

Texas Travel Industry Recovery Grant Program (“TTIR Program”) Frequently Asked Questions (FAQ)

1. What is the Texas Travel Industry Recovery Grant Program?

The Texas Travel Industry Recovery Grant Program (TTIR Program) was established by the Texas Economic Development & Tourism Office pursuant to Senate Bill 8 (87th Legislature, Third Called Session) to administer \$180 million of funds received from the [Coronavirus State Fiscal Recovery Fund](#), established under the American Rescue Plan Act (ARPA) of 2021 (Pub. L. No. 117-2). The purpose of the TTIR Program is to provide grants for the recovery of Texas entities in the tourism, travel, and hospitality industry.

The program will issue one-time grants up to \$20,000 to reimburse eligible costs to qualifying Texas entities in the tourism, travel and hospitality industry.

2. What costs are eligible?

Costs in the following categories will be allowed, if otherwise in compliance with any applicable federal and state law, if they address the identified need or impact of the COVID-19 pandemic, are in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID–19 public health emergency, and if incurred in the period beginning November 8, 2021 through the time of the application (and in no event later than August 31, 2024).

- Payroll and covered benefits expenses (other than unemployment and pension funds) and compensation of returning employees for lost pay and benefits during the COVID-19 pandemic, compliant with [2 CFR 200.430](#) and [200.431](#), the coverage of which mitigates financial hardship such as declines in revenues or profits; and
- only if less than \$20,000 of payroll costs and compensation are eligible under the grant:
 - COVID-19 mitigation and prevention measures to enable safe reopening, which may include, but are not necessarily limited to, improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or, personal protective equipment. Mitigation and prevention measures not specifically listed here must be separately identified and itemized in the application; and
 - Rent, leases, and utilities, to the extent the costs are compliant with, to the extent applicable, [2 CFR 200.465](#) and [2 CFR 200.472](#).

Expenses in these categories must be related and reasonably proportional to the extent and type of harm experienced; uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced would not be eligible uses. In addition, all uses shall be compliant with applicable federal and state guidance.

No other categories of expenses will be allowed, including, but not necessarily limited to, the costs of acquiring real property, equipment, advertising or promotion costs, alcoholic beverages, debts and any related collection and legal costs, costs of donated property or space, fines, penalties, lobbying, or food.

In addition, grant funds may not be used for any program, service, or capital expenditure that (1) conflicts with or contravenes the statutory purpose of the American Rescue Plan Act (ARPA) of 2021 (Pub. L. No. 117-2), including a program, service, or capital expenditure that includes a term or condition that undermines efforts to stop the spread of COVID-19; (2) constitutes debt service (new or preexisting), a replenishment of any financial reserves, or satisfies any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding; (3) violates any federal or state conflict-of-interest requirements, including any self-dealing or ethics rules; or (4) violates any applicable federal, state, and local laws and regulations, including, but not limited to, environmental laws and federal civil rights and nondiscrimination requirements, which include prohibitions on discrimination on the basis of race, color, national origin, sex, religion, disability, age, or familial status (having children under the age of 18).

3. What are the priority groups?

Priority groups are scored higher when applications are compared to determine which eligible applications will receive a grant. Priority groups, assuming the relevant entity meets all other eligibility requirements, include:

- Businesses demonstrating the largest negative financial impact as determined by total Texas sales;
- Businesses that have not received any or have received minimal federal aid due to COVID-19 including the Paycheck Protection Program, Shuttered Venues Grant, the Restaurant Revitalization Fund, or SBA Debt Relief;
- Veteran-owned businesses;
- Businesses located in a Qualified Census Tract (QCT), Difficult Development Area (DDA), or nonmetropolitan (nonmetro) area as determined by the Office of Management and Budget (OMB);
- Small businesses (no more than 500 employees, or, if applicable, the size standard in number of employees established by the Administrator of the U.S. Small Business Administration (SBA) for the industry in which the business concern or organization operates; or is a small business concern as defined in section 3 of the Small Business Act (15 U.S.C. 632)); and
- For-profit entities, Destination Marketing Organizations (DMOs), and Convention and Visitor Bureaus (CVBs).

4. What time will applications open?

Applications will open up at 9:00 AM CST on each respective start date for the relevant category.

