



**Senator George Lang**  
**Senate Bill 234**  
**Sponsor Testimony**  
**Senate Finance Committee**

Chairman Dolan, Vice Chairwoman Gavarone, Ranking Member Sykes, thank you for affording me the opportunity to provide sponsor testimony on Senate Bill 234, which would authorize grants for certain performing arts organizations and operators of cultural arts museums impacted by the COVID-19 pandemic.

According to Ohio Labor Market Information in August of this year, the unemployment rate in the arts and entertainment sector was 15.63%, which was the highest rate amongst all state sectors. The recovery of this economic sector is still being hampered by capacity limitations and businesses that are unable to reopen to the public. That is why Senate Bill 234 is crucial to Ohio's recovery because it seeks to invest \$50 million in one-time American Rescue Plan (ARP) relief funding to help iconic arts institutions throughout the state to survive.

Under SB 234, a performing arts organization or the operator of a cultural arts museum may apply to the Director of Development for a grant if such organization or museum suffered a loss of revenue due to state COVID-19 orders. The application shall be submitted on a form and in the manner prescribed by the Director no later than thirty days after the effective date of the bill. The application shall include the following: (1) A statement from the applicant attesting to economic harm suffered by such organization or museum due to compliance with state COVID-19 orders; (2) Documentation establishing the organization's or the museum's operating budget for calendar year 2019; (3) Documentation estimating the amount of the organization's or the museum's revenue losses from March 9, 2020, through the effective date of the bill that is attributable to state COVID-19 orders; (4) Information and documentation detailing the organization's or operator's

intended use of the requested grant funds; and (5) Any other information and documentation sufficient to establish that the organization or the museum meets the eligibility criteria prescribed by the bill.

After this documentation is submitted, the Director shall review and make a determination regarding each application within 30 days of receipt. Should the Director determine an application eligible, then that applicant is to be awarded a grant, but if the organization is denied their application, the Director shall issue a written notice stating the reasons for such.

The grants awarded to performing arts organizations shall be the full amount of revenue losses estimated, but shall not exceed the lesser of three million dollars, or 7% of the organization's operating budget for calendar year 2019. As for cultural arts museums, grants awarded shall also be the full amount of revenue losses estimated, but not to exceed 5% of the museum's operating budget for calendar year 2019.

Grants awarded under SB 234 shall be used for employee compensation, excluding bonuses; employee recruitment, rehiring, and training; rent or mortgage payments; operating costs; and capital expenditures to comply with state COVID-19 orders or to improve health and safety, including expenses to upgrade HVAC systems, health testing and temperature scanning equipment, devices, software, and services. All of these expenses are eligible as long as they occurred or are expected to occur on or after March 9, 2020, but before November 1, 2021. However, grants awarded under this section shall not be used for any expenses paid or reimbursed with the proceeds of funding received from the Ohio Arts Council pursuant to the CARES Act.

With SB 234, we can help revive the arts industry in Ohio and catalyze their robust comeback. As we all know, Arts and creative organizations are not charities - they operate like any other business where earned revenue comprises a significant portion of their budgets. No company can be expected to survive on zero earned income for more than a year and be projected to survive without assistance. SB 234 authorizes that assistance.

I appreciate you allowing me to speak to Senate Bill 234, and at this time, I would be happy to entertain any questions. Thank you.