



## Scientific Opinion Poll

Small business owners report devastating impacts of COVID-19, need immediate cash assistance to survive

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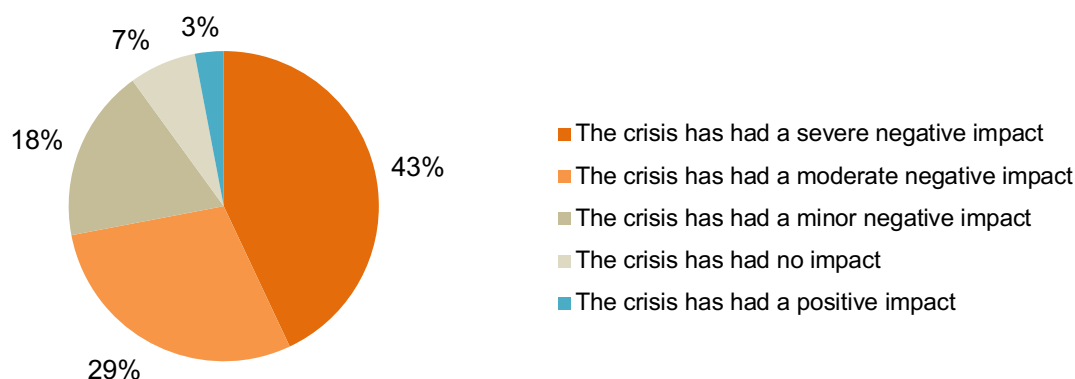
## Executive Summary

It's no secret that the spread of COVID-19 around the country has already had a devastating impact on small businesses. With the economy on pause and uncertainty gripping communities across the country, Main Street has been left to cope with how to stay afloat during this unprecedented time. While Congress allocated \$350 billion in small business lending in the CARES Act stimulus package, and small businesses have been eager for these loans to get them the assistance they so desperately need, daily reports from small business owners reveal the emergency lending programs currently in place are utterly broken and will not prevent businesses from closing for good. New scientific opinion polling reveals additional insight into the dismal state of small businesses right now and what we stand to lose if Congress doesn't act to provide the direct grant relief that small businesses overwhelmingly support.

The poll was a survey of 500 small business owners nationwide conducted by Chesapeake Beach Consulting for Small Business Majority between April 6 and 9, 2020. The survey sheds light on a shocking rate of business closures, as well as small business owners' views on proposals that can help ensure they are able to reopen and recover once the crisis is over.

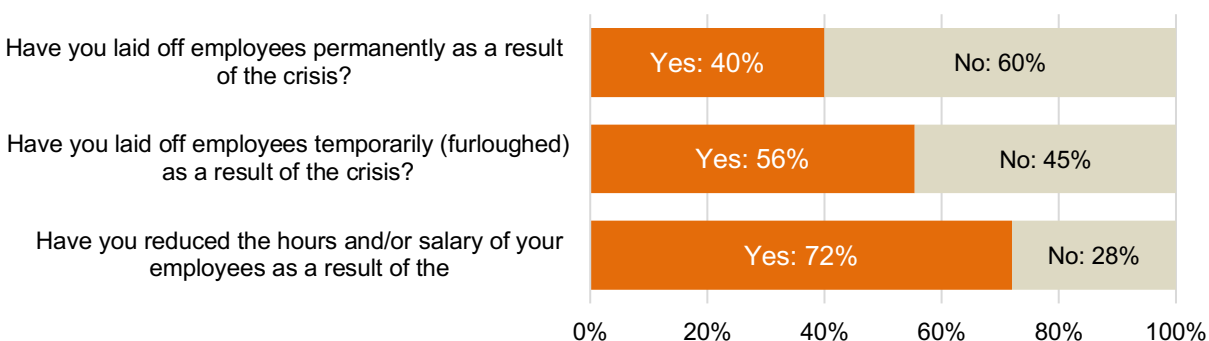
An astounding 9 in 10 say the coronavirus has impacted their business, with 43% who say it has had a severe negative impact. Similarly, 41% report their revenues have declined by more than 50% since the COVID-19 crisis has begun. **And a whopping 1 in 3 small businesses have already closed.**

