
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 675 Session of
2021

INTRODUCED BY MALAGARI, KINSEY, SANCHEZ, BRIGGS, KULIK, MERSKI,
SCHLOSSBERG, McNEILL, GALLOWAY, LONGIETTI, ISAACSON, NEILSON,
CONKLIN, FLYNN, BURGOS, WARREN, SIMS, HILL-EVANS, CIRESI,
WEBSTER, DEASY, DRISCOLL, FREEMAN, STURLA, PASHINSKI,
SHUSTERMAN, D. WILLIAMS, PISCIOTTANO, DELLOSO, DAY AND ROZZI,
FEBRUARY 26, 2021

REFERRED TO COMMITTEE ON COMMERCE, FEBRUARY 26, 2021

AN ACT

1 Establishing the COVID-19 Entertainment and Hospitality Grant
2 Program to provide grants to entertainment venues and
3 businesses within the hospitality industry that have been
4 adversely impacted by the COVID-19 pandemic.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the COVID-19
9 Entertainment and Hospitality Grant Program Act.

10 Section 2. Definitions.

11 The following words and phrases when used in this act shall
12 have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 "Applicant." An entertainment venue located in this
15 Commonwealth or an entity operating within the hospitality
16 industry in this Commonwealth that applies for assistance under
17 the program established in section 3.

1 "Bar." An establishment that primarily serves alcohol for
2 on-site consumption. The term includes a tavern or night club.

3 "Brewery." An establishment that produces or sells beer as
4 defined by section 5052(d) of the Internal Revenue Code of 1986
5 (Public Law 99-514, 26 U.S.C. § 5052(d)).

6 "COVID-19." The coronavirus disease 2019, an infectious
7 disease caused by severe acute respiratory syndrome coronavirus
8 2 that was first identified during December 2019 in Wuhan,
9 China.

10 "Department." The Department of Community and Economic
11 Development of the Commonwealth.

12 "Entertainment venue." An entity which derives its business
13 profits from providing entertainment to the public.

14 "Hospitality." An entity which provides at least one of the
15 following to individuals:

16 (1) Meals.

17 (2) Beverages.

18 (3) Recreation.

19 (4) Lodging.

20 "Hotel." A place of business located in this Commonwealth
21 having a North American Industry Classification System (NAICS)
22 designation from the United States Census Bureau within the
23 Accommodation subsector (721) and where accommodation is
24 provided for the public, with or without charge.

25 "Performing arts facility." Any of the following:

26 (1) Halls or theaters in which live musical, concert,
27 dance, ballet and legitimate play book-length productions are
28 performed that have seating for no more than 350 people.

29 (2) Small movie theaters that have permanent seating in
30 the facility for no more than 350 people.

1 "Proclamation of disaster emergency." The proclamation of
2 disaster emergency issued by the Governor on March 6, 2020,
3 published at 50 Pa.B. 1644 (March 21, 2020), and any renewal of
4 the state of disaster emergency.

5 "Program." The COVID-19 Entertainment and Hospitality Grant
6 Program established under section 3.

7 "Restaurant." A nonfranchise employer in this Commonwealth
8 that satisfies all of the following:

9 (1) The employer has a 72251, 72241, 722320 or 722330
10 NAICS designation from the United States Census Bureau.

11 (2) The employer's gross annual receipts for the prior
12 fiscal year did not exceed \$1,000,000.

13 Section 3. Establishment and duties of department.

14 (a) Establishment.--The program is established within the
15 department.

16 (b) Duties of department.--The department shall provide
17 grants under the program in accordance with this act to
18 applicants that have been financially adversely affected by
19 COVID-19 or the proclamation of disaster emergency.

20 Section 4. Eligibility.

21 To be considered for a grant under the program, the applicant
22 must certify in good faith as the date of the application that
23 the applicant:

24 (1) Operates one location within this Commonwealth.

25 (2) Employs no more than 150 full-time equivalent
26 employees at the business location.

27 (3) Suffered a financial adverse economic impact due to
28 COVID-19 or the proclamation of disaster emergency which
29 makes this grant request necessary to support the ongoing
30 operations of the business.

