

FAILED ON FEBRUARY 7, 2019

Proposed by:	Assemblyman Brena
Attorney Review:	01/31/2019
Finance Review:	02/07/2019
Vote:	3 Aye 2 Nay 1 Absent

**MUNICIPALITY OF SKAGWAY, ALASKA
RESOLUTION NO. 19-04R**

A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA PROVIDING A POLICY FOR A SHORT-TERM LOAN PROGRAM.

WHEREAS, the Municipality acknowledges that permanent, full time employees who are laid off has a negative effect on the community; and

WHEREAS, the Municipality would like to establish a policy for funding interest-free loans to assist laid-off workers in Skagway;

NOW, THEREFORE BE IT RESOLVED, that the following policy is established for a Short-Term Loan Program:

A. GENERAL GUIDELINES

1. Loans may be granted at no interest to Skagway residents who are laid off or on furlough, and who are not eligible for unemployment benefits.
2. Maximum loan amount shall be three times the employee's net monthly take home pay.
3. Loan shall be paid back in equal installments over a one-year period, per a loan agreement that includes a direct paycheck deduction initiated by the applicant with the applicant's employer, and executed by the applicant and the Municipality.
4. Eligible participants may apply for a loan when laid off without unemployment benefits.
5. Loans may be funded from the Assembly Discretionary Fund, in amounts as allowed by the balance of said fund.
6. Repayment of the loan shall begin after one month following recipient's return to work.

B. ELIGIBILITY

To be eligible for a federal employee municipal loan, applicants must:

1. Be a full-time (40 hours per week) worker who is a resident of Skagway and provides proof of the full-time employment and proof of being a resident of Skagway.
2. Be laid off or on furlough without unemployment benefits.
3. Provide proof of separation or furlough.
4. Provide proof of salary.

C. AWARD PROCEDURE

1. The Finance Committee shall consider all applications received and vote to consider loan funding.
2. The Municipality of Skagway and awardee shall execute a repayment agreement which includes an applicant-initiated payroll deduction clause for repayment.

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PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this ___ day of _____, 2019.

Tim Cochran, Acting Mayor

ATTEST:

Emily A. Deach
Borough Clerk

(SEAL)