NATIONAL INDEPENDENT VENUE ASSOCIATION (NIVA)

ENDORES BI-PARTISAN
ENTERTAINMENT NEW CREDIT OPPORTUNITY FOR RELIEF & ECONOMIC
SUSTAINABILITY (ENCEORS) ACT

REPRESENTATIVES RON KIND AND MIKE KELLY ADDRESS
UNIQUE HARM INDEPENDENT VENUES EXPERIENCE DURING THE PANDEMIC

July 24, 2020 -- The National Independent Venue Association (NIVA) endorses the bi-partisan Entertainment New Credit Opportunity for Relief & Economic Sustainability (ENCEORS) Act (HR 7735) introduced by Rep. Ron Kind (D-WI) and Rep. Mike Kelly (R-PA). This legislation would support independent music and entertainment venues as they work to survive the COVID-19 crisis. The pandemic and the necessary response to combat the spread of the disease is continuing to severely impact independent venues. NIVA members are without any source of revenue or large corporate backing and are at risk of not being able to reopen after issuing refunds for canceled events.

“Not only do we have no revenue and enormous overhead, it’s much worse,” said Adam Hartke, co-chair of NIVA’s Advocacy Committee and president of Hartke Presents. “When shows were cancelled due to the pandemic, it was like a vacuum cleaner to our bank accounts, causing hundreds of millions in negative revenue at the worst possible time. The ENCORES Act is incredibly helpful to independent, mom and pop venues across America fighting to survive and we’re grateful that Reps. Kind and Kelly are fighting along with us.”

“As the first to close and last to open, independent art centers across the country are at risk of closing,” said Rep. Ron Kind. “In this time of such uncertainty and darkness, we cannot allow the light of the arts to go out. I am proud of the work we’ve done to put together a bipartisan proposal to help independent venues continue to thrive when this crisis ends.”

“Venues are closed because of the coronavirus pandemic. These entertainment centers are part of every community’s identity, but state mandates have created financial hardship and put them at risk of permanent closure. The bipartisan legislation Congressman Kind and I introduced will help these cultural centers survive these unprecedented times so they can re-open in the future,” said Rep. Mike Kelly.

The ENCORES Act will allow music venues to recoup some of the loses they have experienced due to ticket refunds from canceled events by:

- Providing a tax credit for 50% of the value for refunded tickets
- Eligible business are ones that promote, produce, or manage: live concerts, comedy shows, sporting events, and live theatrical productions
- Eligible businesses must have 500 full-time equivalent or fewer eligible employees; and
- Businesses must have offered a voucher to customers first, and customers opted for a refund instead, in order to get the credit.

The text of the bill can be found here.
“We’re in the final stretch in our battle for survival,” said Dayna Frank, president of NIVA and CEO First Avenue Productions. “Without federal assistance like ENCORES Act, Save Our Stages Act and RESTART Act, 90% of our members say they will be forced to close forever by the fall. It would not only be the collapse of our industry, it would be devastating to our communities that rely on us as a magnet for commerce.” A Chicago study last year showed that for every $1 spent on a ticket at a local venue, $12 of economic activity was generated for area businesses such as restaurants, retailers, and hotels.

“If Congress passes these pieces of legislation before they leave on August recess, we will be able to return when it’s safe and once again be the economic drivers of our communities,” said Frank. “This issue can’t be put on ice for when they return for the next session, it would be too late.”

Through SaveOurStages.com, more than 1 million emails have been sent letting all 538 members of Congress know that constituents want to keep independent venues alive.

About NIVA: Formed at the onset of the COVID-19 shutdown, the National Independent Venue Association (NIVA), now represents more than 2,000 members in all 50 states and Washington, D.C. These independent venues and promoters were the first to close and will be the last to fully reopen. NIVA's mission is to preserve and nurture the ecosystem of independent live music venues, promoters and festivals throughout the United States.

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