1 (4) Is an eligible entertainment venue or entity
2 operating in the hospitality industry in this Commonwealth,
3 including, but not limited to:

4 (i) Restaurant.

5 (ii) Bar, tavern or brewery.

6 (iii) Hotel or lodging facility.

7 (iv) Performing arts facility.

8 (v) Catering and catering supplies company.

9 Section 5. Application.

10 (a) Form.--The department shall develop a grant application
11 form for applicants to apply for a grant under the program
12 established under section 3. At a minimum, the application form
13 shall contain the following information:

14 (1) The name, address and contact information of the
15 applicant.

16 (2) The amount of grant money requested.

17 (3) The proposed use of any grant money received from
18 the program.

19 (4) The financial impact on the business due to COVID-19
20 or the proclamation of disaster emergency.

21 (5) Any other information that the department deems
22 necessary and appropriate.

23 (b) Submission.--An applicant shall submit the application
24 to the department in a manner prescribed by the department to be
25 eligible for a grant under the program.

26 Section 6. Restrictions.

27 Grant money awarded shall only be used for business
28 operations, including, but not limited to:

29 (1) Payroll costs.

30 (2) Payment of interest on mortgage obligations, which

1 may not include any prepayment of or payment of principal on
2 a mortgage obligation.

3 (3) Payment on a rent obligation.

4 (4) Payment for utilities.

5 Section 7. Award of grants.

6 (a) Timing.--No later 20 days after receipt of the grant
7 application form under section 5, the department shall:

8 (1) Review the grant application form.

9 (2) Determine whether to award a grant to the applicant.

10 (3) Determine the amount of the grant money to be
11 awarded to the applicant, if applicable.

12 (b) Considerations.--In determining the amount of the grant
13 money to be awarded to an applicant, the department shall
14 consider:

15 (1) The geographic and demographic diversity of the
16 business.

17 (2) How an applicant and the surrounding community in
18 which the applicant is located would be served through the
19 award of the grant money to the applicant.

20 (c) Documentation.--The department may require documentation
21 and information regarding the gross annual receipts and
22 information of employees of an applicant.

23 (d) Priority.--Priority in the awarding of grants shall be
24 given to applicants that have not received a loan or grant
25 issued under the authority of the Commonwealth or the
26 Commonwealth's political subdivisions for COVID-19 relief or by
27 the Federal government under the Coronavirus Aid, Relief, and
28 Economic Security Act (Public Law 116-136, 134 Stat. 281).

29 Section 8. Public notice.

30 The department shall provide information regarding the

1 availability and award of grants under the program on the
2 department's publicly accessible Internet website.

3 Section 9. Limitation.

4 Subject to the availability of funding, a grant to an
5 applicant under the program shall not exceed \$20,000. An
6 applicant may be deemed ineligible if the applicant previously
7 received more than \$100,000 in the form of a loan or grant for
8 COVID-19 relief from the Commonwealth.

9 Section 10. Reporting.

10 (a) Report.--No later than 60 days after notice is published
11 under section 8, the department shall prepare a report that
12 lists each applicant that received grant money under the program
13 and a summary of the information specified in each grant
14 application form.

15 (b) Publication.--The department shall post the report
16 required under subsection (a) on the department's publicly
17 accessible Internet website.

18 Section 11. Guidelines.

19 The department may promulgate regulations and guidelines for
20 the implementation and administration of this act.

21 Section 12. Appropriation.

22 The sum of \$145,000,000 shall be transferred from the
23 Workers' Compensation Security Fund into the General Fund and
24 \$55,000,000 shall be transferred from the Budget Stabilization
25 Reserve Fund into the General Fund for the purpose of awarding
26 grants under this act.

27 Section 13. Allocation.

28 The department shall allocate a minimum of \$200,000,000 for
29 the purpose of awarding grants under this program. The
30 department shall reserve \$100,000,000 of the funds received for

1 entertainment venues and \$100,000,000 for entities in the
2 hospitality industry.

3 Section 14. Effective date.

4 This act shall take effect immediately.