



COVID-19 ECONOMIC RECOVERY INITIATIVES

Presented by

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Federal and Local Economic Recovery Initiatives

- Business Operations Assistance
 - Deferral of 40% of BPT payments Due in April, May, and June 2020
 - Extension of Deadline for Filing and Payment of Business Income Taxes from April 15, 2020 to July 15, 2020
 - U.S. SBA Economic Injury Disaster Loans
 - GEDA Guam Development Fund Act and State Small Business Credit Initiative Guaranteed Loans with Participating Lenders with Deferred Initial Payments for 90 days
 - Families First Coronavirus Response Act
 - Emergency Family and Medical Leave Expansion Act
 - Emergency Paid Sick Leave Act
 - Government of Guam Covers All Credit Card Fees for tax and non-tax payments until June 30

Federal and Local Economic Recovery Initiatives

- Individual/Worker Assistance
 - Relief for Homeowners - Moratorium/Suspension on Foreclosures and Evictions:
 - U.S. Federal Housing Financial Agency Enterprise-Backed Single-Family Mortgages
 - USDA Rural Development Single-Family Housing Guaranteed Loans
 - U.S. HUD – Federal Housing Administration-Insured Mortgages
 - U.S. DOE Student Loan Administrative Forbearance and Interest Waiver
 - Families First Coronavirus Response Act
 - Emergency Family and Medical Leave Expansion Act
 - Emergency Paid Sick Leave Act
 - Extension of Deadline for Filing and Payment of Individual Income Taxes from April 15, 2020 to July 15, 2020
 - Government of Guam Covers All Credit Card Fees for tax and non-tax payments until June 30
 - National Health Emergency Dislocated Worker Grants (DWG) (in-process)
 - Disaster Unemployment Assistance (DUA) Program (in-process)

Business Economic Recovery Initiatives

- **What**: Defer the Payment of 40% Business Privilege Taxes
 - 40% of BPT due April 20th now due on July 20th
 - 40% of BPT due May 20th now due on August 20th
 - 40% of BPT due June 20th now due on September 20th
 - Interest and penalties are waived
- **Who**: All Guam Businesses
- **Where**: Department of Revenue and Taxation
- **When**: Beginning with the April 20th BPT Payment
- **Why**: Cash flow Relief for Businesses
- **How**: Guidance can be found on the Department of Revenue and Taxation website at
<https://www.guamtax.com/notices/notices.html#COVID19>

Business Economic Recovery Initiatives

- **What**: Income Tax Deadline Moved from April 15th to July 15th
 - Automatic extension
 - Interest and penalties are waived through July 15th
- **Who**: All Guam Individual and Corporate Tax Filers
- **Where**: Department of Revenue and Taxation
- **When**: Effective Immediately
- **Why**: Cash flow Relief for Businesses
- **How**: Guidance can be found at the Department of Revenue and Taxation and at www.guamtax.com

Business Economic Recovery Initiatives

- **What**: U.S. Small Business Administration Economic Injury Disaster Loan Program
 - Loans up to \$2 million to pay payroll, accounts payable, and other bills that can't be paid because of the COVID-19 impact. Amount to be determined by the U.S. SBA.
 - Interest Rate is 3.75% for small businesses and 2.75% for private non-profit organizations
 - Term is a maximum 30 years to be decided by the U.S. SBA
- **Who**: Small Businesses, Private Non-Profit Organizations of Any Size, Small Agricultural Cooperatives and Small Aquaculture Enterprises that have been financially impacted by the COVID-19
- **Where**: U.S. Small Business Administration
- **When**: As of March 22, 2020; Deadline to apply is December 21, 2020
- **Why**: At the Request of Governor Leon Guerrero, Declaration # 16388 Approved by the U.S. SBA. Cash flow relief for Businesses
- **How**: Guidance can be found at the U.S. SBA website at <https://disasterloan.sba.gov/ela>, or SBA's Customer Service Center at (800) 659-2955, or email at disastercustomerservice@sba.gov

Business Economic Recovery Initiatives

- **What**: State Small Business Credit Initiative (SSBCI) Loan Guarantee Program with Initial Payment Deferred for 90 Days
 - Loan or Line of Credit up to \$50,000 with a Maximum Guarantee Term of 7 years.
 - Interest Rate Dependent on the Bank Underwriting
 - Use of Funds for Working Capital, Inventory, and Equipment; Not Intended for Business Expansion and Start-Up
- **Who**: Guam Businesses that meet Eligibility Requirements
- **Where**: GEDA SSBCI Lending Partners: BankPacific, Bank of Guam, Community First Guam Federal Credit Union
- **When**: As of March 13, 2020; Deadline Open
- **Why**: At the Request of Governor Leon Guerrero and the GEDA Board of Directors. Cash flow relief for Businesses
- **How**: Contact Byron Evaristo at Bank Pacific at (671) 479-1179; Keven Camacho at Bank of Guam at (671) 472-5165; Michael Finona at Community First Guam FCU at (671) 472-8210