**Figure 1: Most small businesses report they've experienced negative impacts to their business as a result of the coronavirus crisis**

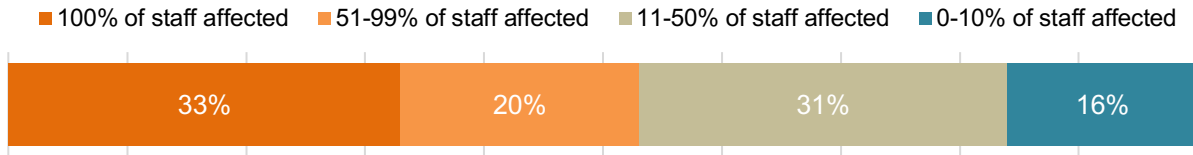


Additionally, small businesses reported widespread lay offs and furloughs. Four in 10 have permanently laid off their employees, 56% have furloughed employees and most (72%) have reduced hours, salary or both for employees as a result of the crisis. **One in three have permanently laid off, furloughed or reduced the hours/salary of their entire workforce.** A majority of 53% report that at least half of their workforce has been impacted by layoffs or reductions.

**Figure 2: Small businesses report widespread reductions in workforce**

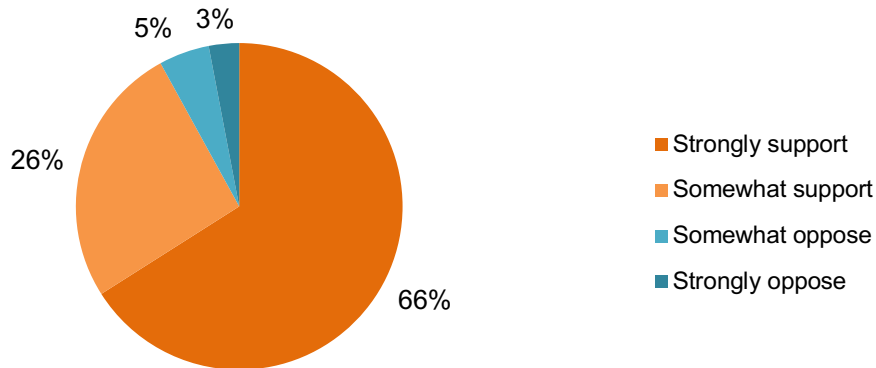


Percentage of your staff affected by temporary or permanent layoffs, reduced hours or reduced wages



A majority (53%) of small businesses say the CARES Act, the \$2 trillion stimulus package recently passed by Congress, was a good first step to address the challenges they're facing, but they believe more small business assistance is needed. **Most small businesses (92%) say what they need from the federal government to help them survive the crisis is direct grant assistance.** Two-thirds (66%) strongly support direct cash grants to help ensure small businesses can recover.

**Figure 3: Small businesses overwhelmingly support direct cash assistance to ensure they can recover from the crisis**



Small businesses identified a number of additional solutions that would help the small business community have the relief it needs to make it through the crisis, including the following:

- Financial assistance for rent, mortgage and utility payments, not tied to maintaining payroll (**86% support**).
- Forbearance on all small business debt, not just current SBA loans as provided by the CARES Act (**86% support**).
- Increasing funding for community development financial institutions, which provide loans to small businesses (**84% support**).
- A moratorium on unemployment insurance taxes for two years (**83% support**).

As cases of COVID-19 rapidly rise throughout the country, the impacts on our small business community become even more dire each day. Millions have closed up shop, experienced dramatic losses, and are being forced to make tough decisions on their own each day about whether or not they'll ever reopen. While the small business loan programs funded by the CARES Act may be helping a select few small businesses, our economy will not stand a chance of recovering if Congress doesn't immediately provide direct grant assistance and other relief that small businesses desperately need while our entire society is on pause.

