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STATE OF NEW HAMPSHIRE  
 DEPARTMENT of NATURAL and CULTURAL RESOURCES  
 STATE COUNCIL on the ARTS

19 Pillsbury Street CONCORD, NEW HAMPSHIRE 03301

February 8, 2022

The Honorable Karen Umberger, Chairman  
 Fiscal Committee of the General Court  
*and*  
 His Excellency, Governor Christopher T. Sununu  
 and the Honorable Executive Council  
 State House  
 Concord, New Hampshire 03301

~~APPROVED BY FISCAL COMMITTEE~~

FEB 18 2022

**REQUESTED ACTION**

Pursuant to RSA 14:30-a, VI, the Department of Natural and Cultural Resources, NH State Council on the Arts, requests authorization to accept and expend American Rescue Plan Act (ARPA) funds in the amount of \$1,011,000 from the State of New Hampshire effective upon Fiscal Committee and Governor and Executive Council approvals through June 30, 2023. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts. 100% Federal Funds.

Funds are to be budgeted in the following account:

03-35-35-353510-24930000 - ARPA Grant DNCR Arts Council

Class-Account	Class Description	FY22 Current Adjusted Authorized	Requested Action	Revised FY22 Adjusted Authorized
000-400338	Federal Funds	(\$758,900)	(\$1,011,000)	(\$1,769,900)
	<b>Total Revenue</b>	<b>(\$758,900)</b>	<b>(\$1,011,000)</b>	<b>(\$1,769,900)</b>
040-500800	Indirect Costs	\$6,186	\$10,000	\$16,186
041-500801	Audit Fund Set Aside	\$760	\$1,000	\$1,760
050-500109	Personal Service Temp Appoi	\$39,994		\$39,994
060-500601	Benefits	\$3,060		\$3,060
072-500575	Grants Federal	\$708,900	\$1,000,000	\$1,708,900
	<b>Total Expenses</b>	<b>\$758,900</b>	<b>\$1,011,000</b>	<b>\$1,769,900</b>

The following appropriation authorities are being requested:

**Class 040 – Indirect Costs - Appropriation for recovery of eligible administrative support expenses estimated as 1% of total.**

**Class 041 – Audit Fund set Aside - Appropriation to pay for required audit fees.**

**Class 072 – Grants – Federal - Appropriation needed to pay competitive subgrants to nonprofit and for-profit performing arts venues.**

### **EXPLANATION**

The Save Our Granite Stages (SOGS) Fund was created in the Arts Council's budget by Chapter 91 of 2021 (HB2), Section 91:443, which amended RSA 19-A to add a new Section 15 creating the Fund. The Fund would make grants in FY2022 to nonprofit and for-profit New Hampshire performing arts venues that did not receive grants from the federal Shuttered Venue Operators Grant (SVOG) program, operated by the U.S. Small Business Administration. The language allows the state to direct to the Fund federal funds received by the state in response to the COVID-19 public health emergency. The fund is non-lapsing and sunsets at the end of Fiscal Year 2023.

The New Hampshire State Council on the Arts will create a competitive grant program for nonprofit and for-profit New Hampshire performing arts venues and/or performing arts production entities that did not receive grants from the federal SVOG program and are not majority-owned or controlled by a publicly traded corporation. "Performing arts venue" is defined as a nonprofit or for-profit facility that is primarily engaged in hosting live theatrical presentations or musical or other entertainment events that are seated, ticketed and open to the public, and "performing arts production entity," is defined as "an entity that is primarily engaged in producing live theatrical presentations at a fixed New Hampshire venue that are seated, ticketed and open to the public". The program will be open to New Hampshire venues seating 300 or fewer patrons meeting these criteria.

All direct program costs will be accounted for using activity 00FRF602PH3502A and all administrative and indirect costs will be accounted for using activity 00FRF602PH3502Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services

Key program details:

**Eligibility** –Small performing arts venues and/or performing arts production entities that operate independently at fixed New Hampshire locations such as municipal or other public venues.

1. New Hampshire nonprofit and for-profit performing arts venues, which are defined as "facilities primarily engaged in hosting live theatrical presentations or musical or other entertainment events that are seated, ticketed, and open to the public," and/or "performing arts production entities," defined as "an entity that is primarily engaged in producing live theatrical presentations at a fixed New Hampshire venue that are seated, ticketed and open to the public."
2. Venues must not be majority-owned or controlled by a publicly traded corporation.
3. Venues must not have received an award under the federal Shuttered Venue Operators Grant Program
4. Venues must have seating capacity of 300 or less (as considered by SB132).
5. Venues must be in good standing with NH Secretary of State.

### **Operation**

1. Applicants would be able to apply through the State Council on the Arts for unrestricted operating support up to 70% of the eligible entity's COVID-related revenue loss from March 3, 2021 – December 31, 2021, which is calculated by subtracting gross receipts between March 3, 2021, and December 31, 2021, from gross receipts between March 3, 2019, and December 31, 2019.

2. Award amounts would be adjusted to account for other COVID-related funding received by the entity for 2021 expenses or revenue losses, including:
  - a. State of NH CARES Act CRF or American Rescue Plan Act (ARPA) funds (including funds administered by NH State Council on the Arts).
  - b. County or municipal CARES Act CRF or ARPA funded awards.
  - c. Federal Paycheck Protection Program (PPP) awards.
  - d. Federal Economic Injury Disaster Loan (EIDL) or Advance.
  - e. Other Federal CARES Act or ARPA programs entities may have received.
  - f. Adjusted award amounts will be further subject to a pro rata share of the overall fund, to be determined based on all award recipients' gross receipts losses adjusted for COVID-19 assistance received from all sources, compared with the program allocation of \$1,000,000 and a cap of \$25,000 per entity (enabling up to 40 awards).

In the event Federal Funds become no longer available, General Funds will not be requested to support these expenditures.

Respectfully submitted,



A handwritten signature in cursive script that reads "Sarah L. Stewart". The signature is written in black ink and is positioned above a horizontal line.

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Sarah L. Stewart  
Commissioner

State of New Hampshire  
Department of Natural and Cultural Resources  
New Hampshire State Council on the Arts

**FISCAL SITUATION**

**03-035-035-353510-24930000 Save Our Granite Stages  
DNCR Arts Council**

FY 22 Current Adjusted Authorized	\$758,900
Requested Action	<u>\$1,011,000</u>
FY 22 Revised Adjusted Authorized	\$1,769,900