



www.lsc.ohio.gov

OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 234
134th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Sen. Lang

Michael Hinel, Attorney

SUMMARY

- Authorizes grants for certain performing arts organizations and operators of cultural arts museums that lost revenue due to COVID-19 pandemic-related state orders.
- Limits the purposes for which those grants may be used.
- Appropriates \$50 million for the grant program from the GRF.

DETAILED ANALYSIS

Arts economic relief grant program

The bill establishes a temporary GRF grant program to provide economic relief to certain performing arts organizations and operators of cultural arts museums that lost revenue due to COVID-19 pandemic-related state orders. An organization or operator may apply to the Director of Development for a grant no later than 30 days after the bill's 90-day effective date.¹ The Director is required to approve or deny an application within 30 days of receiving it.²

The amount of each grant is based on the organization's or museum's estimated revenue losses beginning March 9, 2020 – the date the state's COVID-19 public health emergency was declared – through the bill's 90-day effective date due to COVID-19 pandemic-related state orders. The grant equals such losses, but may not exceed the lesser of either \$3 million or 7% of the organization's or 5% of the museum's operating budget for 2019.³

¹ Section 1(B).

² Section 1(C).

³ Section 1(D).

Eligible applicants

To qualify for a grant, a performing arts organization must have its principal place of business in Ohio and must primarily produce or present performances in music, comedy, the performing arts, and related fields.

A qualifying cultural arts museum must be located in Ohio and must primarily exhibit or present property for artistic or aesthetic purposes, including, for example, paintings, sculptures, photography, and property related to preserving and interpreting the history, art, and culture of popular music and multidisciplinary art forms.

Additionally, to qualify for a grant, the performing arts organization or the operator of a cultural arts museum must satisfy all of the following criteria:

- It is operated or partially funded by a federal income tax-exempt charitable organization, a political subdivision, or an Ohio public institution of higher education;
- If it is operated or partially funded by a political subdivision or an Ohio public university, it receives at least a majority of its funding from sources other than that subdivision or institution;
- If it is operated by a university, its managing board is independent of the university's board of trustees and it does not present work exclusively by or for students;
- It manages its own budget;
- It has an annual, independent audit.⁴

Permissible grant uses

Grants awarded may only be used for specific purposes, and the applicant, when applying for the grant, must provide information about how the grant would be used. Acceptable purposes are any of the following expenses actually incurred between March 9, 2020, and November 1, 2021:

- Employee compensation expenses, excluding bonuses;
- Employee recruitment, rehiring, and training expenses;
- Rent or mortgage payments;
- Operating costs;
- Capital expenditures or expenses for durable goods or services necessary to comply with state COVID-19 orders or to otherwise improve health and safety, including expenses for HVAC system upgrades, health testing, and temperature scanning.

⁴ Section 1(A).

The organization or operator may not use a grant awarded under the bill's program for any expenses paid or reimbursed with a Coronavirus Aid, Relief, and Economic Security (CARES) Act grant awarded by the Ohio Arts Council.⁵

Appropriation

The bill appropriates \$50 million from the GRF for the grant program for the FY2022-FY2023 biennium.⁶

HISTORY

Action	Date
Introduced	09-22-21

S0234-I-134/ks

⁵ Section 1(E).

⁶ Sections 2, 3, and 4.