## Additional poll findings

- **92% of small businesses are concerned about the economic impacts of the coronavirus**, with 70% who are very concerned.
- **Nearly half (47%) say they have closed their business or are planning to close their business in the next two months.** Of those who reported they've closed or will close their business soon, they cited a multitude of reasons. Half say they were forced to close by their state or local government, 40% say they had no clients or revenue, 18% say they ran out of money, and 41% say they wanted to protect themselves and their employees. Encouragingly, 93% of these respondents say they plan to reopen once the crisis is over.
- **Small businesses share wide-ranging impacts to their business:** 37% have had to draw on personal savings, retirement accounts or other funds to sustain their business; 28% are unable to access supply chains; an additional 28% have instituted work-from-home requirements; 24% of those with employees have had more employee absences; and 21% have increased online and/or delivery sales.
- **More than half (54%) of small employers who have made reductions to their workforce are still offering healthcare coverage to laid off/furloughed employees.** However, 68% of all small employers say they are concerned about their employees' ability to access health insurance.
- **More than two-thirds (67%) say they would like to continue offering health insurance to their furloughed employees while allowing them to claim unemployment**, if they had the option to do so. Additionally, nearly 1 in 4 (23%) have canceled or lost access to their health insurance coverage as a result of the crisis.
- **Nearly 7 in 10 (69%) say the CARES Act favors large corporations over small businesses like theirs.**

## Methodology

This poll reflects a national survey of 500 small business owners. The poll was an online survey conducted by Chesapeake Beach Consulting for Small Business Majority between April 6-9, 2020. The margin of error is +/-5.3%.

# Survey Toplines

500 Small business owners nationwide

- 1. Please indicate your gender
  - Male .....62%
  - Female .....38%
  
- 2. What state is your business located in?
  - Northeast ..... 18%
  - Midwest ..... 21%
  - South.....38%
  - West .....23%
  
- 3. Do you own your own for-profit business?
  - Yes..... 100%
  
- 4. How many people do you employ including yourself?
  - One..... 15%
  - 2 to 5 .....24%
  - 6 to 10 .....20%
  - 11 to 25 ..... 18%
  - 26 to 50 ..... 12%
  - 51 to 100.....11%
  - More than 100 .....0%
  
- 5. How long have you been in business?
  - Less than one year ..... 5%
  - One to three years..... 21%
  - Four to six years..... 19%
  - Seven to 10 years ..... 12%
  - More than 10 years .....43%

## COVID-19 QUESTIONS

- 6. Overall, how concerned are you about the COVID-19 pandemic?
  - Very concerned ..... 65%
  - Somewhat concerned .....24%
  - Not too concerned .....8%
  - Not at all concerned.....3%
  - Don't know.....0%
  
- 7. How concerned are you about the economic effects of the pandemic?
  - Very concerned .....70%
  - Somewhat concerned .....22%
  - Not too concerned .....5%
  - Not at all concerned.....3%
  - Don't know.....<1%

8. How concerned are you about the health effects of the pandemic?

Very concerned .....	61%
Somewhat concerned .....	24%
Not too concerned .....	10%
Not at all concerned.....	4%
Don't know.....	<1%

9. How would you say the coronavirus crisis has affected your business?

The crisis has had a severe negative impact .....	43%
The crisis has had a moderate negative impact .....	29%
The crisis has had a minor negative impact.....	18%
The crisis has had no impact.....	7%
The crisis has had a positive impact.....	3%

10. Since the COVID-19 crises began, by what percentage has your revenue declined?

0% to 10% .....	23%
11% to 20%.....	10%
21% to 30% .....	8%
31% to 40% .....	7%
41% to 50% .....	12%
51% to 60% .....	6%
61% to 70%.....	5%
71% to 80% .....	9%
81% to 90% .....	5%
91% to 99% .....	3%
100% .....	13%

11. Have you closed your business or are you planning to close your business within the next two months?

Yes, closed.....	33%
Yes, planning to close .....	14%
No.....	53%

12. Why did you close your business, or why are you planning to close your business? (select all that apply) (Asked of those who closed business N=234)

