

117TH CONGRESS  
2D SESSION

# H. R. 6701

To make companies that support venues and events eligible for grants under the shuttered venue operators grant program, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2022

Mr. SMUCKER (for himself and Mr. CARTER of Louisiana) introduced the following bill; which was referred to the Committee on Small Business

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## A BILL

To make companies that support venues and events eligible for grants under the shuttered venue operators grant program, and for other purposes.

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 “MUSIC Act”.

5       **SEC. 2. ADDING SERVICE AND SUPPORT COMPANIES TO**  
6                       **THE SHUTTERED VENUE OPERATORS GRANT**  
7                       **PROGRAM.**

8       (a) IN GENERAL.—Section 324 of the Economic Aid  
9       to Hard-Hit Small Businesses, Nonprofits, and Venues

1 Act (title III of division N of Public Law 116–260) is  
2 amended—

3 (1) in subsection (a)—

4 (A) in paragraph (1)—

5 (i) in subparagraph (A)—

6 (I) in the matter preceding clause

7 (i), by inserting “a service and sup-  
8 port company,” after “theatre oper-  
9 ator,”;

10 (II) in clause (i)—

11 (aa) in the matter preceding  
12 subclause (I), by inserting “the  
13 service and support company,”  
14 after “theatre operator,”; and

15 (bb) in subclause (I), by in-  
16 serting “a service and support  
17 company,” after “theatre oper-  
18 ator,”;

19 (III) in clause (ii)—

20 (aa) in subclause (III), by  
21 striking “and” at the end;

22 (bb) in subclause (IV), by  
23 adding “and” at the end; and

24 (cc) by adding at the end  
25 the following:

1 “(V) the service and support  
2 company is or intends to resume the  
3 services and activities described in  
4 paragraph (11);” and

5 (IV) in clause (vi), by inserting  
6 “the service and support company,”  
7 after “theatre operator,” each place  
8 that term appears; and

9 (ii) in subparagraph (B), by inserting  
10 “service and support company,” after “the-  
11 atre operator,” each place that term ap-  
12 pears; and

13 (B) by adding at the end the following:

14 “(11) SERVICE AND SUPPORT COMPANY.—The  
15 term ‘service and support company’—

16 “(A) means an individual or entity—

17 “(i) that is assigned a North Amer-  
18 ican Industry Classification System code of  
19 532490, 541410, 541420, 541430,  
20 541490, 561920, 711190, 711300, or  
21 711320, as appears on the most recent in-  
22 come tax filing or on the application for a  
23 loan under paragraph (36) or (37) of sec-  
24 tion 7(a) of the Small Business Act (15

1 U.S.C. 636(a)) of the individual or entity,  
2 if applicable; and

3 “(ii) that—

4 “(I)(aa) as the principal business  
5 of the individual or entity, provides  
6 stages, lighting, sound, casts, or other  
7 support for live performing arts  
8 events; and

9 “(bb) for which not less than 70  
10 percent of the earned revenue gen-  
11 erated through providing the support  
12 described in item (aa) is for live per-  
13 forming arts events organized, pro-  
14 moted, produced, managed, or hosted  
15 by an eligible person or entity de-  
16 scribed in paragraph (1)(A)(iii); or

17 “(II)(aa) as the principal busi-  
18 ness of the individual or entity, show-  
19 cases performers or pre-packaged pro-  
20 ductions to potential buyers; and

21 “(bb) for which not less than 70  
22 percent of the earned revenue gen-  
23 erated through showcasing performers  
24 or pre-packaged productions described  
25 in item (aa) is for live events—

1 “(AA) organized, promoted,  
2 produced, managed, or hosted by  
3 an eligible person or entity de-  
4 scribed in paragraph (1)(A)(iii);  
5 or

6 “(BB) hosted in a hotel or  
7 convention center facility;

8 “(B) includes an individual or entity de-  
9 scribed in subparagraph (A) that—

