

116TH CONGRESS
2D SESSION

H. R. 7023

To require 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

MAY 27, 2020

Mrs. TRAHAN (for herself, Mr. McKINLEY, Ms. MATSUI, Mr. ROSE of New York, Mr. FITZPATRICK, Ms. HAALAND, Mr. RYAN, Mr. TRONE, Mr. SIMPSON, Mr. COURTNEY, Ms. SLOTKIN, Mr. THOMPSON of Pennsylvania, Mr. LOEBSACK, Mr. WELCH, Mr. MORELLE, Ms. ESCOBAR, Ms. FINKENAUER, Mr. HIGGINS of New York, Mr. WILSON of South Carolina, Mr. KING of New York, Mr. CUNNINGHAM, Mr. CARTER of Texas, Mr. BRINDISI, and Ms. MCCOLLUM) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. ASSISTANCE FOR SPORTS FACILITIES, MUSE-**
2 **UMS, AND COMMUNITY THEATERS.**

3 Section 4003 of the CARES Act (15 U.S.C. 9042)
4 is amended by adding at the end the following:

5 “(i) ASSISTANCE FOR SPORTS FACILITIES, MUSE-
6 UMS, AND COMMUNITY THEATERS.—

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

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

15 “(B) have contractual obligations for mak-
16 ing lease, rent, or bond payments for publicly
17 owned sports facilities, museums, and commu-
18 nity theaters.

19 “(2) LOAN TERMS.—Any such loan shall have
20 the following terms and such other terms as the Sec-
21 retary shall determine:

22 “(A) A term of 15 years.

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

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

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

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

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

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

22 “(iii) In year 15 of the term of any
23 such loan, interest shall be payable month-
24 ly and the remaining 70 percent of the

1 principal amount of such loan shall be paid
2 at the end of such year.

3 “(F) The recipient shall be permitted to
4 prepay any such loan at any time without pre-
5 mium or penalty.

6 “(3) ELIGIBLE BORROWERS.—Any eligible bor-
7 rower applying for a loan under this program shall
8 make a good-faith certification that:

9 “(A) The uncertainty of economic condi-
10 tions as of the date of the application makes
11 necessary the loan request to support the ongoing
12 operations of the recipient.

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

17 “(C) The recipient is an entity or business
18 that is domiciled in the United States with sig-
19 nificant operations and employees located in the
20 United States.

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

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

1 “(F) The recipient will use the proceeds of
2 such loan for purposes directly connected to
3 contracted services, including performances and
4 sporting events, at such facility. These eligible
5 purposes shall be:

6 “(i) Rent, lease, or bond payments or
7 other obligations (including property taxes)
8 to the owner of the facility for use of the
9 facility.

10 “(ii) Utilities at the facility.

11 “(iii) Employee compensation, includ-
12 ing benefits, for employees of the recipient
13 whose employment is directly connected to
14 services rendered at the facility; provided,
15 no funds may be used for compensation of
16 an officer or employee at a rate that would
17 exceed \$100,000 per annum.

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

21 “(v) Facility improvements agreed to
22 by the recipient and, if applicable the enti-
23 ty with authority over the facility’s budget
24 and operations.

1 “(vi) Other purposes which improve
2 the infrastructure and/or project develop-
3 ment surrounding the facility.”.

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