I was ordered to by state or local government.....	50%
I had no clients/revenue.....	40%
I ran out of money .....	18%
To protect myself and/or employees.....	41%
I was unable to access my supply chain .....	8%
Other .....	2%

13. Do you plan to reopen your business after the crisis is over? (Asked of those who closed business N=234)

Yes.....	93%
No.....	7%

14. Have you laid off employees permanently as a result of the crisis? (Asked of small businesses with employees N=427)

Yes.....	40%
No.....	60%

15. Have you laid off employees temporarily (furloughed) as a result of the crisis? (Asked of small businesses with employees N=427)
- Yes..... 56%
- No..... 45%
16. Have you reduced the hours and/or salary of your employees as a result of the crisis? (Asked of small businesses with employees N=427)
- Yes, hours..... 32%
- Yes, salary ..... 11%
- Yes, both ..... 29%
- No..... 27%
17. What percentage of your staff have been affected by temporary or permanent layoffs, reduced hours or reduced wages? (If yes to Q14, Q15 OR Q16 - N=332)
- 0% to 10% ..... 16%
- 11% to 20%..... 5%
- 21% to 30% ..... 7%
- 31% to 40% ..... 7%
- 41% to 50% ..... 12%
- 51% to 60% ..... 3%
- 61% to 70%..... 3%
- 71% to 80% ..... 8%
- 81% to 90% ..... 3%
- 91% to 99% ..... 3%
- 100% ..... 33%
18. Are you offering healthcare coverage to laid-off / furloughed employees? (If yes to Q15 N=237)
- Yes..... 54%
- No..... 46%
19. How concerned are you about your employees' ability to access health insurance coverage? Are you very concerned, somewhat concerned, not too concerned or not at all concerned? (Asked of small businesses with employees N=427)
- Very concerned ..... 42%
- Somewhat concerned ..... 26%
- Not too concerned ..... 16%
- Not at all concerned..... 16%
20. If you had the option to continue to offer health insurance to your furloughed workers while allowing them to claim unemployment, would you? (Asked of small businesses with employees N=427)
- Yes..... 67%
- No ..... 15%
- Not sure ..... 18%
21. Have you canceled or otherwise lost access to your health insurance coverage as a result of this crisis?
- Yes..... 23%
- No..... 77%

22. In what other ways has the coronavirus pandemic affected your business (select all that apply)
- I have had more employee absences ..... 24%
  - I have had to draw on personal savings, retirement accounts or other funds to sustain my business ..... 37%
  - I am unable to access supply chains ..... 28%
  - I have increased online and/or delivery sales..... 21%
  - I have eliminated company travel ..... 34%
  - I have instituted work-from-home requirements for myself and my employees ..... 28%
  - No major changes ..... 16%
23. Congress recently passed and the President signed into law the CARES Act, a \$2,000,000,000,000 (two trillion dollar) stimulus package. Would you say that you know a great deal, some, not too much or nothing at all about the specifics of the \$2,000,000,000,000 (two trillion dollar) CARES stimulus package?
- A great deal ..... 30%
  - Some ..... 45%
  - Not too much ..... 22%
  - Nothing at all ..... 3%

The CARES Act has multiple provisions to help small businesses. For each of the provisions below, please tell how helpful that particular provision is for your business. Is it very helpful, somewhat helpful, not too helpful or not helpful at all?

24. Creates the Payroll Protection Program through the SBA to provide forgivable loans to small businesses that maintain their payroll.
- Very helpful ..... 53%
  - Somewhat helpful ..... 28%
  - Not too helpful ..... 11%
  - Not helpful at all ..... 9%
25. Establishes a grant of up to \$10,000 for eligible small businesses that apply for an Economic Injury Disaster Loan (EIDL) through the Small Business Administration (SBA).
- Very helpful ..... 41%
  - Somewhat helpful ..... 36%
  - Not too helpful ..... 16%
  - Not helpful at all ..... 7%
26. Provides six months of forgiveness for existing Small Business Administration (SBA) loans.
- Very helpful ..... 43%
  - Somewhat helpful ..... 27%
  - Not too helpful ..... 14%
  - Not helpful at all ..... 16%
27. Provides a refundable payroll tax credit for 50% of wages paid by employers from March 13, 2020 to December 31, 2020.
- Very helpful ..... 44%
  - Somewhat helpful ..... 31%
  - Not too helpful ..... 14%
  - Not helpful at all ..... 11%



28. Allows employers and self-employed individuals to defer the 6.2 percent employer-side Social Security payroll tax payments.

