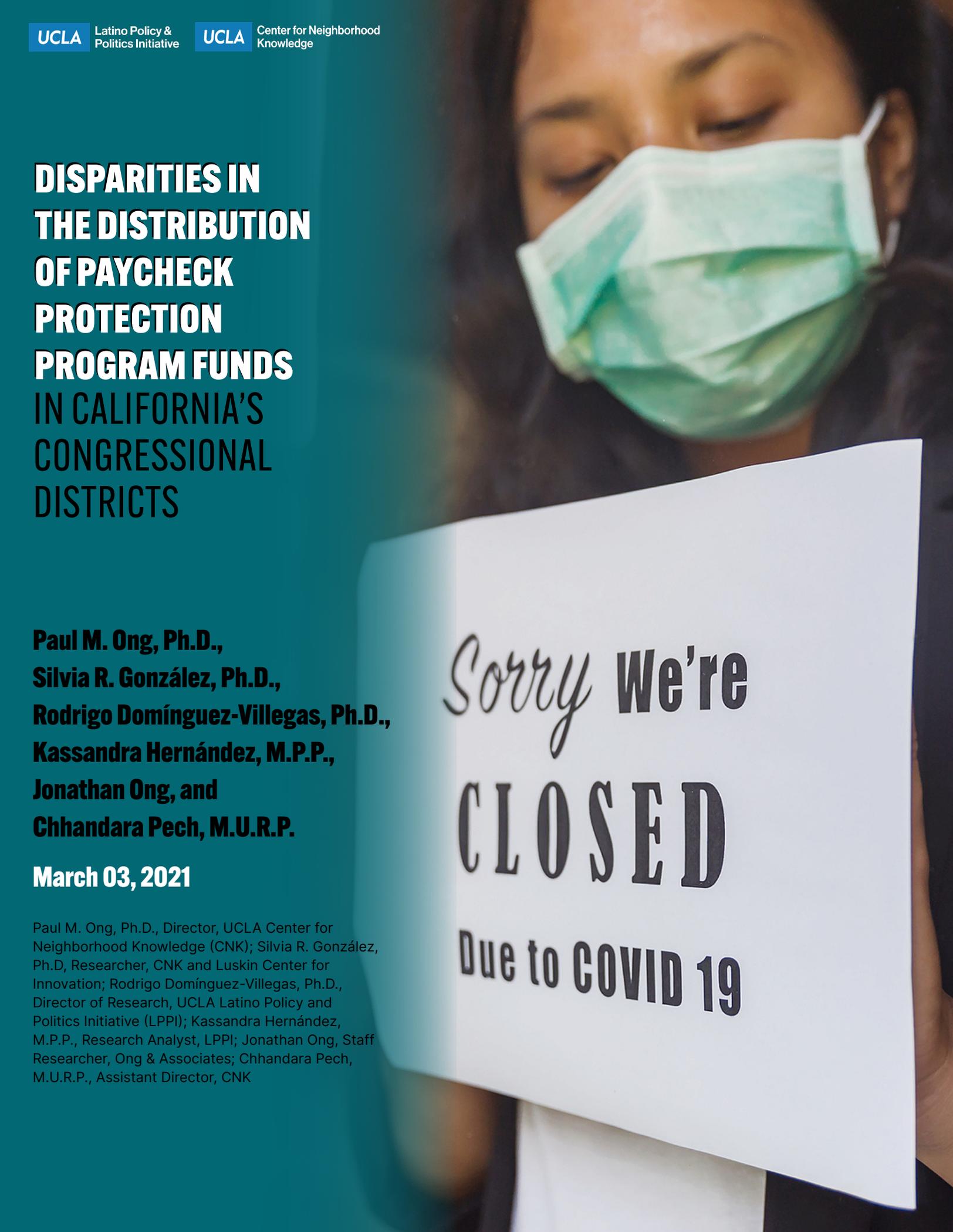


# DISPARITIES IN THE DISTRIBUTION OF PAYCHECK PROTECTION PROGRAM FUNDS IN CALIFORNIA'S CONGRESSIONAL DISTRICTS

**Paul M. Ong, Ph.D.,  
Silvia R. González, Ph.D.,  
Rodrigo Domínguez-Villegas, Ph.D.,  
Kassandra Hernández, M.P.P.,  
Jonathan Ong, and  
Chhandara Pech, M.U.R.P.**

**March 03, 2021**

Paul M. Ong, Ph.D., Director, UCLA Center for Neighborhood Knowledge (CNK); Silvia R. González, Ph.D, Researcher, CNK and Luskin Center for Innovation; Rodrigo Domínguez-Villegas, Ph.D., Director of Research, UCLA Latino Policy and Politics Initiative (LPPI); Kassandra Hernández, M.P.P., Research Analyst, LPPI; Jonathan Ong, Staff Researcher, Ong & Associates; Chhandara Pech, M.U.R.P., Assistant Director, CNK



*Sorry* **We're**  
**CLOSED**  
**Due to COVID 19**

# Acknowledgements

This report was made possible by generous support from the Wells Fargo Foundation. The Latino Policy and Politics Initiative (LPPI) is grateful to all our funders that make our work possible. The authors would like to thank Victor Tran for his comments and research assistance, along with Ricardo Quintero for his support with development and Andrea Cannon for her cover design and report layout.