5. Is this a first come, first serve application process?

Each application is evaluated and scored based on evaluation criteria. Applications that have tie scores and determine if an applicant will receive a grant will be evaluated for grant approval via timestamp data. The application that was submitted first will be given priority; the additional applications will potentially be eligible for later consideration, to the extent funds are available.

6. What is the eligible payroll timeframe that is considered for the grant?

Payroll expenses (assuming the entity also satisfies all other requirements for the funds) must have been incurred in the period beginning November 8, 2021 through the time of the application (and in no event later than August 31, 2024).

7. Is the TTIR Program open to non-profits?

Yes, non-profits are eligible assuming they also satisfy all other requirements for the funds.

8. Do Chambers of Commerce and/or Visitors Centers qualify for TTIR Program funding?

Only privately-owned for profit and non-profit entities which fall into the qualifying NAICS categories are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. Please refer to <https://www.naics.com/search/> to determine whether a particular organization qualifies in one of the relevant NAICS codes. An applicant is also responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify.

9. What if a Chamber of Commerce acts as the community's Destination Marketing Organization?

Only privately-owned for profit and non-profit entities which fall into the NAICS categories identified are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes. An applicant is also responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify.

10. Will a CVB be eligible for TTIR Program funding if they are held by a city office and funded by the HOT revenue?

Only privately-owned for profit and non-profit organizations which fall into the NAICS categories identified are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes. An applicant is also responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify. Local governmental entities are not privately owned.

11. If our business received PPP funding will we still be eligible for funding?

Yes, even if an entity received Paycheck Protection Program (PPP) funding, it may still be eligible for funding through the TTIR Program. Businesses that have not received any or have received minimal federal aid due to COVID-19 including the PPP, Shuttered Venues Grant, the Restaurant Revitalization Fund, or SBA Debt Relief will be scored higher than businesses that have received more than minimal federal aid of this type.

12. Is my business/organization eligible for TTIR Program funding?

Grants are available to eligible to businesses in the following NAICS codes:

NAICS Codes	
Code	NAICS Title
722	Food services and drinking places
71	Arts, entertainment, and recreation
7211	Traveler accommodation
7212	RV parks and recreational camps
5615	Travel arrangement and reservation services
561920	Convention and trade show organizers
312120	Breweries
312130	Wineries
312140	Distilleries

If you do not know your organization's NAICS code, please refer to <https://www.naics.com/search/>.

13. Do hotels fall under the NAICS Category 7211?

Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes.

14. Which NAICS Category will Bed and Breakfast establishments fall under?

Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes.

15. Will a food service entity that is housed in a university qualify for TTIR Program funding?

Only privately-owned for profit and non-profit entities which fall into the NAICS categories identified are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. An applicant is responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify.

16. Will brewpubs be counted in the same NAICS code as breweries or in the drinking places/restaurant category?

Please refer to <https://www.naics.com/search/> to determine the NAICS code for a particular entity.

17. Can I apply for more than one location or business?

TTIR Program applications are limited to one per Texas Taxpayer ID.

18. Will grants be subject to the franchise tax?

An applicant may wish to consult a tax professional for questions relating to the taxability of grant funds.

19. What does federal aid mean for the purpose of the prioritization?

Federal aid refers to federal aid programs which applicants may have received due to COVID-19 including the Paycheck Protection Program (PPP), Shuttered Venues Grant, the Restaurant Revitalization Fund, or SBA Debt Relief.

20. What does lost pay and benefits mean?

Funds may be used to cover pay and benefits of returning employees who were previously laid off because of required closures and other efforts to contain the pandemic, assuming that the entity also satisfies all other requirements for the funds, including, but not limited to, that the costs fall within the relevant timeframe, are compliant with [2 CFR 200.430](#) and [200.431](#), and the coverage of which mitigates financial hardship such as declines in revenues or profits. Employees laid off or terminated for other reasons besides required closures and other efforts to contain the pandemic who then return would not be eligible for lost pay or benefits.

21. How do I submit a 941 if I use a Third-Party Payroll Provider?

Companies that do not have an IRS Form 941 to upload in their own name because they use a third-party payroll processor or Certified Professional Employer Organization (CPEO) must complete and upload a standard form letter in lieu of an IRS Form 941. The form letter must be completed and signed by an authorized representative of the third-party service provider. The form letter is available [here for download](#).