10 “(i) operates for profit;

11 “(ii) is a nonprofit organization;

12 “(iii) is government-owned; or

13 “(iv) is a corporation, limited liability  
14 company, or partnership or operated as a  
15 sole proprietorship; and

16 “(C) does not include—

17 “(i) an individual or entity described  
18 in subparagraph (A) that—

19 “(I) employs more than 250 full-  
20 time employees; or

21 “(II) is registered or operates  
22 outside of the United States; or

23 “(ii) an entity that is majority owned  
24 or controlled by an entity that is an issuer,  
25 the securities of which are listed on a na-

tional securities exchange under section 6  
of the Securities Exchange Act of 1934  
(15 U.S.C. 78f).”; and

(2) in subsection (b)(2)(B)—

(A) in clause (iii), by striking “clauses (i)  
and (ii)” and inserting “clauses (i), (ii), and  
(v)”;

(B) in clause (iv), by striking “clause (i) or  
(ii)” and inserting “clause (i), (ii), or (v)”;

(C) by adding at the end the following:

“(v) PRIORITY FOR AWARDS TO SERV-  
ICE AND SUPPORT COMPANIES.—

“(I) FIRST PRIORITY IN AWARD-  
ING GRANTS.—During the initial 14-  
day period during which service and  
support companies are eligible to re-  
ceive a grant under this paragraph, in  
making awards to those companies,  
the Administrator shall only award  
grants to those companies with rev-  
enue during the period beginning on  
April 1, 2020, and ending on Decem-  
ber 31, 2020, that is not more than  
10 percent of the revenue of the com-  
pany during the period beginning on

1 April 1, 2019, and ending on Decem-  
2 ber 31, 2019, due to the COVID-19  
3 pandemic.

4 “(II) SECOND PRIORITY IN  
5 AWARDING GRANTS.—During the 14-  
6 day period immediately following the  
7 14-day period described in subclause  
8 (I), in making awards to service and  
9 support companies under this para-  
10 graph, the Administrator shall only  
11 award grants to those companies with  
12 revenue, during the period beginning  
13 on April 1, 2020, and ending on De-  
14 cember 31, 2020, that is not more  
15 than 30 percent of the revenue of the  
16 company during the period beginning  
17 on April 1, 2019, and ending on De-  
18 cember 31, 2019, due to the COVID-  
19 19 pandemic.”.

20 (b) PROCESSING PREVIOUSLY DENIED APPLICA-  
21 TIONS.—If a service and support company, as defined in  
22 paragraph (11) of section 324(a) of the Economic Aid to  
23 Hard-Hit Small Businesses, Nonprofits, and Venues Act  
24 (title III of division N of Public Law 116–260), as added  
25 by subsection (a), was denied a grant under such section

1 before the date of enactment of this Act due to lack of  
2 eligibility but, as a result of the amendments made by sub-  
3 section (a), is eligible for a grant under such section, the  
4 Administrator of the Small Business Administration shall  
5 reconsider and process the application of the service and  
6 support company.

7 (c) REGULATIONS.—Not later than 30 days after the  
8 date of enactment of this Act, the Administrator of the  
9 Small Business Administration shall issue regulations to  
10 carry out this Act and the amendments made by this Act  
11 without regard to the notice requirements under section  
12 553(b) of title 5, United States Code.

13 (d) SENSE OF CONGRESS.—It is the sense of Con-  
14 gress that the Administrator of the Small Business Ad-  
15 ministration should—

16 (1) issue guidance to ensure that entities whose  
17 principal business is to provide services and support  
18 to the live events industry remain eligible for the  
19 program established under section 324 of the Eco-  
20 nomic Aid to Hard Hit Small Businesses, Non-  
21 profits, and Venues Act (title III of division N of  
22 Public Law 116–260); and



- 1           (2) distribute funds appropriated for the pro-
- 2           gram described in paragraph (1) not later than 120
- 3           days after the date of enactment of this Act.