Very helpful .....	46%
Somewhat helpful.....	30%
Not too helpful.....	15%
Not helpful at all.....	8%

29. Thinking about the CARES Act, and the numerous provisions to help small businesses, which of the following comes closest to your personal point of view?

The CARES Act provides the right amount of relief for me and my small business.....	32%
The CARES Act is a good first step, but more small business assistance is needed.....	53%
The CARES Act will not help me and my small business .....	14%

Again, thinking about the CARES Act, do you strongly agree, somewhat disagree, somewhat disagree or strongly disagree with the following statement

30. The CARES Act favors larger corporations over smaller businesses like mine

Strongly agree .....	30%
Somewhat agree.....	39%
Somewhat disagree.....	21%
Strongly disagree .....	10%

Some small businesses are asking that the federal government do more to help them make it through this crisis. For each of the following, please indicate whether you strongly support, somewhat support, somewhat oppose or strongly oppose the measures?

31. Direct cash grants to small businesses

Strongly support .....	66%
Somewhat support.....	26%
Somewhat oppose.....	5%
Strongly oppose .....	3%

32. Forbearance on all small business debt, not just Small Business Administration (SBA) loans.

Strongly support .....	48%
Somewhat support.....	38%
Somewhat oppose.....	9%
Strongly oppose .....	4%

33. Moratorium on unemployment insurance taxes for two years.

Strongly support .....	47%
Somewhat support.....	36%
Somewhat oppose.....	12%
Strongly oppose .....	5%

34. Financial assistance for rent, mortgage and utility payments, not tied to maintaining payroll.

Strongly support .....	52%
Somewhat support.....	34%
Somewhat oppose.....	8%
Strongly oppose .....	5%

35. Increasing funding for community development financial institutions, which provide loans to small businesses.

Strongly support .....	47%
Somewhat support.....	37%
Somewhat oppose.....	13%
Strongly oppose.....	4%

Thinking now about another subject

36. Do you have health insurance for yourself?

Yes.....	92%
No.....	8%

37. Where did you obtain your insurance? (Asked of those with health insurance N=458)

Through a group plan offered through my business .....	28%
Through my spouse or partner’s health insurance .....	17%
Through a plan I purchased through the ACA marketplace.....	12%
Through a plan I purchased directly from an insurer .....	20%
Medicare .....	18%
Medicaid .....	4%
Other .....	2%

Thinking about your personal health care insurance coverage, on a scale of one to ten with one being not at all satisfied and ten being very satisfied, how satisfied are you with each of the following aspects of your health coverage? (Asked of those with health insurance N=458)

38. The cost of premiums.

One.....	8% (Not at all satisfied)
Two .....	5%
Three.....	5%
Four.....	4%
Five.....	9%
Six .....	11%
Seven.....	11%
Eight.....	16%
Nine.....	13%
Ten .....	18% (Very satisfied)

39. My out-of-pocket costs for prescription drugs.

One.....	5% (Not at all satisfied)
Two .....	3%
Three.....	5%
Four.....	4%
Five.....	9%
Six .....	7%
Seven.....	14%
Eight.....	17%
Nine.....	16%
Ten .....	21% (Very satisfied)

40. My out-of-pocket costs for doctor and ER visits.

One.....	5% (Not at all satisfied)
Two .....	3%
Three.....	4%
Four.....	6%
Five.....	10%
Six .....	7%
Seven.....	13%
Eight.....	19%
Nine.....	14%
Ten .....	20% (Very satisfied)

