Gary Richard Herbert

Governor

EXECUTIVE ORDER

Suspending the Enforcement of a Statute Related to the Industrial Assistance Account

WHEREAS, on March 6, 2020, I issued Executive Order 2020-1, declaring a state of emergency due to novel coronavirus disease 2019 (COVID-19);

WHEREAS, COVID-19 is caused by a virus that spreads easily from person to person, may result in serious illness or death, and has been characterized by the World Health Organization as a worldwide pandemic;

WHEREAS, on March 22, 2020, the Utah Department of Health and Mountainstar HCA announced Utah's first COVID-19-related death;

WHEREAS, the number of diagnosed COVID-19 cases in Utah continues to rise;

WHEREAS, on March 16, 2020, President Trump and the White House Coronavirus Task Force issued the President's Coronavirus Guidelines for America to help protect Americans during the global COVID-19 outbreak;

WHEREAS, consistent with the President's Coronavirus Guidelines for America, state and local health authorities have encouraged individuals and businesses to limit in-person contact in order to prevent the continued spread of COVID-19;

WHEREAS, on March 27, 2020, I issued the Stay Safe, Stay Home directive, further emphasizing the critical need to limit in-person contact;

WHEREAS, recognizing the need to mitigate the significant economic impact of COVID-19 infections and associated public health measures, I created the Economic Response Task Force composed of leaders from Utah's private and public sectors;

WHEREAS, on March 24, 2020, the Economic Response Task Force presented Utah Leads Together, a plan for Utah's health and economic recovery, which plan anticipates an increase in COVID-19 infections and a decline in jobs;

WHEREAS, the Utah Leads Together plan calls for repurposing economic development tools to support the most significantly impacted businesses;

WHEREAS, small businesses throughout Utah are particularly important to Utah's economy and are suffering significant economic losses due to the COVID-19 pandemic;

WHEREAS, though Congress is taking measures to assist businesses and individuals to weather the economic effects of COVID-19, such measures may take weeks or months before they reach Utah's citizens;

WHEREAS, Utah is well-positioned to respond quickly to the particular economic needs of its local communities and businesses, particularly the need for short-term working capital;

WHEREAS, the Governor's Office of Economic Development (GOED) is responsible for economic development in Utah and is tasked with, among other things, administering grant and loan programs to enhance the economic health and vitality of Utah and its business community;

WHEREAS, GOED oversees the Industrial Assistance Account, which has the authority to provide loans to address unique economic opportunities and circumstances;

WHEREAS, on March 24, 2020, GOED announced the establishment of the Utah Leads Together Small Business Bridge Loan Program to provide zero interest loans from the Industrial Assistance Account under the authority of Utah Code § 63N-3-109;

WHEREAS, Utah Code § 63N-3-103(1)(b) places a limit on the amount of funds that may be accessed in support of the Utah Leads Together Small Business Bridge Loan Program, which limit provides insufficient funding to meaningfully support Utah's small business community;

WHEREAS, lifting the limit will allow GOED to access up to 100% of the available unencumbered funds, thereby allowing GOED to appropriately respond to the critical economic circumstances created by the COVID-19 pandemic;

WHEREAS, suspending the enforcement of Utah Code § 63N-3-103(1)(b) is directly related to and necessary to address the state of emergency declared due to COVID-19;

WHEREAS, Utah Code § 53-2a-209(4) authorizes the governor to suspend by executive order enforcement of a statute that is directly related to and necessary to address a state of emergency;

WHEREAS, Utah Code § 53-2a-204(1)(b) authorizes the governor to employ measures and give direction to state and local officers and agencies that are reasonable and necessary to secure compliance with orders made pursuant to Utah Code Title 53, Chapter 2a, Part 2, Disaster Response and Recovery Act.

NOW, THEREFORE, I, Gary R. Herbert, Governor of the State of Utah, hereby order the suspension of enforcement of Utah Code § 63N-3-103(1)(b). Accordingly, GOED may access up to 100% of the available, unencumbered funds of the Industrial Assistance Account to support the Utah Leads Together Small Business Bridge Loan Program.

This Order shall remain in effect until the date the state of emergency declared in Executive Order 2020-1 is terminated, or until otherwise modified, amended, rescinded, or superseded by me or by a succeeding governor.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Utah. Done in Salt Lake City, Utah, on this, the 30th day of March, 2020.

Gary R. Herbert
Governor

ATTEST:

Spencer J. Cox
Lieutenant Governor

2020/010/EO