

FEDERAL STIMULUS SURVEY FINDINGS

PREPARED BY GLOBAL STRATEGY GROUP FOR
COLOR OF CHANGE AND UNIDOSUS

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KEY FINDINGS

- **The economic damage is just beginning.** Slightly more than 1 in 5 African American small business owners and just over 1 in 10 Latinx small business owners report temporarily closing due to the COVID-19 pandemic.
- **And it will intensify as time goes on.** Among those who are still open and operating, almost half expect to close within 6 months if conditions remain the same.
- **Business owners of color didn't ask for much, but didn't receive it either.** A majority (51%) of Black and Latinx small business owners who sought assistance requested less than \$20,000 in temporary funding from the federal government. Only about 1 in 10 (12%) received the assistance they requested. Almost two-thirds report they have either received no assistance (41%) or are still waiting to hear whether they will receive any federal help (21%).
- **Trump is judged harshly for his incompetence.** Three-quarters (73%) of Black and Latinx business owners disapprove of the job Donald Trump is doing handling the crisis. While there is plenty of blame to go around, of all the elected officials tested Trump is judged the most harshly.

METHODOLOGY

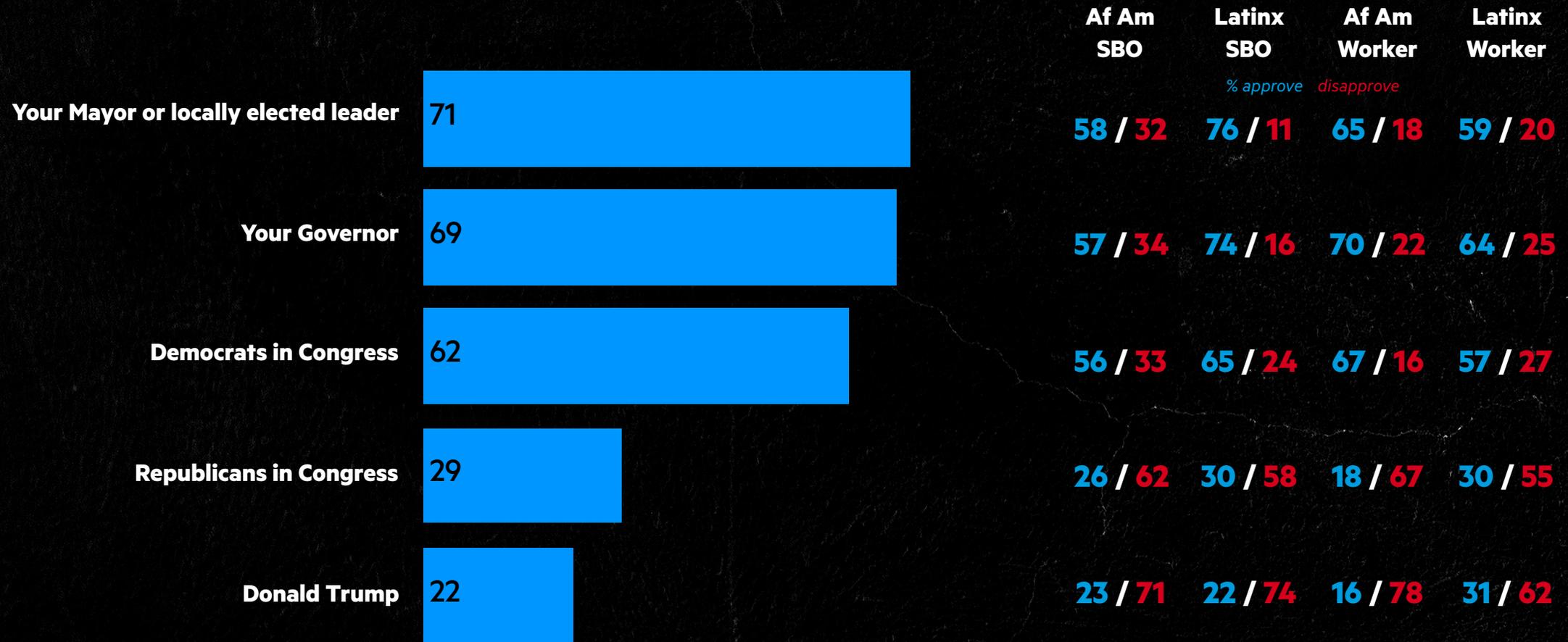
Global Strategy Group conducted a **nationwide online survey with two audiences** between April 30th – May 12th, 2020 :