This project builds on LPPI's research on Latino-owned businesses as an engine for equitable recovery and the COVID-19 Equity Research Initiative on behalf of UCLA's Center for Neighborhood Knowledge (CNK), which includes studies examining how the negative economic impacts of COVID-19 are distributed across neighborhoods.

As a land grant institution, the Latino Policy and Politics Initiative and the Center for Neighborhood Knowledge at UCLA acknowledge the Gabrielino and Tongva peoples as the traditional land caretakers of Tovaangar (Los Angeles basin, Southern Channel Islands), and that their displacement has enabled the flourishing of UCLA.

# About Our Centers

The UCLA Latino Policy and Politics Initiative addresses the most critical domestic policy challenges facing Latinos and other communities of color through research, advocacy, mobilization, and leadership development to expand genuine opportunity for all Americans.

The UCLA Center for Neighborhood Knowledge specializes in empirical spatial analysis to inform policy and planning action, and explicitly emphasizes the study of immigrant enclaves, low-income neighborhoods, and minority communities.

# Disclaimer

The views expressed herein are those of the authors and not necessarily those of the University of California, Los Angeles as a whole. The authors alone are responsible for the content of this report.

# Table of Contents

<b>EXECUTIVE SUMMARY</b>	<b>04</b>
<b>INTRODUCTION</b>	<b>06</b>
<b>METHODOLOGY</b>	<b>07</b>
<b>FINDINGS</b>	<b>09</b>
PRE-PANDEMIC ECONOMIC CHARACTERISTICS OF CALIFORNIA'S CONGRESSIONAL DISTRICTS	<b>09</b>
SOCIOECONOMIC & ETHNORACIAL CHARACTERISTICS OF CONGRESSIONAL DISTRICTS	<b>11</b>
IMPACT OF PPP ON JOBS RETAINED AND PAYROLL ACROSS CONGRESSIONAL DISTRICTS	<b>15</b>
<b>CONCLUSION AND POLICY RECOMMENDATIONS</b>	<b>16</b>
<b>APPENDIX: DETAILED DATA FOR ALL CONGRESSIONAL DISTRICTS IN CALIFORNIA</b>	<b>18</b>
<b>ENDNOTES</b>	<b>20</b>

### EXECUTIVE SUMMARY

Small businesses are considered the backbone of the U.S. economy. In 2018, small businesses employed 78 percent of all U.S. workers and 77 percent of California's workforce.<sup>1</sup> But the necessary lockdowns to reduce the spread of COVID-19, along with the ensuing reduction in consumer demand, have created huge economic challenges for small businesses, especially those owned by Latino or Black business owners.<sup>2</sup>

To prevent a massive wave of layoffs and small business closures, the U.S. Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included over \$600 billion for the Paycheck Protection Program (PPP). Through the PPP, private lenders provided government-backed loans for small businesses to maintain their payroll, re-hire employees that had been laid off, and cover overhead expenses.<sup>3</sup>

Previous research by UCLA Latino Policy & Politics Initiative (LPPi) and the UCLA Center for Neighborhood Knowledge (CNK) found that the distribution of PPP loans will likely widen economic inequality in communities of color, which already had fewer small businesses and jobs than majority-white neighborhoods.<sup>4</sup> Other analyses found that the first round of distribution benefitted larger businesses, with reduced program effectiveness over time.<sup>5</sup>

In this brief, we study the distribution of PPP loans across California's 53 congressional districts, with an emphasis on the impacts of the distribution of funds on racial equity. We provide findings for three analyses. First, we study the baseline economy in each congressional district to understand any pre-existing inequities in terms of jobs and payroll provided by small businesses. Second, we analyze the ethnoracial composition and socioeconomic status of the congressional districts, grouped by level of PPP support. This allows us to compare the pre-pandemic differences in the economic dynamism of congressional districts with different racial or ethnic compositions. Third, we evaluate PPP's effectiveness in terms of retaining jobs and maintaining payroll to determine the extent to which the program supported congressional districts with different racial or ethnic compositions.

