Support journalism that matters to you

Since COVID-19 impacts us all and we want everyone in our community to have the important information they need, we have decided to make all coronavirus related stories free to read on **theday.com/coronavirus** (/coronavirus). While we are providing free access to articles, they are not free to produce. The newsroom is working long hours to provide you the news and information you need during this health emergency. Please consider supporting our work by subscribing or donating.

Subscribe (https://home.theday.com/subscribe/M201&CSReferrer=web)

Donate (https://givebutter.com/theday)

Connecticut arts, culture and tourism advocates push for more payroll loan flexibility

Published May 27. 2020 6:37PM | Updated May 27. 2020 8:55PM

By **Erica Moser** (/apps/pbcs.dll/personalia?ID=e.moser) Day staff writer

e.moser@theday.com (mailto:e.moser@theday.com) Frica_Faith13 (http://www.twitter.com/Erica_Faith13)

All of our stories about the coronavirus are being provided free of charge as a service to the public. You can find *all of our stories here* (/coronavirus).

You can support local journalism by *subscribing* (https://home.theday.com/subscribe/M201&CSReferrer=web) or *donating* (https://givebutter.com/theday) to The Day.

Get the weekly rundown Sign up to receive our weekly BizBuzz newsletter Email* Type your email Submit

Tourism advocates across Connecticut and legislators from the southeastern part of the state on Wednesday pushed for changes to the Paycheck Protection Program to allow more flexibility for arts and cultural organizations shuttered for the indefinite future.

The PPP is a Small Business Administration loan program put in place because of the coronavirus pandemic, in which the SBA will forgive loans if employees are kept on the payroll for eight weeks. Business owners must spend 75% of the loan on payroll.

PPP concerns came up in a virtual roundtable that U.S. Sen. Richard Blumenthal, D-Conn., hosted with the 5-year-old Connecticut Tourism Coalition on Wednesday afternoon.

Wendy Bury, executive director of the Southeastern Connecticut Cultural Coalition, noted that most arts and cultural organizations weren't able to reopen in phase one and will not be able to reopen in phase two, and "the PPP will be long gone by then, so we need help extending that."

She said capacity limits will make it not worth it for some places to open in phase two, especially historic buildings where it's "logistically impossible to meet some of the social distancing requirements," and ticket refund requests are becoming a bigger burden as some organizations cancel their entire 2020 season.

Blumenthal noted that the Paycheck Protection Program Flexibility Act, the result of a bipartisan compromise in the U.S. Senate, is now in the House. He said it would extend the date to apply for funds, lengthen the time required for repayment and forgiveness, and eliminate the requirement that 75% be spent on payroll, allowing businesses and nonprofits to spend the money on safety measures and capital improvements.

Small businesses need "a clear outline of what the forgiveness terms are going to be, because I'm afraid that people are going to get caught in a small-print trap there, as these parameters keep changing," said state Sen. Paul Formica, R-East Lyme.

Many are left wondering what to do when the eight-week PPP period is over.

State Rep. Holly Cheeseman, R-East Lyme, who is executive director of the Children's Museum of Southeastern Connecticut, said she has been able to keep staff on but is now "faced with trying to keep those people on with no income in sight." She's been given a possible reopening date of June 20 but questioned if that's set in stone.

With additional cleaning supplies and measures, Cheeseman is "looking at increased costs just to operate at a really reduced level, 50% capacity, whatever."

Scott Dolch, executive director of the Connecticut Restaurant Association, said his urgency is to get the U.S. House to pass the bill in the next five or six days. He commented that restaurants are spending money "to keep people safe with plexiglass, masks, cleaning supplies, all things that aren't on our normal budget."

Another issue is that the state's tourism fund is funded by the lodging tax, which isn't exactly providing much revenue right now. State Sen. Cathy Osten, D-Sprague, said the amount of money going into the tourism fund will be at least cut in half over the next year.

She expressed concern about funding a tourism marketing plan for Connecticut, and also hopes Blumenthal can help get some money for the Mashantucket Pequot and Mohegan tribes.

Some of the conversation Wednesday focused on how to increase consumer confidence.

"We are going to have to turn the tide on this disease before people will feel secure and safe coming back to retail or hotels or other venues, and that's beginning to happen," Blumenthal said. He added, "We're not going to have a vaccine for a year, and in the meantime, we need to get people back into your places, and spending money."

Bury said one hurdle is that the audience for many cultural organizations is older and may therefore be resistant to leaving their homes.

e.moser@theday.com (mailto:e.moser@theday.com)

ERICA MOSER

e.moser@theday.com (mailto:e.moser@theday.com) 🎔 (HTTP://WWW.TWITTER.COM/ERICA_FAITH13)

As a business reporter, I write about small businesses opening and closing, manufacturing, food and drink, labor issues and economic data. I particularly love writing about the impact of state and federal policy on local businesses. I also do some education reporting, covering colleges in southeastern Connecticut and regional K-12 issues.



What questions - or story ideas - do you have about workforce issues in New London County, small businesses, or business-related legislation and taxes?

0/200

Your contact info

I'll be in touch if I look into your question.

Name Email address Zip code

- ✓ Sign me up for your BizBuzz newsletter!
- ☐ Please don't publish my name
- ☐ I am over 16 years old
- ☐ I accept the Terms of Service (https://www.wearehearken.com/terms-of-services)

STORIES THAT MAY INTEREST YOU



After COVID-19, giant corporations and chains may be the only ones left (/business/20200712/after-covid-19-giant-corporations-and-chains-may-be-only-ones-left)

The coronavirus will radically reshape Main Streets across the country



200,000 seafarers fear there's no plan to get them off ships (/business/20200712/200000-seafarers-fear-theres-no-plan-to-get-them-off-ships)

Restrictions on ships docking to halt the spread of Covid-19, border shutdowns and a lack of flights are the biggest barriers to relieving exhausted crew.



Uncertainty shrouds the housing market through 2020 (/business/20200712/uncertainty-shrouds-housing-market-through-2020)

Real estate across the United States is heating up, rekindled by growing demand and insufficient supply.

Buyer interest in suburban over city living grows in May, report finds (/business/20200712/buyer-interest-in-suburban-over-city-living-grows-in-may-report-finds)

The elimination of a daily commute makes living farther from downtown in a single-family home more palatable.