

**I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÁHAN
RESOLUTIONS**

Resolution No.	Sponsor	Title	Date Intro	Date of Presentation	Date Adopted	Date Referred	Referred to	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
322-35 (LS)	Louise B. Muña	Relative to encouraging businesses to utilize the U.S. Small Business Administration's Forgivable Loan Program as part of the CARES Act, to keep residents employed and to assist in re-employment for those laid off due to COVID-19.	4/9/20 5:16 p.m.							

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
2020 (SECOND) Regular Session

Resolution No. 322 -35 (LS)

Introduced by:

Louise B. Muña *LB*

Relative to encouraging businesses to utilize the U.S. Small Business Administration's Forgivable Loan Program as part of the CARES Act, to keep residents employed and to assist in re-employment for those laid off due to COVID-19.

1 **BE IT RESOLVED BY THE COMMITTEE ON RULES OF I**

2 ***MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN:***

3 **WHEREAS**, the CARES Act has authorized the US Small Business
4 Administration's *Paycheck Protections Program* to award forgivable loans to small
5 business, meaning it doesn't have to be paid back, during what is referred to as a
6 "covered period." This period is eight weeks, selected by the small business owner
7 and the lending agency, between February 15, 2020 and June 30, 2020.

8 **WHEREAS**, any businesses with less than five hundred (500) employees are
9 eligible for these loans. All states and territories are eligible. These businesses include
10 self-employed individuals, independent contractors, and sole proprietors are also
11 eligible. Priority will be given to businesses in under-served and rural markets,
12 including veterans and members of the military community, women, socially and
13 economically disadvantaged individuals, and businesses that are less than two (2)
14 years old.

1 **WHEREAS**, the forgivable loan, which amounts to an outright grant, is two
2 and one-half (2.5) times the businesses’ monthly payroll up to a maximum Ten
3 million Dollars (\$10,000,000).

4 **WHEREAS**, the forgivable loan’s proceeds can be used for operating costs,
5 including employee payroll/compensation, employee health care, interest on
6 mortgage, rent, utilities, and debt service payments. The loan’s forgivable provision
7 requires that Seventy Five percent (75%) of the forgiven amount be used for payroll.
8 The quarterly payroll cost for an employee cannot be more than Thirty-Three
9 Thousand Three Hundred Thirty-Three Dollars (\$33,333).

10 **WHEREAS**, small businesses had to lay off employees during the covered
11 period, the forgivable amount of the loan will also be reduced proportionally, but, if
12 all employees are rehired and their full salaries restored by June 30, no reduction of
13 loan will occur.

14 **WHEREAS**, if the crisis lasts longer than the current limits of the program,
15 leaders of both major parties have pledged support for extension of the program. Both
16 houses of Congress are expected to approve an additional \$250 billion for the program
17 by April 17, 2020. **WHEREAS**, to expedite the loan process, personal guarantees have
18 been waived. All that is required is a “good faith certification” that your business has
19 been affected by the COVID-19 pandemic, and that the funds will be used according
20 to the guidelines, and

21 **WHEREAS**, if the program works as intended by Congress, it has the potential
22 to get all residents who lost jobs or work hours to be fully employed. This will give
23 provide much needed relief until unemployment claims are processed; now therefore,
24 be it

25 **RESOLVED**, that *I Mina'trentai Singko Na Liheslaturan Guåhan* requests that
26 all approved SBA lenders on Guam participate in this making these loans available to

1 local small business so that they may have the resources to keep employees on the
2 payroll or to rehire terminated employees, and be it further

3 **RESOLVED**, that *I Mina'trentai Singko Na Liheslaturan Guåhan* requests that
4 the Guam Economic Development Authority (GEDA), the Guam Chamber of
5 Commerce and the Guam office of the US Small Business Administration offer
6 support, assistance and guidance to make this these loans available to all qualifying
7 small businesses.

8 **RESOLVED**, that the Speaker certify, and the Legislative Secretary attest to,
9 the adoption hereof, and that copies of the same be thereafter transmitted to the Board
10 of Directors and President of the Guam Chamber of Commerce, the Administrator of
11 the Guam Economic Development Authority, the Branch Manager for the Small
12 Business Administration (SBA) Guam Branch and the Honorable Lourdes A. Leon
13 Guerrero, *I Maga'hågan Guåhan*.

**DULY AND REGULARLY ADOPTED BY *I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN* ON THE _____
DAY OF _____ 2020.**

TINA ROSE MUÑA BARNES
Speaker

AMANDA L. SHELTON
Legislative Secretary