



OFFICE OF SENATOR SABINA FLORES PEREZ

Chairperson

Committee on Environment, Revenue and Taxation, and Procurement

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÁHAN

35TH GUAM LEGISLATURE

April 18, 2020

Dafne Mansapit-Shimizu

Acting Banking and Insurance Commissioner

Guam Department of Revenue and Taxation

1240 Army Drive

Barrigada, Guam 96913

Transmitted via Electronic Mail: dafne.shimizu@revtax.guam.gov

Dear Acting Commissioner Shimizu,

I am writing to request further information from our local eligible lenders who facilitated the Paycheck Protection Program (PPP) under the CARES Act. Based on a 4/16/20 report provided by the U.S. Small Business Administration, 508 Guam businesses and non-profit organizations were able to secure \$102,418,346 in loans.

In an effort to better understand these numbers, I am requesting the following information:

1. Please provide a list of eligible lenders and a breakdown of the following for each of them: total number of PPP applications received, the number submitted to the Small Business Administration (SBA), and the number of loans approved by the SBA. Please also include the total monetary amount awarded per lender.
2. Please provide a breakdown of the number of approved loans per the loan size range below.
 - a. <\$150K
 - b. >\$150K - \$350K
 - c. >\$350K - \$1M
 - d. >\$1M - \$2M
 - e. >\$2M - \$5M
 - f. >\$5M
3. Please provide the number of loans, and total amount of loans, per local industry (per NAICS subsector descriptions).
4. If there is a significant difference between the rate of approvals per lender and per industry, what factors contributed to this difference (structural, legal, organizational, etc.)?
5. What remedies would you recommend for the future, in light of Congress deliberating the next round of coronavirus aid?
6. What challenges did local lenders encounter in the PPP process?

I understand it is within your power, as the Banking and Insurance Commissioner, to request this information from local lenders who participated in the PPP. I greatly appreciate your assistance on this matter.

I have also received numerous reports from local small businesses who submitted their applications in the first few days of the PPP, provided the additional requirements as requested, told their application was in good order, and were later informed that their applications were never submitted to the SBA. PPP funding has since dried up, with applicants missing out on the opportunity of these loans to continue paying their employees during this pandemic.

The potential loss to our economy runs in the tens of millions of dollars. This uncertainty and potential gap is placing Guam's workers and their families under greater anxiety of how they will continue to support themselves and families. The PPP is much-needed, providing bridge funding to assist businesses and non-profit organizations through this global health emergency.

I hope this information requested is received in a timely manner, and I thank you in advance for your assistance on this matter. The information you provide will help our local businesses better prepare for a possible second wave of funding for the SBA's Payroll Protection Program.

Si Yu'os ma'åse'



Sabina Flores Perez
Senator, 35th Guam Legislature

cc: Guam Banking and Insurance Board Members
cc: Kenneth Q. Lujan, Branch Manager, SBA Guam Office
cc: Artemio Hernandez, Ph.D.
cc: David Dell'Isola, Director, Guam Department of Labor
cc: Speaker Tina Muña Barnes, 35th Guam Legislature