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# HOUSE CONCURRENT RESOLUTION

REQUESTING FINANCIAL INSTITUTIONS TO TEMPORARILY REDUCE INTEREST RATES ON OUTSTANDING LOANS THAT HAVE BEEN MADE TO SMALL BUSINESSES TO ASSIST THOSE BUSINESSES IN RECOVERING FROM THE EFFECTS OF THE CORONAVIRUS DISEASE 2019 PANDEMIC.

1           WHEREAS, the coronavirus disease 2019 (COVID-19) pandemic  
2 continues to endanger the health, safety, welfare, and economic  
3 well-being of the people of Hawaii; and  
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5           WHEREAS, in this State, more than one in three workers has  
6 filed an unemployment claim during the pandemic, incomes in  
7 nearly half of all households have declined, and one in four  
8 households have been delinquent in paying for at least some of  
9 their expenses; and  
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11           WHEREAS, there are approximately 125,000 small businesses  
12 in Hawaii, which collectively employ more than 250,000  
13 individuals; and  
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15           WHEREAS, nationwide, eighty percent of small business  
16 owners polled expressed that the COVID-19 pandemic had  
17 negatively impacted their business; and  
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19           WHEREAS, while the Paycheck Protection Program and other  
20 programs have assisted small businesses in retaining employees  
21 and remaining in operation, many small businesses continue to  
22 struggle financially; and  
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24           WHEREAS, prior to the pandemic, many small businesses  
25 secured loans from financial institutions to finance the  
26 purchase of equipment, land, and other capital; and  
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28           WHEREAS, an estimated seventy percent of all small  
29 businesses nationwide have an outstanding loan; and



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1  
2 WHEREAS, the interest on those loans continues to accrue,  
3 whether or not a small business is able to generate revenue; and  
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5 WHEREAS, if financial institutions temporarily lowered the  
6 interest rates for loans made to small businesses, that would  
7 lower the cost of doing business, assist small businesses in  
8 retaining employees, and help to prevent businesses from  
9 closing; now, therefore,  
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11 BE IT RESOLVED by the House of Representatives of the  
12 Thirty-first Legislature of the State of Hawaii, Regular Session  
13 of 2021, the Senate concurring, that financial institutions are  
14 requested to temporarily reduce interest rates on all commercial  
15 loans that have been made to businesses having ten or fewer  
16 employees; and  
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18 BE IT FURTHER RESOLVED that the financial institutions are  
19 requested to continue the reduced interest rates until the  
20 economy has recovered from the effects of the COVID-19 pandemic  
21 or for one year, whichever is longer; and  
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23 BE IT FURTHER RESOLVED that certified copies of this  
24 Concurrent Resolution be transmitted to the Commissioner of  
25 Financial Institutions who is requested to provide copies to all  
26 financial institutions in Hawaii that provide commercial loans  
27 and are regulated by the Division of Financial Institutions.  
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OFFERED BY: \_\_\_\_\_

*James S. King*  
MAR 11 2021

