

THE PAYCHECK PROTECTION PROGRAM FAILED BLACK WOMAN-OWNED BUSINESSES

JUST ONE BLACK WOMAN-OWNED BUSINESS RECEIVED A PPP LOAN ABOVE \$5 MILLION

Just One Black Woman-Owned Businesses Received a PPP Loan above \$5 Million. According to the self-reported demographic data the SBA released in early July, just one Black woman-owned business – Sunrise Services, Inc. In Everett, WA – received a Paycheck Protection Program loan in the highest loan range of \$5 to \$10 million. [SBA PPP Data, released [7/07/20](#); Sunrise Services, accessed [8/11/20](#)] See *Chart 1 below*.

LESS THAN HALF OF ONE PERCENT OF PPP LOANS WITH REPORTED DEMOGRAPHIC DATA WENT TO BLACK WOMAN-OWNED BUSINESSES WHILE SEVENTY PERCENT OF THOSE SAME PPP LOANS WENT TO BUSINESSES OWNED BY WHITE MEN

Black Women Received Less than One Percent of PPP Loans that Included Gender and Race Data. Of the 86,135 loans distributed as part of the Paycheck Protection Program that reported both gender- and race-based demographics for loans above \$150,000, just 420 loans were given to Black woman-owned businesses, or 0.48%. [SBA PPP Data, released [7/07/20](#)] See *Chart 1 below*.

...Meanwhile White Men Received Nearly 70 Percent of PPP Loans that Included Gender and Race Data. Of the 86,135 loans above \$150,000 distributed as part of the Paycheck Protection Program that reported both gender- and race-based demographics, 59,849 loans were given to White man-owned businesses, or 69.5%. [SBA PPP Data, released [7/07/20](#)] See *Chart 1 below*.

JUST 35 BLACK WOMAN-OWNED BUSINESSES RECEIVED A PPP LOAN ABOVE \$1 MILLION, COMPARED TO OVER 6,500 BUSINESSES OWNED BY WHITE MEN

Just 35 Black Woman-Owned Businesses Received a PPP Loan above \$1 Million. According to the self-reported demographic data the SBA released in early July, 35 Black woman-owned businesses received a Paycheck Protection Program loan above \$1 million. [SBA PPP Data, released [7/07/20](#)] See *Chart 2 below*.

...Meanwhile Over 6,500 Businesses Owned by White Men Received a PPP Loan above \$1 Million. According to the self-reported demographic data the SBA released in early July, 6,636 businesses owned by white men received a Paycheck Protection Program loan above \$1 million. [SBA PPP Data, released [7/07/20](#)] See *Chart 2 below*.

BLACK WOMAN-OWNED BUSINESSES RECEIVED BETWEEN \$128.3 MILLION AND \$313.7 MILLION...\$330 MILLION WAS THE AMOUNT ABOUT 80 PUBLICLY TRADED COMPANIES HAD RECEIVED IN JUST THE FIRST FEW WEEKS OF THE PROGRAM

Black Women Received At Least \$128 Million, But Only as Much as \$313 Million. According to the self-reported demographic data the SBA released in early July for PPP loans made above \$150,000, Black woman-owned businesses received between \$128,350,000 and \$313,700,000 in PPP loans. [SBA PPP Data, released [7/07/20](#)] See Chart 1 below.

...By Comparison, in the First Few Weeks of PPP, Just About 80 Publicly Traded Companies Received More Than \$330 Million. “When the federal government rolled out the program, more than 80 publicly traded companies were among the first in line. They secured a total of more than \$330 million from the loan program, according to Securities and Exchange Commission filings.” [Wall Street Journal, [4/13/20](#)]

AVERAGE LOAN FOR A BLACK WOMAN-OWNED BUSINESS WOULD HAVE BEEN BETWEEN \$305K AND \$746K

Black Women Received an Average of Between \$305K and \$746K. According to the self-reported demographic data the SBA released in early July, Black woman-owned businesses received an average of between \$305,595 and \$746,904 in PPP loans. [SBA PPP Data, released [7/07/20](#)] See Chart 1 below.

IF BLACK WOMAN-OWNED BUSINESSES RECEIVED THE MAX AMOUNT AND WHITE MAN-OWNED BUSINESSES RECEIVED THE LEAST AMOUNT THEY COULD, BLACK WOMEN BUSINESSOWNERS STILL ONLY RECEIVED 1.5% OF WHAT BUSINESSES OWNED BY WHITE MEN RECEIVED

Black Women Received Only Up to \$313.7 Million While White Men Received at Least \$21.5 Billion – Meaning Black Woman-Owned Businesses Received Just 1.5% of What White Male Businessowners Received. If Black women received the highest possible amount in each loan range – or up to \$313,700,000 – and white men received the lowest possible amount in each loan range – or as little as \$21,509,950,000 – then Black woman-owned businesses still received just 1.5% of the loan amounts that businesses owned by white men received. [SBA PPP Data, released [7/07/20](#)] See Chart 1 below.