Our main findings are:

- 1. Before the pandemic, there were already significant differences in economic bases across congressional districts. For instance, the number of jobs at small businesses (500 or fewer employees) ranged from 1.9 million to 3.9 million jobs within particular districts.**
- 2. The disparities in PPP lending widened pre-pandemic economic inequalities across congressional districts:**
  - Districts with the weakest economic base in terms of jobs and payroll provided through small businesses received only 8 percent of the loan amount expended to businesses in California compared to 35 percent in districts with the strongest economic base.
- 3. The distribution of PPP funds across congressional districts had two patterns likely to increase racial inequality in the state:**
  - Wealthier districts, which tend to have fewer Black and Latino residents, received a larger share of PPP funds throughout the state compared to lower-income districts.

## Disparities in the Distribution of Paycheck Protection Program Funds

- While Latinos are the largest ethnic group in California, none of the majority-Latino districts in the state were in the top quintile of districts that received the greatest amount of PPP loan dollars.
- 4. Evaluations of PPP's impact on racial inequality are limited by the U.S. Small Business Administration's (SBA) inadequate collection of data, given that applications do not require recipients to report their race or ethnicity.**

Based on our findings, we recommend the following:

- 1. The SBA should allocate more funds specifically for minority-owned businesses and establish measurable objectives that help reduce long-lasting and widened racial inequality.**
- 2. The SBA should invest more resources to work with financial institutions and community organizations, and coordinate technical and other assistance to improve access to PPP funds for minority-owned businesses.**
- 3. The SBA should increase transparency and accountability by improving data collection from all recipients and lenders and by making detailed information accessible to the public.**

Overall, our focus on congressional districts will allow elected members of Congress to understand how the first round of PPP distribution impacted their constituents and to advocate for a more equitable distribution of future funds.

## INTRODUCTION

The economic impacts of the COVID-19 pandemic are still being felt across the United States. Nearly a year after the first stay-at-home orders were put into effect, the inability to slow the spread of COVID-19 has led to intermittent economic shutdowns. Small businesses, the engine of the U.S. economy, continue to experience significant struggles as consumer demand remains low.

To help small businesses weather the crisis, the U.S. Congress approved two multi-billion relief packages in 2020. In March, Congress created the Paycheck Protection Program (PPP), which grants potentially forgivable loans for small businesses to maintain their payroll, rehire laid-off employees, and cover overhead expenses.<sup>6</sup> These loans, distributed through private lenders, could be fully forgiven if small businesses maintained their pre-pandemic workforce and payroll. Lenders disbursed more than \$525 billion in loans nationwide, \$68.6 billion of which were distributed to businesses in California.<sup>7</sup> In December 2020, Congress approved an additional \$284.45 billion to provide PPP loans to small businesses that had not secured a loan under the first round of PPP or that had received a loan previously but sustained particular hardship.

[Recent research](#) by the UCLA Latino Policy & Politics Initiative (LPPI) and the Center for Neighborhood Knowledge (CNK) identified inequitable distribution of funds at the neighborhood level, widening pre-pandemic systemic inequality along racial and class lines.<sup>8</sup> In this brief, we study whether the first round of PPP loan distribution in California followed a clear racial or spatial pattern by comparing the distribution of loan dollar amounts across congressional districts.

Congressional-level analysis of PPP loan distribution serves two main purposes. First, it allows elected officials to understand how PPP impacted their constituents and to monitor how the program continues to affect them. Second, it provides a tool for policymakers to negotiate future legislative changes centered on equitable recovery that reflect the needs and the views of their constituents.<sup>9</sup> Recognizing differences in distribution across congressional districts, policymakers can make a strong argument to direct future rounds of funding towards districts that were previously left behind.<sup>10</sup>

In this policy brief, we provide findings for three analyses. First, we study the baseline economy in congressional districts, grouped by level of PPP support, to understand any pre-existing inequities in terms of jobs and payroll supported by small businesses. Second, we analyze the ethnic and racial composition and socioeconomic status of the congressional districts, grouped by level of PPP support. This allows us to compare the pre-pandemic differences in the economic dynamism of congressional districts with different racial or ethnic compositions. Third, we evaluate PPP's effectiveness in terms of retaining jobs and maintaining payroll to determine the extent to which congressional districts with different racial or ethnic compositions were supported by the program. We conclude by providing concrete recommendations to increase the effectiveness of PPP in reducing racial and ethnic inequality.

## METHODOLOGY

Our unit of analysis is California congressional districts. We divide congressional districts into five groups (quintiles) based on the dollar amount in PPP loans their small businesses received. Map 1 displays the congressional districts by these quintiles. The districts in green received the most PPP dollars whereas the districts in orange received the fewest PPP dollars, hereby understood as “top” and “bottom quintiles,” respectively.

