Resolution Concerning the CARES Acts and Indebtedness

The Diocese of Georgia Standing Committee met via online teleconference on April 2, 2020 in a called meeting for the purpose of discussing congregations taking on indebtedness in applying for government support through the CARES Act. The full Standing Committee was present by the end of the meeting when the following actions were discussed and then decided in a follow up vote on April 3:

WHEREAS, on March 14, 2020, Georgia Governor Brian P. Kemp signed a public health state of emergency to address novel coronavirus and COVID-19 in Georgia; and

WHEREAS, to provide relief to Americans experiencing unprecedented challenges, Congress passed and the President signed into law the Coronavirus Aid, Relief and Economic Security (CARES) Act, which among other provisions created the Payroll Protection Program (PPP); and

WHEREAS, this program does permit churches to apply for an SBA loan along with other non-profits to meet payroll and other financial obligations, and, under certain circumstances, for the SBA to declare the loan to be forgiven of the need to repay, in whole or in part; and

WHEREAS, COVID-19 and state and local restrictions on gathering for work and for worship have created and will continue to have a significant impact on the business affairs of the Diocese of Georgia and its 70 congregations including, without limitation, the ongoing ability of the congregations to retain and compensate its employees and meet their other financial obligations; and

WHEREAS, the Constitution and Canons of the Episcopal Diocese of Georgia in Canon II.7 states that, “No indebtedness shall be incurred by a Congregation without the approval of both the Bishop and Standing Committee” with certain additional provisions about the amount of indebtedness in comparison to the receipts of the congregation; and

WHEREAS, the well-established practice of the Diocese of Georgia has been in all cases for the congregation of the Diocese to notify the Bishop and Standing Committee of any indebtedness whether specific permission is needed or not in accordance with Canon II.7; and

WHEREAS, the Standing Committee desires to streamline the application process without changing either the applicable canon or ongoing practices; and

WHEREAS, the Standing Committee specifically finds that good cause exists for blanket approval of PPP loans funded by the SBA for the Diocese and its congregations, provided certain conditions are met.

NOW, THEREFORE, BE IT RESOLVED, that by these presents and to the extent required by the Constitution and Canons of the Diocese, the Standing Committee of the Episcopal Diocese of Georgia approves the indebtedness that may be incurred by the Diocese and congregations under the Payroll Protection Program, provide that such approval is conditioned as follows:
1. That all congregations applying for such a loan shall provide to the Canon Administrator a true and correct copy of its Payroll Protection Program Application Form together with all supporting documentation, which shall be forwarded to the members of the Standing Committee; and

2. That all congregations receiving loans shall provide the Canon Administrator with a true and correct copy of all paperwork submitted to the SBA, its agents and lenders for the forgiveness of said loans, and confirmation whether all or part of the loan has been forgiven; and

3. Such documentation as the Standing Committee shall hereafter request.

BE IT FURTHER RESOLVED, that providing such paperwork shall meet the spirit and letter of Canon II.7 and the ongoing practices of the Diocese of Georgia regarding indebtedness.

Dated this 3rd Day of April, 2020.

[Signature]

Ms. Carrie Wooten, Secretary of the Standing Committee