



# Actions Taken in Response to the Economic Impact of Coronavirus

April 23, 2020

## The Paycheck Protection Program (PPP)

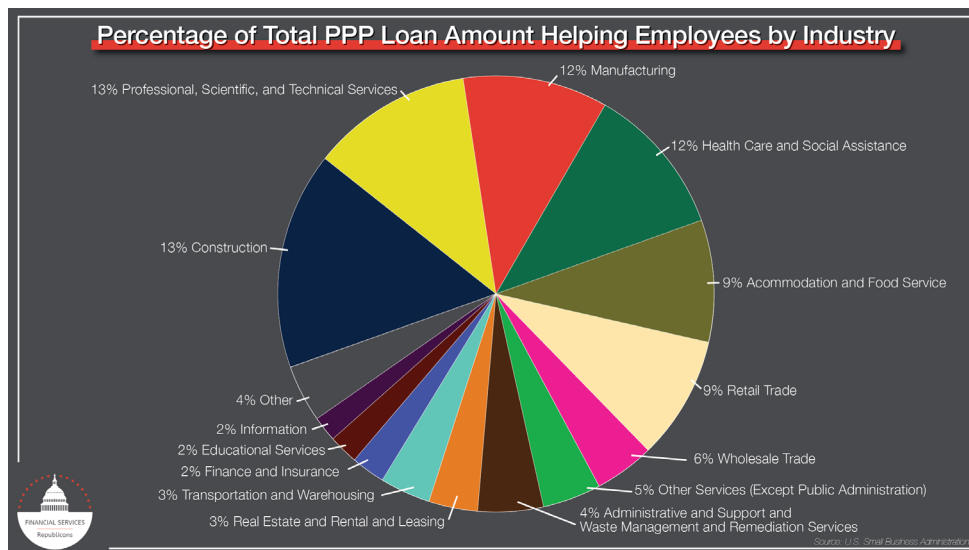
*Broad-Based Benefits for Small Businesses and American Workers*

### What has been the impact of PPP on America's small businesses?

- PPP reached more than 1.6 million small businesses, nonprofits, veterans' organizations, tribal businesses, sole proprietors, and independent contractors in every state and territory.
- The vast majority of these loans – 74 percent of them – were for under \$150,000, which shows this program was accessible to even the smallest of small businesses.
- The money is going to pay workers, who might otherwise be laid off. Under the terms of the program, the majority of the loan amount must be used to cover payroll.
- Approximately 80% of the loans were approved by our local community banks. No lender accounted for more than 5% of the total dollar amount of the program.

### Where is the PPP assistance going?

- PPP was designed to provide a direct incentive to small businesses to keep their workers on the payroll. The program has ensured that millions of American workers have kept their jobs across a wide range of industries in the United States.



### What are the details of the second tranche of PPP funding?

- Thousands of small businesses remain in the queue for a PPP loan. CARES 2.0 includes an additional \$310 billion for PPP to bring the total program number to \$670 billion.
- The bill sets aside \$60 billion of the \$310 billion to be made by the following institutions:
  - o \$30 billion for loans made by our smallest financial institutions, e.g., community banks, small insured depository institutions, and credit unions.
  - o \$30 billion for loans made by insured depository institutions and credit unions that have assets between \$10 billion and \$50 billion.