

AMENDED IN SENATE MARCH 25, 2025

SENATE BILL

No. 370

Introduced by Senator Ashby

February 13, 2025

An act to add Section 12098.9 to the Government Code, relating to music festivals.

LEGISLATIVE COUNSEL'S DIGEST

SB 370, as amended, Ashby. ~~Musie festivals.~~ *California Music Festival Preservation Grant Program.*

Existing law establishes *the Office of Small Business Advocate* within the Governor's Office of Business and Economic Development, also known as "GO-Biz," to ~~serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth, among other duties. Existing law establishes various programs and offices within GO-Biz to assist business development. and provides for the appointment by the Governor of the Small Business Advocate, also known as the Director of the Office of Small Business Advocate, to, among other things, serve as the principal advocate in the state on behalf of small businesses.~~

This bill would ~~state the intent of the Legislature to enact legislation that would provide equitable access and economic development opportunities for music festivals. The bill would include findings and declarations relating to these provisions.~~ *establish the California Music Festival Preservation Grant Program within the office, under the direct authority of the director, to provide grants to eligible independent live music events promoters to support their continued ability to provide equitable access to the arts for all Californians. The bill would specify*

requirements for eligibility and, subject to appropriation by the Legislature, would require the office to allocate the sum of \$20,000,000 in grants to eligible independent live music events promoters that meet those requirements.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12098.9 is added to the Government Code,
2 to read:

3 12098.9. (a) The California Music Festival Preservation Grant
4 Program is hereby established within the office.

5 (b) The program shall be under the direct authority of the
6 director, and the office shall administer grants to eligible
7 independent live music events promoters in accordance with this
8 section.

9 (c) The purpose of the program is to provide grants to eligible
10 independent live music events promoters in order to support their
11 continued ability to provide equitable access to the arts for all
12 Californians.

13 (d) For purposes of this section, “eligible independent live music
14 events promoter” means an entity that satisfies all of the following:

15 (1) It is a sole proprietor, C-corporation, S-corporation,
16 cooperative, limited liability company, partnership, limited
17 partnership, or a nonprofit organization that is exempt from federal
18 income taxation pursuant to Section 501(c)(3) of the Internal
19 Revenue Code of 1986.

20 (2) It, as a principal business activity, organizes, promotes,
21 produces, manages, or hosts live concerts, festivals, or other events
22 featuring performing artists at an eligible venue where both of the
23 following take place:

24 (A) A cover charge through ticketing or front door entrance fee
25 is applied.

26 (B) Performers are paid.

27 (3) At least 70 percent of the earned revenue of the entity is
28 generated through cover charges or ticket sales, production fees,
29 or production reimbursements, or the sale of event beverages,
30 food, or merchandise.

31 (e) Subject to appropriation by the Legislature:

1 (1) *The office shall allocate grants to eligible independent live*
2 *music events promoters that meet the requirements of this section.*

3 (2) *The amount of twenty million dollars (\$20,000,000) shall*
4 *be allocated in one or more rounds to eligible independent live*
5 *music events promoters.*

6 ~~SECTION 1. (a) It is the intent of the Legislature to enact~~
7 ~~legislation that would provide equitable access and economic~~
8 ~~development opportunities for music festivals.~~

9 ~~(b) The Legislature finds and declares all of the following~~
10 ~~regarding enhancing equitable access to music festivals:~~

11 ~~(1) Music festivals and large community gatherings have a~~
12 ~~significant economic impact on local cities and the State of~~
13 ~~California.~~

14 ~~(2) In 2023, a study found that 34 percent of surveyed adults in~~
15 ~~the United States had attended a music festival more than once.~~

16 ~~(3) Music festivals attract visitors, which increases sales at local~~
17 ~~businesses, including restaurants, hotels, retails shops,~~
18 ~~transportation businesses, and other services.~~

19 ~~(4) Music festivals create temporary and permanent jobs, such~~
20 ~~as security, catering, vendors, transportation, event staff, and artists.~~

21 ~~(5) The success of music festivals attracts investments in real~~
22 ~~estate, local businesses, and other sectors in cities that host music~~
23 ~~festivals.~~

24 ~~(6) Music festivals attract businesses throughout the host city~~
25 ~~and serve as national and international tourist destinations.~~