business programs. Targeted relief for the public entertainment and

event industry under the Loans to Mid-Size Businesses provisions of CARES Act or the Federal Reserve's Main Street Lending program in the form of customized criteria for workforce restoration is necessary to address these longer-term challenges.

3. Federal Guidelines for Public Gatherings for Entertainment and Events – Any resumption of public gatherings for live events or entertainment will require measures regarding cleaning and sanitization, crowd management, seat plans and health monitoring. The CDC and FEMA should establish a working group with representation from a diverse array of industry experts to put forth voluntary guidelines that can be implemented by venues. Organizations that comply with these guidelines should receive protection from COVID-19 related lawsuits. In addition, some federal assistance for venues with the costs associated with addressing such needs will be necessary to recognize the financial strain that will result from producing events for fewer paying customers.

4. Establish a Targeted Business Recovery Relief Fund – Without exception, the businesses in our industry have been devastated by this sudden and total interruption in business. The cancelled events and tours and the revenues tied to them can never be replaced. Many insurance carriers have preemptively asserted that property damage and event cancellation policies will not provide coverage related to the COVID-19 pandemic. As a result, Congress and the insurance industry must establish a Business Recovery Fund for the public entertainment and event industry, modeled on the 9-11 Victims fund, to aid the businesses and their employees that were forced to shut down due to COVID-19, and will continue to struggle even after the economy restarts.

Sincerely,

AEG

The Broadway League Endurance Sports Coalition Feld Entertainment International Alliance of Theatrical Stage Employees (IATSE) International Association of Exhibitions and Events (IAEE) International Association of Fairs and Expositions (IAFE) International Association of Venue Managers (IAVM) The IRONMAN Group Live Nation National Association of Theater Owners (NATO) Society of Independent Show Organizers (SISO) The Spartan Group Spectra Venue Management VenuWorks