

The numbers are dire. Congress must act now to save small businesses.

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Dec. 10, 2020 at 8:00 a.m. EST



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Last week's [grim jobs report](#) was far below the 460,000 projected by economists. As winter approaches and [covid-19](#) cases continue to rise, these sluggish numbers portend a backsliding economy and a staggering impact already underway for small businesses. If Congress does not act before the holidays and again in January, more small businesses — especially those in communities of color — will be forced to close and lay off workers in the coming months.

While philanthropic efforts and government aid, such as the federal [Paycheck Protection Program](#), helped some small businesses stay afloat, we are far from being financially stable. The distribution of PPP loans was unequal, and that money is now gone. On Thursday, we [released findings](#) from the largest survey of diverse small businesses, fielded by the Reimagine Main Street Initiative in partnership with our organizations. The [results](#), which include responses from more than 8,000 business owners, paint a sobering picture: Ten percent expect to close permanently in the next six months, and 45 percent expect to lay off at least one employee. The human resource management company Gusto independently [estimates](#) that 1.4 million to 2.8 million jobs will be lost this winter without additional assistance.

The survey also found that minority-owned businesses are struggling the most. Thirty-three percent of Black-owned, 26 percent of Native American-owned and 21 percent of Hispanic-owned businesses report having less than a month of cash to cover expenses, which [mirrors findings](#) from the JPMorgan Chase Institute that half of small businesses have cash reserves to cover 27 days. Of the business owners expecting to lay off at least one employee, Asian Americans were the highest at 49 percent.

To be clear, the pandemic has already ravaged Main Street America. A [study](#) recently distributed by the National Bureau of Economic Research found that 22 percent of businesses closed between February and April. Minority-owned businesses were hit hardest, as 41 percent of Black-owned, 32 percent of Hispanic-owned and 26 percent of Asian American-owned businesses closed. In addition, [data](#) from the ADP Research Institute shows that small businesses have laid off more than 4.9 million employees through the end of November. With millions of Americans losing health care, unable to pay their rent and waiting in lines at food kitchens, we are seeing the downstream effects of these closed businesses and lost jobs.

Since the survey was fielded, [covid-19 cases have surged](#), averaging more than 1 million per week. With winter approaching and no end in sight to this spike in cases, it is only a matter of time before this reverberates throughout the economy. While many Americans feel as though we have hit bottom and see light at the end of the tunnel with vaccines likely to be approved soon, we fear that this bottom will fall out from under us if Congress does not act. Small businesses are the core of our economy; if we go, the rest of our economy is surely not far behind.

We need to act now and also think about the future. Before adjourning, Congress has a moral responsibility to throw a lifeline to these businesses that constitute the economic livelihood of nearly [half of all Americans](#). Small businesses don't want a handout; they just want a level playing field. Not surprisingly, an overwhelming number of survey respondents want and need federal relief for small businesses. There are a number of bills in Congress designed to improve, strengthen and support small businesses, including providing direct business grants; forgiving PPP loans of less than \$150,000 and expanding the program; and increasing capital for community development financial institutions, all to ensure that small businesses have access to crucial lifelines to support their businesses. House and Senate leadership should come together and prioritize sending one of these bills to the White House for signing.

Even when legislation is passed, we must keep the momentum going. Together, our organizations, working with others, will continue to push the government, private sector and philanthropy to focus on supporting the important role small businesses can play in creating a more inclusive economy. When President-elect Joe Biden is inaugurated in January and a new Congress gavel in, we must continue to make sure small-business owners, their workers and communities are the focus of our nation's recovery.

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