- **500 Black/Hispanic Small Business Owners:** Individuals who currently own a business and whose annual revenue is less than \$7 million dollars per year.
- **1,219 Black/Hispanic Workers:** Individuals are currently working full or part-time for one or more employers.

IMPACTS OF COVID

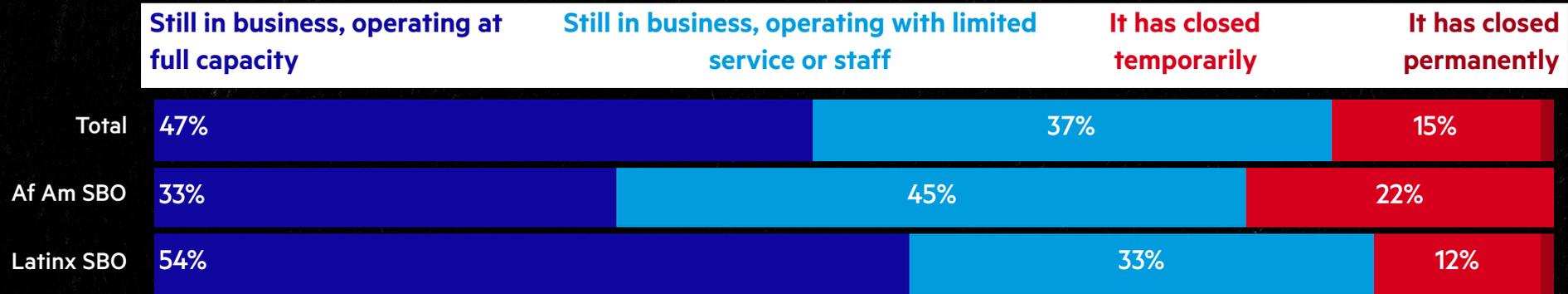
Local officials receive higher marks on their handling of the crisis than officials in Washington

The following is a list of people and groups in public life. For each, please indicate whether you approve or disapprove of how they are responding to the coronavirus pandemic.



Many small businesses-of-color who have remained open do not believe they can survive the pandemic for more than 6 months

[IF YES IN Q1] Is your business still operating or has it closed?



How long do you expect your business will be able to remain in business under the current circumstances?



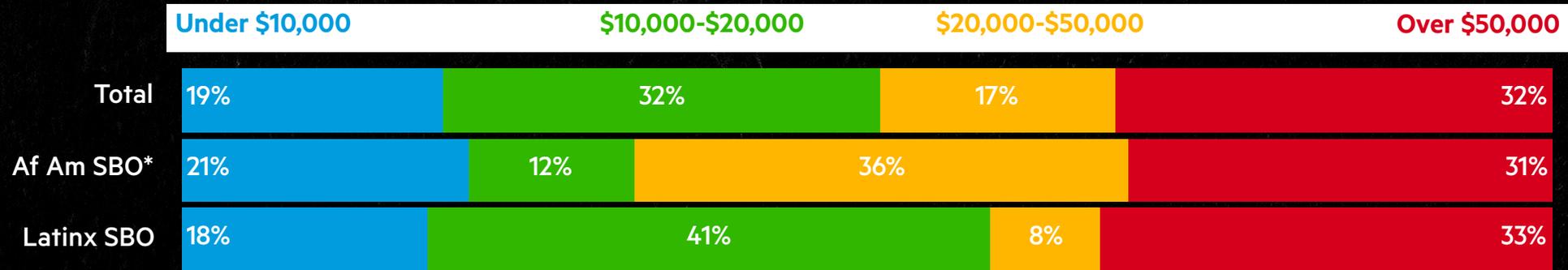
In order to survive, small business owners need grants and other forms of assistance from the federal government

