



How will the 2021 Omnibus Spending Bill impact NEA funding? How does the NEA work? This easy to follow pdf answers all of your questions.

link to pdf: https://www.arts.gov/sites/default/files/Budget_FAQs_12.23.2020.pdf

FY 2021 Appropriations Highlights Include:

- \$167.5 million for both the **National Endowment for the Arts** and **National Endowment for the Humanities** (a \$5.25 million increase each from FY 2020 funding levels) and waiver language that allows FY 2021 grants to be expended for general operating support and allow uncompleted FY 2019 and 2020 previously awarded grants to also be expended for general operating support.
- \$257 million for the **Institute of Museum and Library Services** (IMLS).
- \$15 million additional to IMLS for a grant program to support **American Latino Museums** across the country.
- Authorization for the Smithsonian Institution to build and support two new museums on or near the National Mall in Washington, DC: The **National Museum of the American Latino** and a **National Museum of Women's History** (formal name TBD).
- \$475 million for the **Corporation for Public Broadcasting**.
- \$30.5 million (an increase of \$500,000) for the federal **Arts In Education** grant program.

Extensions of Pandemic Unemployment Benefits:

- **For salaried/hourly workers**, the Pandemic Emergency Unemployment Compensation (PEUC) program has been extended to April 5, 2021, once the applicant exhausts their state Unemployment Insurance (UI).

- **All recipients of unemployment**, including qualified self-employed gig works, will receive an extra \$300/week in unemployment benefits for 11 weeks, beginning the week of December 27, 2020 to March 14, 2020. If a PUA recipient has not yet exhausted a full 50 weeks of unemployment benefits, they can continue receiving benefits until April 5th.
- **“Mixed earners”** with 1099/W2 income who were ineligible for PUA originally will now be eligible if they can show at least \$5,000 in self-employment income in 2019. They will also receive a weekly bonus of \$100 (a total of \$400 extra weekly benefits) for the duration of their state UI/PEUC benefits.
- States are given the ability to **waive collecting overpayments of unemployment** in cases where the claimant is not at fault or if repayment would be contrary to equity and good conscience.

Pandemic Relief Package Highlights Include:

- Second round of **IRS Direct Stimulus Checks** at \$600/person (phasing out after \$75K AGI for single filers and \$150K AGI for joint filers based on your 2019 tax return). Additional \$600/child for eligible dependents. Treasury will process electronic deposits within 7 days of the President signing the bill.
- \$284 billion for first and second draw of **Paycheck Protection Program** forgivable loans. No fee to apply.
 - **Eligibility:** Remains available for Schedule C gig and self-employed workers, Nonprofits & Corporations with a maximum of 300 employees.
 - Priority given to first time loan applicants, minority businesses, recipients with 10 or fewer employees, businesses located in low and moderate income neighborhoods
 - Must have proven revenue loss of 25% or more in one of the four quarters in 2020 compared to the same quarter in 2019. Seasonal companies can pick a customized 12-week period.
 - Maximum loan amount of \$2 million.
 - Destination marketing firms, news media companies, and 501(c)(6) nonprofit organizations are now eligible to apply.
 - Must have been in business operation no later than February 15, 2020.
 - Cannot also receive one of the new Shuttered Live Venue Grants
 - **Deadline to apply:** March 31, 2021 (Treasury to release guidelines in early January.)
 - No need to certify forgiveness of first loan before applying for second loan/draw.
 - **Covered Period:** 8 to 24 weeks.
 - **Loan Amount:** Avg monthly payroll x 2.5 months. Restaurants & Lodging can multiply by 3.5 months.
 - **Covered Expenses:** Still must certify minimum of 60% for payroll & maximum of 40% for non-payroll.
 - **Covered Non-Payroll Cost Categories Expanded for New and Old PPP Loans:**
 - Operations costs for software and cloud servers for accounting, inventory, delivery, etc.

