

# The Save Our Stages Act – Time for Eligible Businesses to Get Ready for Their Audition (Part 1 of 2)

Article By:

William Ziegelbauer

Peter Carson

Bijal N. Vira

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Among the various bills that were amalgamated in the Consolidated Appropriations Act, 2021 (the omnibus appropriations and stimulus funding bill that was signed into law on December 27, 2020) was a modified version of the Save Our Stages Act (the “[SOS Act](#)”), a bill first introduced into the Senate by Sen. John Cornyn (TX) on July 22, 2020. The SOS Act can be found in Section 324 of the Economic Aid to Hard-Hit Small Business, Nonprofits, and Venues Act, which act comprises Title III of Division N of the Consolidated Appropriations Act, 2021. The SOS Act establishes a new grant program (the “[SOS Program](#)”, also known as the “grant program for shuttered venue operators”) to be administered by the Small Business Administration (“[SBA](#)”) to aid certain financially distressed venue operators, event promoters or producers, and talent representatives.

While the SOS Program is not yet active as of the date of this posting (the SBA is currently developing its rules and regulatory framework), once live, it will provide an important lifeline to eligible recipients through one or more grants up to a total of \$10 million per recipient (subject to caps based on a recipient's historical revenue, fund availability limitations, and other conditions).

In order to assist potentially eligible businesses in getting the most out of the SOS Program, we are preparing a two-part article discussing the SOS framework and its key features. Those who wish to partake in the program should begin to prepare now as grants will be provided on a first-come, first-serve basis during very short windows and only to the extent the \$15 billion of funds appropriated for the SOS Program remain available.

In this article, the first of our alerts on the SOS Program, we summarize the eligibility requirements of the SOS Program. In our next alert, we will address the grant making itself, including the grant application process, staged prioritization and timing of grant approvals, including possible supplemental grants, determination of maximum grant amounts, and authorized uses of grant proceeds.

Read Part 2 on [Issuance of Grants under SOS Act.](#)

Eligibility Requirements (A Business Must Satisfy All Applicable Requirements Per Category)	Business Type			
	Live Venue Operator or Promoter, Theatrical Producer, or Live Performing Arts Organization Operator	Motion Picture Theatre Operator	Museum Operator	Talent Representative
<b>General Requirements:</b>	Was fully operational on February 29, 2020.			
	Had gross earned revenue during any of the first, second, third, or fourth quarter in 2020 that demonstrated not less than a 25 percent reduction from the gross earned revenue of such business during the corresponding quarter in 2019.			
<b>Operational/Intention Requirements:</b>	Has resumed or intends to resume organizing, promoting, producing, managing, or hosting future Eligible Live Events. <sup>1</sup>	Is open or intends to reopen for the primary purpose of public exhibition of motion pictures.	Is open or intends to reopen.	Is representing or managing artists and entertainers.
<b>Facility Requirements:</b>	Has a defined performance and audience space. <sup>2</sup>	Has at least one auditorium that includes a motion picture screen and fixed audience seating.	Has indoor exhibition spaces that are a component of the principal business activity and which have been subject to pandemic-related occupancy restrictions.	
	Has mixing equipment, a public address system, and a lighting rig.	Has a projection booth or space containing not less than one motion picture projector.	Has at least one auditorium, theater, or performance or lecture hall with fixed audience seating and regular programming.	
	Engages one or more individuals to carry out not less than two of the following roles: a sound engineer; a booker; a promoter; a stage manager; security personnel; or a box office manager.	Requires a paid ticket charge to attend exhibition of motion pictures.		
	Requires a paid ticket or cover charge to attend most performances and artists are paid fairly (rather than performing for free or for tips, except for fundraisers or similar charitable events).	Markets motion picture exhibitions through showtime listings in printed or electronic publications, on websites, by mass mail, or on social media.		
	If owned or operated by a nonprofit entity that produces free events, the Eligible Live Events are produced and managed primarily by paid employees, not by volunteers.			
	Markets performances in printed or electronic publications, on websites, by mass email, or on social media.			
	Not majority owned or controlled by an entity that is an issuer of securities listed on a national securities exchange.			

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National Law Review, Volume XI, Number 11

Source URL: <https://natlawreview.com/article/save-our-stages-act-time-eligible-businesses-to-get-ready-their-audition-part-1-2>