Which five of the following would be most helpful for your business as it responds to COVID-19? [SELECT FIVE]

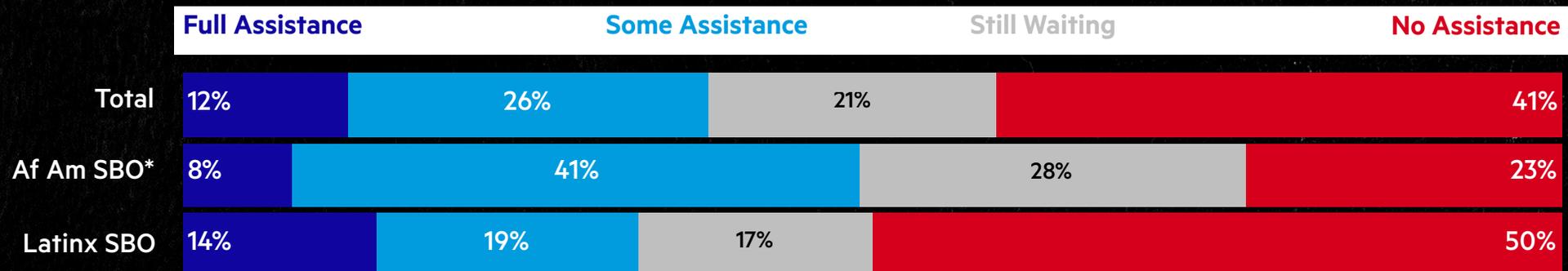
Total	Af Am SBO	Latinx SBO	
57	56	57	Receive a grant from a federal government relief or assistance program
46	47	46	Receive a grant from a private relief assistance program offered by a private or not-for-profit organization
42	39	43	Receive a grant from a local or state government relief or assistance program
34	27	37	Receive a loan from a local or state government relief or assistance program
33	19	39	Receive a loan from a federal government relief or assistance program
33	31	33	Have the federal government cover rent, mortgage, and insurance premiums
30	43	24	Receive a loan from the bank
28	32	26	Use personal finances from myself or my network (family/friends) into the business
27	28	26	Have rent or mortgage payments temporarily postponed but due in full at the end of the crisis
26	34	23	Have the federal government cover 100 percent of your payroll
26	36	21	Receive credit from suppliers or vendors
25	24	25	Have rent or mortgage payments temporarily postponed but moved to the end of the term

Very few small businesses-of-color have received the assistance they have requested

[IF APPLIED FOR FED GOV'T RELIEF PROGRAM] How much federal government relief or assistance did you apply for?



