

[DISCUSSION DRAFT]

116TH CONGRESS
2^D SESSION

H. R. _____

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.

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

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

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

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

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

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

11 “(B) have contractual obligations for mak-
12 ing lease, rent, or bond payments for publicly-
13 owned sports facilities, museums, and commu-
14 nity theaters.

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

18 “(A) A term of 15 years.

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

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

24 “(D) Not exceed \$25,000,000 and shall be
25 in an amount as determined between the recipi-

1 ent and the lender (but in no event shall the
2 amount of such loan be determined based on
3 the recipient's earnings before interest, taxes,
4 depreciation, and amortization).

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

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

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

18 “(iii) In year 15 of the term of any
19 such loan, interest shall be payable month-
20 ly and the remaining 70 percent of the
21 principal amount of such loan shall be paid
22 at the end of such year.

23 “(F) The recipient shall be permitted to
24 prepay any such loan at any time without pre-
25 mium or penalty.

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

4 “(A) The uncertainty of economic condi-
5 tions as of the date of the application makes
6 necessary the loan request to support the ongo-
7 ing operations of the recipient.

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

12 “(C) The recipient is an entity or business
13 that is domiciled in the United States with sig-
14 nificant operations and employees located in the
15 United States.

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

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

21 “(F) The recipient will use the proceeds of
22 such loan for purposes directly connected to
23 contracted services, including performances and
24 sporting events, at such facility. These eligible
25 purposes shall be:

1 “(i) Rent, lease, or bond payments or
2 other obligations (including property taxes)
3 to the owner of the facility for use of the
4 facility.

5 “(ii) Utilities at the facility.

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

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

16 “(v) Facility improvements agreed to
17 by the recipient and, if applicable the enti-
18 ty with authority over the facility’s budget
19 and operations.

20 “(vi) Other purposes which improve
21 the infrastructure and/or project develop-
22 ment surrounding the facility.”.