41. Out-of-pocket limits.

One.....	7% (Not at all satisfied)
Two .....	3%
Three.....	3%
Four.....	6%
Five.....	11%
Six .....	10%
Seven.....	13%
Eight.....	18%
Nine.....	14%
Ten .....	16% (Very satisfied)

42. The level of my deductible.

One.....	7% (Not at all satisfied)
Two .....	4%
Three.....	3%
Four.....	6%
Five.....	10%
Six .....	8%
Seven.....	10%
Eight.....	18%
Nine.....	13%
Ten .....	20% (Very satisfied)

43. The range of services covered.

One.....	3% (Not at all satisfied)
Two .....	2%
Three.....	3%
Four.....	4%
Five.....	7%
Six .....	6%
Seven.....	13%
Eight.....	22%
Nine.....	16%
Ten .....	23% (Very satisfied)

44. The number and quality of in-network providers.
- |            |                           |
|------------|---------------------------|
| One.....   | 5% (Not at all satisfied) |
| Two .....  | 2%                        |
| Three..... | 3%                        |
| Four.....  | 2%                        |
| Five.....  | 8%                        |
| Six .....  | 9%                        |
| Seven..... | 10%                       |
| Eight..... | 19%                       |
| Nine.....  | 19%                       |
| Ten .....  | 24% (Very satisfied)      |
45. Has the coronavirus pandemic made you more or less likely to support universal health care proposals, where the government would pay for and cover the cost of healthcare?
- |                                   |     |
|-----------------------------------|-----|
| Much more likely to support ..... | 32% |
| Somewhat more likely .....        | 21% |
| No change .....                   | 31% |
| Somewhat less likely.....         | 3%  |
| Much less likely .....            | 12% |
| Don't know.....                   | 1%  |

## DEMOGRAPHIC QUESTIONS

46. How would you categorize your business?
- |                                                            |     |
|------------------------------------------------------------|-----|
| Professional, scientific or technical services.....        | 17% |
| Retail.....                                                | 13% |
| Construction .....                                         | 13% |
| Food & beverage .....                                      | 8%  |
| Financial services .....                                   | 6%  |
| Wholesale trade, utilities, transport and warehousing..... | 5%  |
| Information technology.....                                | 4%  |
| Manufacturing .....                                        | 7%  |
| Health and educational services .....                      | 6%  |
| Leisure and hospitality .....                              | 5%  |
| Mining and logging.....                                    | <1% |
| Agriculture/Farming .....                                  | 2%  |
| Other services .....                                       | 13% |
| Not sure/Refused to answer.....                            | 2%  |
47. In what year were you born?
- |             |     |
|-------------|-----|
| 18-34 ..... | 26% |
| 35-44.....  | 20% |
| 45-54.....  | 18% |
| 55-64.....  | 21% |
| 65+ .....   | 14% |

48. Generally speaking, do you think of yourself as a Republican, a Democrat, or an Independent?

Democrat .....	32%
Independent .....	24%
Republican .....	38%
Other .....	3%
Don't know.....	1%
Refused .....	1%

49. If Independent, other or don't know: Do you think of yourself as closer to the Republican or Democratic Party?

Closer to Democrats .....	24%
Closer to Republicans.....	29%
Neither .....	45%
Don't know.....	1%
Refused .....	1%

50. Again, just for statistical purposes what was the gross revenue of your business in 2019?

Less than \$50,000.....	13%
Between \$50,000 and \$100,000 .....	14%
Between \$100,000 and \$250,000 .....	17%
Between \$250,001 and \$500,000 .....	13%
Between \$500,001 and \$1 million .....	13%
Between \$1 million and \$2 million .....	14%
Between \$2 million and \$5 million.....	7%
More than \$5 million.....	6%
Don't know.....	<1%
Refused .....	2%

51. Please choose one or more of these racial or ethnic groups that you identify with.

White.....	73%
African-American or Black.....	13%
Hispanic or Latino .....	8%
Asian or Pacific Islander.....	8%
Native American .....	2%
Other .....	1%
Biracial or multiracial.....	1%
Don't know.....	0%
Refused .....	<1%