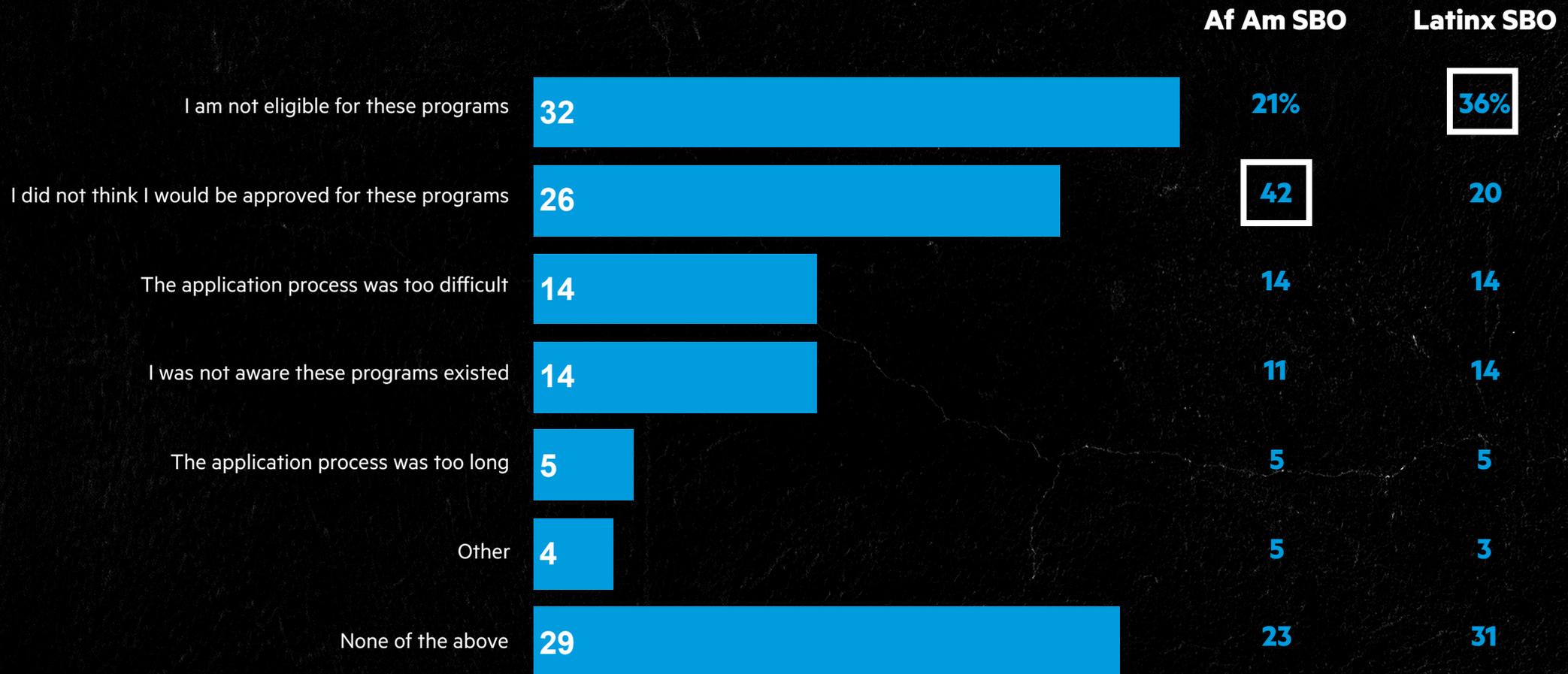
[IF APPLIED FOR FED GOV'T RELIEF PROGRAM] Did you receive the federal government relief or assistance you applied for?



* Small sample size. Results directional.