- Property damage costs related to vandalism due to public disturbances in 2020
 - Supply costs of goods that were essential to the business and had pre-existing contracts
 - Worker protection costs, both operating and capital costs needed to comply with CDC, HHS, OSHA, and/or local and state government health ordinances.
 - Still includes the original non-payroll covered costs for rent, interest, and utilities.
 - **Covered Payroll Costs Expanded** for New and Old PPP Loans to include group life, disability, vision, dental & health insurance
 - **A new one-page Forgiveness Application** will be issued within 24 days of enactment to further simplify old and new PPP loans up to \$150,000
 - **Tax Bonus applicable to Both New and Old PPP Loans:**
 - Forgiven PPP loans should not be included in the recipient's gross income
 - PPP funds used to pay for covered business expenses can still be fully tax deducted
- \$20 billion to replenish new **Economic Industry Disaster Loans (EIDL) Advances** through the Small Business Administration
 - EIDL Advances would not be included in recipient's taxable gross income
- Extends the **Employee Retention Tax Credit** through 7/1/2021
- \$7 billion for **Broadband Internet** access across the country
- \$82 billion for **Education** & expansion of **Pell Grants**
 - CARES Act financial aid grants would not be included in a student's taxable gross income
- \$10 billion for **Childcare Assistance**
- Funds for speedy, equitable and free **Vaccine Distribution**
- **Paid Sick and Family Leave** Employer Tax Credit extended.
- \$25 billion in **Rental Assistance** for individuals who lost their income due to the pandemic. Additionally, **Eviction Protection** would be extended to January 31, 2021.
- \$13 billion for **SNAP Food Assistance** programs
- \$82 billion for **Education Financial Aid** & expansion of **Pell Grants**; \$10 billion for childcare
- \$28 billion for speedy, equitable and free **COVID-19 Vaccinations** and distribution.
- \$20 billion for states to expand **COVID-19 Testing**.
- Re-establishes the \$300 above-the-line **charitable tax deduction** to now allow a \$600 deduction for taxpayers filing jointly instead of limiting it to only \$300 per tax return.
- While **Economic Relief Block Grants for state, local and tribal governments are not included** in this bill, there are several programs that will provide assistance, including costs for health, transportation, schools, testing.

New Program of Grants for Shuttered Live Venue Operations for live entertainment venues, cultural institutions, and agents

- \$15 billion to support live entertainment venues, agents, cultural institutions such as theaters and museums with 500 or fewer FTE employees and cannot also apply for a new PPP loan.
- \$2 billion of these funds are reserved for entities with 50 or fewer FTE employees.
- Initial grant can total up to \$10 million per eligible business. A supplemental second grant, worth half the amount of the first, may also be available if funds are available.
- Grant amount based on 45% of recipient's 2019 gross earned revenue.
- Priority in the first 14 days are given to those businesses who have faced 90% or more of losses of earned revenue between 4/1/20 to 12/31/20, compared to the same time period in 2019.
- Priority for the next 14 days are given to those companies who faced 70% or more of losses of earned revenue between 4/1/20 to 12/31/20, compared to the same time period in 2019.
- Special formula allowances available for seasonal businesses.
- 20% Funding reserve for applications after these two 14-day priority periods for the hardest hits companies.
- Funds can be used to cover all the same new covered costs of a PPP loan plus payments to independent contractors (not to exceed \$100K annual pay), maintenance costs, licensing, insurance premiums, advertising, theatrical production costs, and capital expenditures incurred 3/1/20 to 12/31/21.
- Business entity must have been in operation on or before 1/1/19.
- Recipient would not include grant funds in their taxable gross income.
- Grant funds cannot be used to purchase real estate, pay loans taken out after 2/15/20, investment or re-lend, or for electoral activity and lobbying expenditures.
- Applications are made to the SBA and the SBA Administrator to issue guidance within 21 days of bill's enactment.
- Specific definitions and formulas for eligibility can be found on [page 2124 of the bill pdf](#).

For a deeper breakdown of the COVID-19 economic relief section, click [here](#).