To required the Secretary of the Treasury to implement a program that provides financial assistance to sports facilities, museums, and community theaters, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. Trahan introduced the following bill; which was referred to the Committee on ________

A BILL

To required the Secretary of the Treasury to implement a program that provides financial assistance to sports facilities, museums, and community theaters, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ASSISTANCE FOR SPORTS FACILITIES, MUSEUMS, AND COMMUNITY THEATERS.

Section 4003 of the CARES Act (15 U.S.C. 9042) is amended by adding at the end the following:
“(i) ASSISTANCE FOR SPORTS FACILITIES, MUSEUMS, AND COMMUNITY THEATERS.—

“(1) IN GENERAL.—The Secretary of the Treasury shall, using amounts made available under subsection (b)(4), implement a program that provides financing of not less than $1,000,000,000 for loans to community-owned or private businesses that—

“(A) had revenue in 2019 of not more than $35,000,000; and

“(B) have contractual obligations for making lease, rent, or bond payments for publicly-owned sports facilities, museums, and community theaters.

“(2) LOAN TERMS.—Any such loan shall have the following terms and such other terms as the Secretary shall determine:

“(A) A term of 15 years.

“(B) An annualized interest rate of not higher than the London Inter-bank Offered Rate plus 200 basis points.

“(C) Not include a requirement to provide collateral or a guaranty of such loan.

“(D) Not exceed $25,000,000 and shall be in an amount as determined between the recipi-
ent and the lender (but in no event shall the
amount of such loan be determined based on
the recipient’s earnings before interest, taxes,
depreciation, and amortization).

“(E) Interest and principal on each such
loan shall be paid as follows:

“(i) For the first 12 months after any
such loan is made, or for such longer pe-
period as the Secretary may determine in his
discretion, no principal or interest shall be
due and payable.

“(ii) From year 2 through year 14 of
the term of any such loan, interest on the
principal amount of such loan shall be pay-
able monthly and 2.31 percent of the prin-
cipal amount of such loan shall be payable
at the end of each such year.

“(iii) In year 15 of the term of any
such loan, interest shall be payable monthly
and the remaining 70 percent of the
principal amount of such loan shall be paid
at the end of such year.

“(F) The recipient shall be permitted to
prepay any such loan at any time without pre-
mium or penalty.
“(3) Eligible Borrowers.—Any eligible borrower applying for a loan under this program shall make a good-faith certification that:

“(A) The uncertainty of economic conditions as of the date of the application makes necessary the loan request to support the ongoing operations of the recipient.

“(B) The recipient reasonably believes that the positive economic impact generated by the use of the funds it receives will exceed the loan amount.

“(C) The recipient is an entity or business that is domiciled in the United States with significant operations and employees located in the United States.

“(D) The recipient is not a debtor in a bankruptcy proceeding.

“(E) The recipient is created or organized in the United States or under the laws of the United States.

“(F) The recipient will use the proceeds of such loan for purposes directly connected to contracted services, including performances and sporting events, at such facility. These eligible purposes shall be:
“(i) Rent, lease, or bond payments or other obligations (including property taxes) to the owner of the facility for use of the facility.

“(ii) Utilities at the facility.

“(iii) Employee compensation, including benefits, for employees of the recipient whose employment is directly connected to services rendered at the facility; provided, no funds may be used for compensation of an officer or employee at a rate that would exceed $100,000 per annum.

“(iv) Working capital, trade payables, insurance premiums, and refunds relating to the facility.

“(v) Facility improvements agreed to by the recipient and, if applicable the entity with authority over the facility’s budget and operations.

“(vi) Other purposes which improve the infrastructure and/or project development surrounding the facility.”.