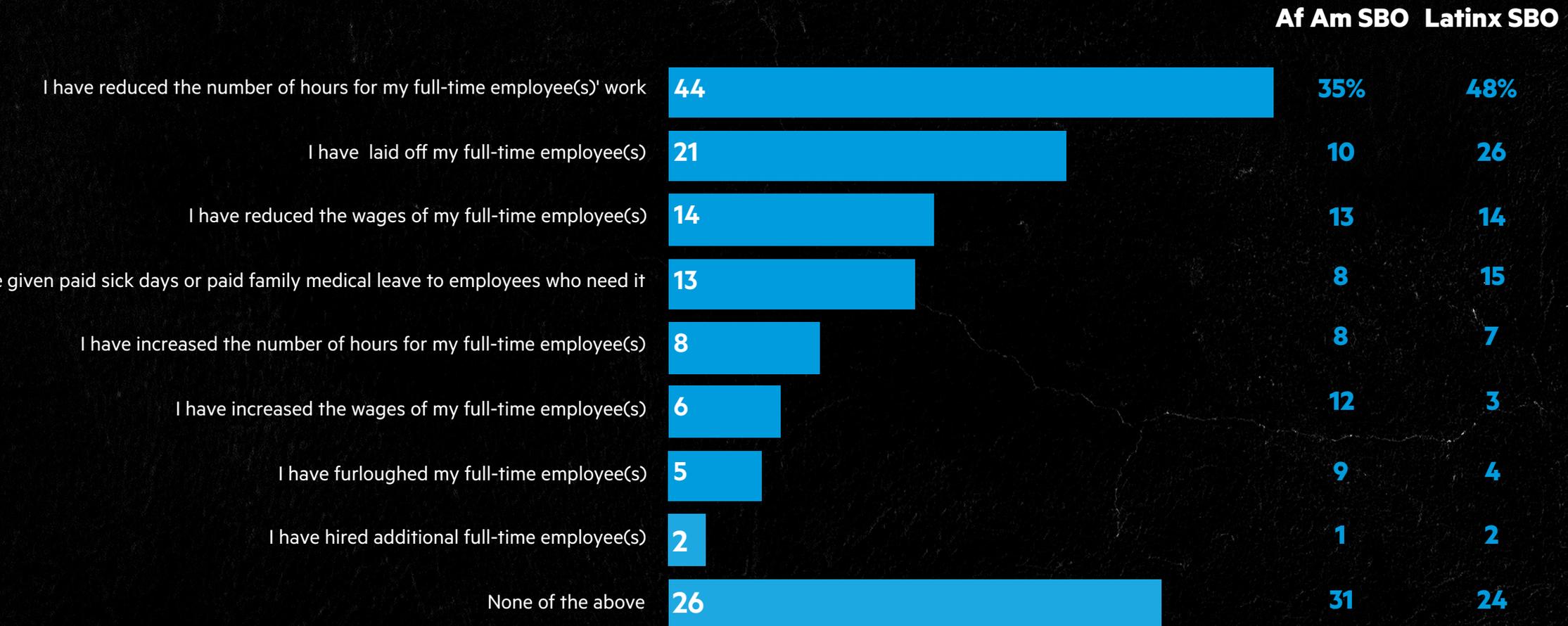
Many Latinx and African American small business owners were concerned they were ineligible for assistance or they would be denied

Below is a list of statements that some have made about the stimulus packages passed by Congress. Please indicate how much you agree or disagree with each statement.



Without bridge capital, these businesses are reducing their workforces to keep the lights on

How has COVID-19 affected your full-time employees? [SELECT ALL THAT APPLY]



Without bridge capital, these businesses are reducing their workforces to keep the lights on (cont.)

How has COVID-19 affected your part-time employees? [SELECT ALL THAT APPLY]



UPCOMING LEGISLATIVE ACTION

Because the public was paying close attention to this story, all messaging elicits intense agreement

Below is a list of statements that some have made about the stimulus packages passed by Congress. Please indicate how much you agree or disagree with each statement.

Total SBO	Af Am SBO	Latinx SBO	Af Am workers	Latinx workers	
% strongly agree					
51	43	55	47	39	This stimulus package gives too many handouts to big corporations
49	41	53	48	38	The funds in this stimulus package are going to big corporations and not to working people fast enough
46	40	49	45	40	Working people should be the top priority, but this bill was only intended to boost the stock market
44	37	46	39	30	This stimulus package does not help small businesses enough
42	37	44	53	42	This stimulus package does not help working people enough
42	30	46	36	30	The funds in this stimulus package are going to big corporations and not to small businesses
40	37	42	38	34	Corporations will use the money in this package to help executives and shareholders, while laying off workers
40	31	43	45	35	Republicans passed this bill to help President Trump's re-election chances, not the lives of everyday Americans
37	26	42	29	27	This stimulus package does not help Hispanic business owners enough
36	36	36	38	19	This stimulus package does not help African American business owners enough
35	35	36	36	22	The funds in this stimulus package are going to big corporations and not to African American business owners
35	29	37	33	26	The funds in this stimulus package are going to big corporations and not to Hispanic business owners

