

SUPPORT FOR DANCE IN LATEST RELIEF PACKAGE

Friday, March 27, 2020

Support for Dance in Latest Relief Package

By Dance/USA

► [Share](#) | [Print](#) | [Download](#)

The Senate approved the largest COVID-19 federal relief package to-date. Next step is for the House to vote and then it will go to the President for signing. [This stimulus bill, Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) includes new forms of support that can be accessed by individuals and organizations. While these forms of assistance are meant to be rapidly available, the federal agencies now need to develop guidelines for implementation. Dance/USA will provide information from the various government agencies as it becomes available on how our constituents can apply for and benefit from the relief measures.

Dance/USA conducts federal advocacy in coalition with the Performing Arts Alliance, the Cultural Advocacy Group, the Charitable Giving Coalition, among other groups. We are grateful to the leadership from the League of American Orchestras and our many coalition peers during this crisis.

Highlights of the Coronavirus Aid, Relief, and Economic Security (CARES) Act

- Pandemic unemployment assistance for workers, including self-employed individuals (Section 2102 and Section 2104): Unemployment benefits will be expanded to provide an additional \$600 per week above the amount allowed under state unemployment benefits, for four months. New relief will be available for workers not eligible for state unemployment benefits, including self-employed individuals who are unable to work due to a number of COVID-related reasons, including "the individual's place of employment is closed as a direct result of the COVID-19 public health emergency." Very many dance artists and arts workers who otherwise do not have access to state unemployment benefits may find relief through this provision. Covered dates of unemployment are from January 27, 2020 through December 31, 2020. Details will be worked out in guidelines from the U.S. Department of Labor, and this relief will be administered by states.

- Paycheck Protection COVID-19 relief loans, backed by the Small Business Administration (Section 1102), and forgiven by the federal government (Section 1106): Organizations, including 501(c)(3) nonprofits, and self-employed individuals will have access to forgivable loans, through a streamlined application process intended to provide rapid relief that will keep workers on the payroll and help self-employed workers.

Loans will be provided by local lending institutions that are authorized by the Small Business Administration (SBA). The bill gives the SBA and the Treasury Department authority to identify additional lenders. Eligible organizations are subject to a size cap of up to 500 employees (counting individuals employed on a full-time, part-time or other basis). The maximum loan amount is \$10 million.

Loans may cover expenses incurred beginning February 15, 2020 and ending on June 30, 2020. Loan payments will be deferred for at least six months and up to one year, and the term of the loans will be up to ten years, at no more than 4% interest. Eligible uses of the loans include payroll costs (including salary, wages, compensation, leave, severance, health care benefits, insurance premiums, retirement benefits, and state and local taxes), rent, utilities, and mortgage interest payments.

Applicants may apply to their lender for loan forgiveness. The Senate summary states that a, "borrower shall be eligible for loan forgiveness equal to the amount spent by the borrower during an 8-week period after the origination date of the loan." The portion of the loan that can be forgiven will be reduced by an amount related to positions that have been eliminated and wages that have been reduced, unless those positions and wages are restored by June 30, 2020.

Similar forgivable loans will be made to self-employed individuals.

- Employee retention credits (Section 2301) may be available to employers that do not make use of the forgivable SBA Payroll Protection loans. Employers may be eligible for a quarterly refundable payroll tax credit for 50% of wages paid by employers to employees during the COVID-19 crisis, applied to the first \$10,000 in compensation per employee (resulting in a credit of up to \$5,000). The extent of the credit and eligibility requirements vary depending on whether the employer has more or less than 100 employees.

- Industry Stabilization fund loans (Section 4003) may be available to nonprofits with 500 or more employees that commit to restoring 90% or more of their workforce within four months of the end of the national public health emergency. Additional requirements will apply to future workforce conditions--some of them related to collective bargaining agreements--and will merit careful consideration. Loans will be available at an interest rate of 2% or less, and payments would not be required for the first six months.

- Relief for nonprofits that self-insure unemployment benefits (Section 2103): Some dance organizations may be among nonprofits that self-insure unemployment benefits rather than pay state unemployment taxes. The federal government will make payments to states to reimburse nonprofits for half of the costs they incur through December 31, 2020 to pay unemployment benefits.

- New charitable giving incentives (Section 2204 and Section 2205): Building on years of advocacy by Dance/USA in partnership with the broader nonprofit sector, a new universal charitable deduction is available, allowing the growing number of taxpayers who do not itemize their returns to receive a tax deduction of up to \$300 for cash charitable donations to 501(c)(3) nonprofit organizations during calendar year 2020. For taxpayers that itemize returns, the limit on the total percentage of Adjusted Gross Income (AGI) eligible for the charitable deduction has been lifted. The limit on corporate contributions has been lifted to 25%.

- Dedicated funding for cultural agencies and institutions:

- National Endowment for the Arts: \$75 million to administer for COVID-19 assistance. Of the total, 40% of funding will be administered in partnership with state arts agencies, and the remaining resources will be delivered through direct NEA grants. The agency is authorized to make grants to support general operating expenses, and matching requirements may be waived for grants. The NEA will be rapidly providing more information about grant opportunities.

- National Endowment for the Humanities: \$75 million to administer for COVID-19 assistance. Similar parameters as NEA COVID-19 grants.
- Institute for Museum and Library Services: \$50 million.

- Corporation for Public Broadcasting: \$75 million.
- John F. Kennedy Center for the Performing Arts: \$25 million.
- Smithsonian Institution: \$7.5 million

Thank You. More Advocacy Ahead! More Relief Packages To Come!

Dance advocates have spoken up and sent more than 5,000 letters to Congress in the past two weeks, in addition to the thousands of letters from other arts disciplines, asking to ensure the arts are part of the COVID-19 relief packages. Your collective efforts, through personalized messages telling your story, are making a tremendous difference. Policymakers are aware, now more than ever, how important it is to support every sector.

Dance/NYC will continue to join Dance/USA in staying on top of the federal landscape and will be strategically seeking additional forms of federal relief. We already know a fourth COVID relief package is in the works, and it will be critical to pinpoint the gaps in federal assistance so we can specify what is needed next. You can continue to weigh in with Congress throughout the coming weeks and months.

Dance/USA advocates on behalf of the dance field and relies on its member community to continue to represent artists, dance makers, and dance groups.

Thank you for your tireless efforts in this trying time, and for your invaluable partnership in reaching out to Congress.

CONTACT CONGRESS HERE
TODAY!

Thanks to everyone for your continued advocacy! Dance/NYC, together with Dance/USA, urges the dance community to [continue communicating with Congress](#).

Stay updated with resources and information [here](#)!

[< back](#)

[previous listing](#) • [next listing](#)