Business Economic Recovery Initiatives

- **What**: Guam Development Fund Act (GDFA) Direct Loans with Initial Payment Deferred by 90 Days
 - For Businesses that cannot secure traditional financing: Requires Two (2) Financial Institution Loan Declinations
 - Loan or Line of Credit up to \$50,000 with a Maximum Guarantee Term between 1 – 7 years.
 - Interest Rate U.S. Treasury Index + 1%
 - Use of Funds for Working Capital, Inventory, and Equipment; Not Intended for Business Expansion and Start-Up
- **Who**: Guam Businesses that meet Eligibility Requirements
- **Where**: Guam Economic Development Authority
- **When**: As of March 13, 2020; Deadline Open
- **Why**: At the Request of Governor Leon Guerrero and the GEDA Board of Directors. Cash flow relief for Businesses
- **How**: Contact Tria Paulino at the GEDA at tria.paulino@investguam.com or call (671) 647-4332

Business Economic Recovery Initiatives

- **What**: Families First Coronavirus Response Act: Emergency Family and Medical Leave Act Expansion Act
 - Payroll Tax (Social Security and Medicare Tax) Credits to Cover the Cost of providing these mandatory leave benefits
 - Leave benefits are required for eligible employees (employed for at least 30 calendar days) and provide for 10 weeks of an employee's regular pay up to \$200 per day and \$10,000 in aggregate.
- **Who**: Small and Mid-size Companies with Less than 500 employees, including Non-Profit Organizations and Government Entities with some exceptions
- **Where**: U.S. Department of Labor and Internal Revenue Service
- **When**: Effective April 2, 2020 and Sunsets on December 31, 2020
- **Why**: Provide Economic Relief to Businesses and Workers
- **How**: Guidance is forthcoming from US DOL and the IRS. Please visit www.dol.gov/coronavirus for more information.

Business Economic Recovery Initiatives

- **What**: FFCRA: Emergency Paid Sick Leave Act
 - Payroll Tax (Social Security and Medicare Tax) Credits to Cover the Cost of providing these mandatory leave benefits
 - Full-time or part-time employees are eligible for up to 80 hours of Paid Sick Leave due to certain circumstances but shall not exceed \$511 per day and \$5,110 in the aggregate or not exceed \$200 per day and \$2,000 in aggregate depending on employee circumstances for needing Paid Sick Leave
- **Who**: Small and Mid-size Companies with Less than 500 employees, including Non-Profit Organizations and Government Entities with some exceptions
- **Where**: U.S. Department of Labor and Internal Revenue Service
- **When**: Effective April 2, 2020 and Sunsets on December 31, 2020
- **Why**: Provide Economic Relief to Businesses and Workers
- **How**: Guidance is forthcoming from US DOL and the IRS. Please visit www.dol.gov/coronavirus for more information.
 - For Employees: <https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave>
 - For Employers: <https://www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave>
 - Frequently Asked Questions: <https://www.dol.gov/agencies/whd/pandemic/ffcra-questions>

Business Economic Recovery Initiatives

- FFCRA: Emergency Paid Sick Leave Act *continued*
- Employee circumstances:
 - \$511 per Day, \$5,110 in Aggregate over Two Weeks:
 - Employee is subject to a local government quarantine or isolation order related to COVID-19;
 - Employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
 - Employee is experiencing symptoms of COVID-19 and seeking medical diagnosis;
 - \$200 per day, \$2,000 in Aggregate over Two Weeks
 - Employee is caring for an individual who is subject to an order from the local government for quarantine or isolation;
 - Employee is caring for a son or daughter of such employee if the school or place of care has been closed;
 - Employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretaries of Treasury and Labor

Individual/Worker Economic Recovery Initiatives

- **What**: 60-Day Moratorium on Foreclosures and Evictions on USDA Guaranteed Loans; Forbearance or Reduced Payment Options for USDA RD Direct Loans
 - There are approximately 1,400 USDA RD Direct Loans on Guam and both the 60 Day Moratorium on Foreclosures and Evictions and the Forbearance and/or Reduced Payment Options are available
 - There are nearly 1,000 USDA RD-Guarantee Loans on Guam through participating lenders. Only the 60 Day Moratorium on Foreclosures and Evictions apply. Forbearance options must be discussed with participating lenders.
- **Who**: Distressed Borrowers/Homeowners with USDA Single-Family Housing Guaranteed Loans
- **Where**: United States Department of Agriculture, Rural Development
- **When**: Effective March 19, 2020 for 60 Days
- **Why**: Provide Economic Relief to Distressed Borrowers/Homeowners
- **How**: Please visit <https://www.rd.usda.gov/node/17119> for more information or contact USDA Rural Development Guam Area Office (671) 472-7490 press Option 4.