Top policy priorities for future bills include safety protections for frontline workers and personal financial relief

Below are some proposed conditions that could be added to the small business loan program. For each, indicate whether you support or oppose each condition. [Tier 1]

Total SBO	Af Am SBO	Latinx SBO	Af Am workers	Latinx workers	
% strongly support					
73	61	77	74	74	Appropriate equipment and safety protections for all frontline, essential workers for the duration of the crisis
68	52	76	59	59	Foreclosures on individually owned and small business properties must be suspended until the end of the crisis
67	54	73	71	66	Debt collection activities must be suspended until the end of the crisis
67	52	73	61	57	Negative credit reporting must be suspended until the end of the crisis
63	57	65	65	58	Increasing federal assistance for individuals and families to buy the food they need for good health
63	72	60	58	55	Foreclosures on individually owned and small business properties must be suspended for at least 60 days
63	52	67	71	69	A second round of direct cash payments for Americans
56	40	62	52	50	Direct federal assistance to businesses to prevent mass layoffs and keep them afloat so they can quickly and safely restart and rehire their workers
56	43	61	62	55	Further expanding unemployment benefits
50	54	48	56	50	Moratorium on rent payments for individuals and small businesses until the end of the crisis

Communities of color also support carve-outs in future bills, but to a slightly lesser extent

Below are some proposed conditions that could be added to the small business loan program. For each, indicate whether you support or oppose each condition. [Tier 2]

Total SBO	Af Am SBO	Latinx SBO	Af Am workers	Latinx workers	
% strongly support					
49	50	48	42	40	The federal government must dedicate 10% of all stimulus funds intended to help small businesses to companies with 20 or fewer employees
45	43	46	56	51	Pay must be increased by 50% for all frontline, essential workers for the duration of the crisis
45	37	48	49	45	Direct federal assistance to businesses to help them cover salary and other necessary costs like rent or mortgage payments and insurance premiums
45	29	51	42	31	Direct federal assistance to businesses to help them cover 100 percent of their base payroll costs for at least three months, up to an annual salary of \$100,000 per worker
40	37	41	35	33	Investments in renewable energy and cuts in emissions
37	37	37	39	34	Stronger conditions and requirements on businesses that accept bailout money
33	37	31	31	21	Businesses owned by women must receive at least 30% of all small business loans
32	42	28	40	25	Businesses owned by people of color must receive at least 20% of all small business loans
32	45	24	39	41	A program putting Americans to work building renewable energy infrastructure
27	31	26	33	27	Small business loans must be awarded proportionately to business owners by gender, race, and ethnicity, according to share of total population
22	19	23	27	23	An oversight panel in charge of monitoring how taxpayer dollars are spent by race

THANK YOU

Small Business Owner Sample Demographics

Employment

	Total	Af-Am	Latinx
Working for own business	69	73	67
Working as sole proprietor	30	23	33
Independent contractor	5	8	4

Annual Revenue

Less than \$50k	38	48	34
\$50k to \$500k	44	30	49
More than \$500k	18	22	16

Length of Time in Business

Within last year	7	9	6
1 to 3 years	20	29	16
3 to 5 years	29	20	33
5 to 10 years	16	23	13
10+ years	29	20	32

Essential

	Total	Af-Am	Latinx
Yes	38	35	39
No	55	54	56

Business

Still Open	84	78	87
Closed	15	22	12

Worker Sample Demographics

Employment

	Af-Am	Latinx
Full-time	75	76
Part-time	21	20

Household Income

Less than \$25k	15	12
\$25k-50k	25	25
\$50k-100k	35	37
More than \$100k	24	25

Education

High school or less	36	54
Some college/Associates	39	29
College graduate	24	16

Urbanity

	Af-Am	Latinx
Urban	40	44
Suburban	45	40
Small town/Rural	15	15