

JUNE 8, 2020

NIVA includes nearly 2,000 independent live entertainment venues and promoters from all 50 states and Washington, D.C., banding together to fight for survival.

SITUATION

- Independent venues were the first to close and will be the last to reopen.
- Venues have zero revenue, but obligations like mortgage/rent, bills, loans, taxes, and insurance continue.
- We have no work to offer our employees for the foreseeable future.
- The shutdown is indefinite and likely to extend into 2021 as our venues are in the last stage of reopening.
- The ability to open at partial capacity is not economically feasible. Rents, utilities, payroll, taxes, insurance, and artist pay are not on a sliding scale matching the capacity we're permitted to host. They are fixed costs.
- Due to the national routing of most tours, our industry will not recover until the entire country is open at 100% capacity. NIVA members need assistance in order to survive until that day.

IMPACT

- According to a survey of NIVA members, 90% of independent venues report they will close permanently in a few
 months without federal funding. Current PPP funding will not solve the crisis.
- <u>Pollstar estimates</u> a \$9 billion loss in ticket sales alone not counting food and beverage revenue if venues remain closed through 2020.
- Live events provide 75% of all artists' income.
- For every \$1 spent on a ticket at small venues, a total of \$12 in economic activity is generated within communities on restaurants, hotels, taxis, and retail establishments.
- The estimated direct annual economic impact venues bring to local communities is nearly \$10 billion.

ARTIST SUPPORT

- **600+ artists with social media impressions of 250 million** are supporting NIVA's request for federal relief under the hashtag #SaveOurStages.
- Billy Joel, Lady Gaga, Gary Clark Jr., Alabama Shakes, Willie Nelson, Norah Jones, Trombone Shorty, Randy Travis, Kacey Musgraves, Zac Brown Band, Michael Franti, Neil Young, Alabama, Wyclef Jean, Joni Mitchell, André 3000, Alice Cooper, Cyndi Lauper, Lee Greenwood, Patti Smith, Don McClean, The Lumineers and The Black Keys are among those advocating on behalf of NIVA members.

THE PEOPLE ARE SPEAKING!

• Through <u>SaveOurStages.Com</u>, individuals sent more than **500,000 emails**, reaching all 538 members of Congress. They asked legislators to provide federal assistance to independent venues and promoters.

BIPARTISAN SUPPORT

• Led by legislators of both parties, nearly 150 members of Congress sent letters to Mitch McConnell and Chuck Schumer in the Senate, and Nancy Pelosi and Kevin McCarthy in the House supporting NIVA's requests.



In order to ensure our survival, we are respectfully asking Congress to:

PROVIDE LONG-TERM ASSISTANCE FOR SHUTTERED BUSINESS

NIVA supports the RESTART Act (S. 3814) led by Senators Young and Bennet, and other like-minded proposals that tailor the PPP program to work for shuttered businesses like ours that have zero revenue, high overhead and no clear timeline for reopening. The RESTART Act:

- Finances the equivalent of six months' worth of payroll, benefits, and fixed operating costs.
- Allows for flexible use of loan proceeds and loan forgiveness with no minimums on the percentage dedicated to any one expense.
- Expands eligibility to ensure access for small businesses that have many part-time employees.
- Allows up to 90% loan forgiveness for businesses with fewer than 500 FTEs and high revenue loss.
- Implements a generous 7-year payback schedule, wherein principal payments are not required for 2 years and interest payments aren't due for the first 12 months.

PROVIDE RELIEF THROUGH TAX CREDITS

- Ticket Refund Tax Credit. NIVA supports a temporary tax credit available to small- and medium-sized promoters for a percentage of refunded ticket costs. Live music venues are unique from most industries in that, while generating zero revenue as a result of the pandemic, we are also refunding past ticket revenue from cancelled shows.
- Rent/Mortgage Tax Credit. NIVA supports proposals like the Keeping the Lights on Act (H.R. 6799), which was included in the House-passed HEROES Act, that permit severely distressed small businesses to earn a tax credit for rent, mortgage, and utility expenses.
- Employee Retention Tax Credit. NIVA supports expanding eligibility for the ERTC in the CARES Act to include shuttered businesses that are recipients of PPP loans, and continuing this benefit until the industry is able to resume normal operations at full legal capacity.
- Safe Workplace Incentives. NIVA supports proposals like the Clean Start Act (H.R. 7079) led by Reps. Murphy and LaHood, which provides a tax credit to businesses for added costs related to cleaning & disinfecting products, PPE, and other tools needed to ensure both workers and customers remain safe.

CONTINUE UNEMPLOYMENT INSURANCE BENEFITS

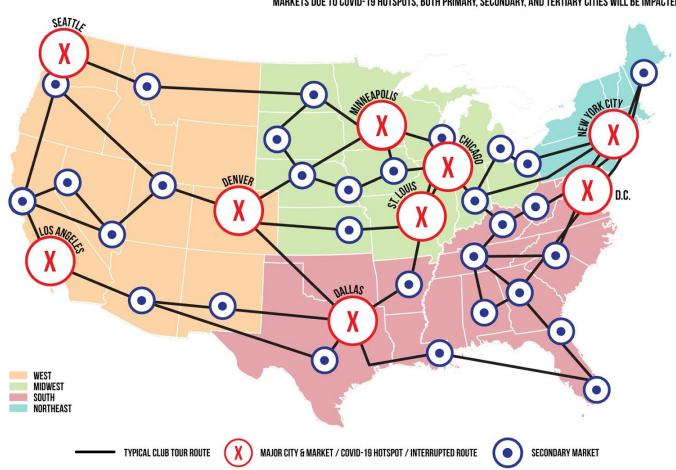
• NIVA supports continuing additional unemployment insurance for employees of shuttered businesses, including contract workers and artists who otherwise do not have access to relief.





HOW TOUR ROUTES ARE AFFECTED BY COVID-19

EACH MAJOR MARKET SUPPORTS COUNTLESS SECONDARY MARKETS DUE TO PROXIMITY. IF TOURS CAN'T ROUTE TO PRIMARY MARKETS DUE TO COVID-19 HOTSPOTS, BOTH PRIMARY, SECONDARY, AND TERTIARY CITIES WILL BE IMPACTED.







Courtesy of REVS Protocols and Guidance - MVA Consultation Version