

FACT SHEET: How the Trump Administration's PPP Program Failed Minority-Owned Small Businesses

The Trump administration's [Paycheck Protection Program](#) (PPP) was established to help small businesses keep their workforce employed during the COVID-19 crisis. Unfortunately, the program was poorly designed and implemented, leaving too many of the mom-and-pop businesses impacted by the pandemic empty-handed.

Well-connected and publicly-traded companies were able to jump to the front of the line and receive billions in taxpayer-funded bailout money, while struggling businesses owned by people of color in underserved communities were largely shut out.

Here's how the Trump administration's PPP program has failed minority-owned small businesses:

- According to a [report](#) by the Center for Responsible Lending, roughly 95% of Black-owned businesses, 91% of Latino-owned businesses and 75% of Asian-owned businesses stood **“close to no chance of receiving a PPP loan through a mainstream bank or credit union”** because of how poorly the program was structured.
- A recent [survey](#) found that **only 12% of Black and Latino/a business owners received the SBA relief they had applied for**, with 26% saying they “received only a fraction of what they had requested.”
- A [recent report](#) by the National Bureau of Economic Research found that **the total number of Black-owned businesses in the U.S. fell 41%**, from 1.1 million in February to 640,000 in April, because of fallout from the coronavirus.
- **40% of Black-owned businesses are not expected to survive the coronavirus crisis**, [according](#) to a study by the University of California at Santa Cruz.
- According to a [recent report](#) by the JPMorgan Chase Institute, while cash balances for small businesses were down by 12.7% overall in early April, they **dropped by 26% for Black-owned businesses and by 22% for Asian-owned businesses**.
- According to the [same report](#) from the JPMorgan Chase Institute, **revenues of Asian-owned businesses declined by more than 60%**.