Individual/Worker Economic Recovery Initiatives

- **What**: 60-Day Moratorium on Foreclosures and Evictions on U.S. Department of Housing and Urban Development, Federal Housing Administration-Insured Mortgages
 - Halt all new foreclosure actions and suspend all foreclosure actions currently in progress;
 - Cease all evictions of persons from FHA-insured single-family properties
 - FHA continues to encourage its servicers to offer loss mitigation options to distressed borrowers including short/long-term forbearance options, modifications, and other relief.
- **Who**: Distressed Borrowers/Homeowners with FHA-Insured Mortgage Loans
- **Where**: U.S. Housing and Urban Development, Federal Housing Administration
- **When**: Effective March 18, 2020 for 60 Days
- **Why**: Provide Economic Relief to Distressed Borrowers/Homeowners
- **How**: Please visit www.hud.gov/coronavirus for more information and contact your lender to find out if your mortgage is FHA-insured

Individual/Worker Economic Recovery Initiatives

- **What**: Administrative Forbearance and Interest Waived on All Federally Held Student Loans
 - All student loans owned by the U.S. Department of Education (ED) will have interest waived. This includes Direct Loans, as well as Federal Perkins Loans and Federal Family Education Loan (FFEL) Programs that are held by the ED
 - Please note that some FFEL Program loans are owned by commercial lenders, and some Perkins Loans are held by the institution students attended and are not eligible
 - For Administrative Forbearance, students must call their loan servicer to request
- **Who**: Student Loan Borrowers
- **Where**: United States Department of Education
- **When**: Effective March 13, 2020 for 60 Days
- **Why**: Provide Economic Relief to Distressed Student Loan Borrowers
- **How**: Please visit www.studentaid.gov/announcements-events/coronavirus for more information and contact your student loan servicer online or by phone to determine if your loans are eligible. If you don't know who your servicer is, visit www.studentaid.gov/login or call ED at 1-800-4-FED-AID

Individual/Worker Economic Recovery Initiatives

- **What**: Disaster Recovery Dislocated Worker Grant (DWG) Grant Program
 - Up to \$100 million available and announced by U.S. DOL in DWG Grants
 - For Workers who lost employment as a result of the public health emergency who will be placed in jobs for recovery from the public health emergency
- **Who**: Dislocated Workers; Workers Who Lost Employment as a Result of the Public Health Emergency
- **Where**: U.S. Department of Labor/Guam Department of Labor
- **When**: Upon approval of Grant Application (in process)
- **Why**: Provide Economic Relief to Dislocated Workers and Workers Who Lost Employment as a Result of the Public Health Emergency
- **How**: Please visit www.dol.gov/coronavirus for more information. Upon update on status of grant, Guam DOL will issue guidance regarding the program locally.

Individual/Worker Economic Recovery Initiatives

- **What**: Disaster Unemployment Assistance (DUA) Program
 - Provides unemployment benefits and re-employment assistance services to eligible individuals. To be eligible, individuals must not be eligible for regular unemployment insurance (not provided on Guam), be unemployed or partially unemployed as a direct result of the major disaster, be able and available for work, file an application for DUA within 30 days of the date of the announcement of availability of DUA, and have not refused an offer of employment in a suitable position.
- **Who**: Individuals Unemployed directly as a result of the Major Disaster and other requirements
- **Where**: Funded by Federal Emergency Management Agency; Overseen by U.S. DOL; Managed by GDOL
- **When**: Upon approval of Individual Assistance Request Subsequent to a Major Disaster Declaration by the President of the United States (in process)
- **Why**: Provide Economic Relief to Individuals Unemployed directly as a result of the Major Disaster
- **How**: More information is forthcoming. Please visit <https://www.fema.gov/media-library/assets/documents/24418> for a DUA Fact Sheet.



For further details, please contact Artemio “Ricky” Hernandez, Ph.D., Deputy Administrator, Guam Economic Development Authority at (671) 647-4332 or a.hernandez@investguam.com, or visit www.investguam.com/coronavirus

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