CHART 1: PPP BUSINESS RECIPIENTS BY LOAN RANGE AND SELECT DEMOGRAPHICS, AS REPORTED

LOAN RANGE		WOMAN-OWNED			BLACK WOMAN-OWNED		
Range - Low	Range - High	No. of Biz	Range - Low	Range - High	No. of Biz	Range - Low	Range - High
\$150,000	\$350,000	20,157	\$3,023,550,000	\$7,054,950,000	262	\$39,300,000	\$91,700,000
\$350,000	\$1,000,000	8,571	\$2,999,850,000	\$8,571,000,000	123	\$43,050,000	\$123,000,000
\$1,000,000	\$2,000,000	1,877	\$1,877,000,000	\$3,754,000,000	27	\$27,000,000	\$54,000,000
\$2,000,000	\$5,000,000	651	\$1,302,000,000	\$3,255,000,000	7	\$14,000,000	\$35,000,000
\$5,000,000	\$10,000,000	96	\$480,000,000	\$960,000,000	1	\$5,000,000	\$10,000,000
TOTAL		31,352	\$9,682,400,000	\$23,594,950,000	420	\$128,350,000	\$313,700,000

LOAN RANGE		MAN-OWNED			BLACK MAN-OWNED			WHITE MAN-OWNED		
Range - Low	Range - High	No. of Biz	Range - Low	Range - High	No. of Biz	Range - Low	Range - High	No. of Biz	Range - Low	Range - High
\$150,000	\$350,000	93,660	\$14,049,000,000	\$32,781,000,000	620	\$93,000,000	\$217,000,000	34,363	\$5,154,450,000	\$12,027,050,000
\$350,000	\$1,000,000	48,706	\$17,047,100,000	\$48,706,000,000	338	\$118,300,000	\$338,000,000	18,850	\$6,597,500,000	\$18,850,000,000
\$1,000,000	\$2,000,000	11,609	\$11,609,000,000	\$23,218,000,000	104	\$104,000,000	\$208,000,000	4,510	\$4,510,000,000	\$9,020,000,000
\$2,000,000	\$5,000,000	4,811	\$9,622,000,000	\$24,055,000,000	49	\$98,000,000	\$245,000,000	1,794	\$3,588,000,000	\$8,970,000,000
\$5,000,000	\$10,000,000	827	\$4,135,000,000	\$8,270,000,000	3	\$15,000,000	\$30,000,000	332	\$1,660,000,000	\$3,320,000,000
TOTAL		159,613	\$56,462,100,000	\$137,030,000,000	1,114	\$428,300,000	\$1,038,000,000	59,849	\$21,509,950,000	\$52,187,050,000

CHART 2: PPP BUSINESS RECIPIENTS BY GENDER AND RACE, AS REPORTED

	American Indian or Alaska Native	Asian	Black or African American	Hispanic	Puerto Rican	White	Unanswered	Grand Total
Female-Owned	112	1,370	420	1,188		12,651	(15,611)	31,352
Male-Owned	333	4,804	1,114	4,293	1	59,849	(89,219)	159,613
Unanswered	(106)	(965)	(293)	(720)		(6,282)	(461,887)	(470,253)
Grand Total	551	7,139	1,827	6,201	1	78,782	566,717	661,218

BLACK BUSINESSES ARE TRADITIONALLY IN INDUSTRIES HIT ESPECIALLY HARD BY THE PANDEMIC

Almost 20% of Black-Owned Businesses with Paid Employees Are in Health Care and Social Services and Another Large Portion of Black-Owned Businesses Are in Retail. “Furthermore, Black-owned businesses earn much of their revenue in sectors that are particularly affected by the recession. Black-owned firms with paid employees generated nearly \$128 billion in receipts in 2017, with the largest share (\$24.5 billion, or 19%) in the health care and social services sector. Health care is the most common industry for Black-owned businesses and the largest employer of their workers, accounting for 39,714 (32%) of Black-owned businesses with paid employees and 446,594 (37%) of their workers. [...] The second-largest sector for Black-owned firms by total receipts is retail (\$16.9 billion), which is also among those hit hardest by the pandemic.” [Brookings, [6/18/20](#)]

SEVERAL STUDIES HAVE FOUND THAT BLACK BUSINESSOWNERS WERE SHUT OUT OF PPP FROM THE GET-GO

May 2020 Survey Found Just Twelve Percent of Black- and Latino-Owned Businesses Received Federal Aid from Programs Like the PPP During the Coronavirus Crisis. “The survey, conducted by the Global Strategy Group for two equal-rights organizations, Color of Change and UnidosUS, included interviews with 500 business owners and 1,200 workers from April 30 to last Monday. Just 12 percent of the owners who applied for aid from the Small Business Administration — most of them seeking loans in the \$650 billion paycheck program — reported receiving what they had asked for, while 26 percent said they had received only a fraction of what they had requested.” [New York Times, [5/18/20](#)]

- **Half of the Black and Latino Businessowners Surveyed in May 2020 Said They Anticipated Having to Permanently Close Their Businesses by November.** “Nearly half of all owners said they anticipated having to permanently close in the next six months.” [New York Times, [5/18/20](#)]

Center for Responsible Lending Study Found 95% of Black-Owned Businesses Would Not Be Able to Receive a PPP Loan Through a Mainstream Bank or Credit Union. “Roughly 95% of Black-owned businesses, 91% of Latino-owned businesses, 91% of Native Hawaiian or Pacific Islander-owned businesses, and 75% of Asian-owned businesses stand close to no chance of receiving a PPP loan through a mainstream bank or credit union,” the center warned on April 6 as the Paycheck Protection Program, or the PPP, was starting to take applications.” [CBS News, [4/22/20](#)]