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.

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.

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 recipient 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 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 payable monthly and 2.31 percent of the principal 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 bor-
rower applying for a loan under this program shall
make a good-faith certification that:

“(A) The uncertainty of economic condi-
tions as of the date of the application makes
necessary the loan request to support the ongo-
ing 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 sig-
nificant 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.”