Because there are 53 districts, the distribution of congressional districts by quintiles is not equal. The bottom and top quintiles include 10 districts each whereas the other three groupings include 11 districts. The loan dollar amount range for each quintile is listed in Table 1.

**Table 1: Range of Total Dollars Received in Congressional Districts by Quintiles**

QUANTILE	RANGE
TOP	\$2,051,106,092 to \$3,591,906,217
2	\$1,459,008,455 to \$1,927,999,574
3	\$1,124,705,642 to \$1,375,000,458
4	\$908,785,585 to \$1,108,651,781
BOTTOM	\$305,136,800 to \$878,525,601

Source: Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

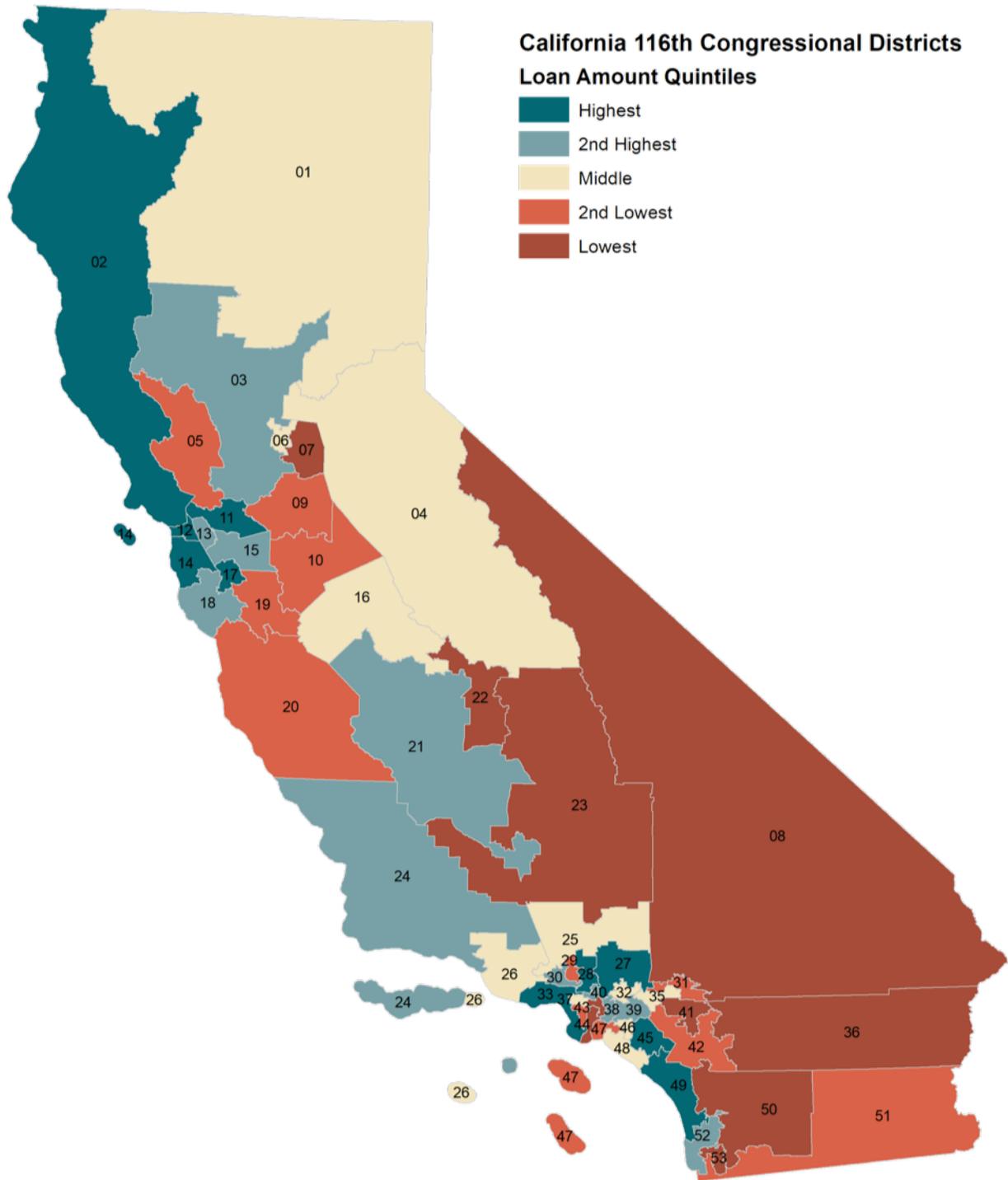
We used three data sources to construct the research dataset. We rely on loan-level information from the Small Business Administration (SBA) for approved PPP loans between April 3, 2020, and August 8, 2020.<sup>11</sup> The SBA reports loans under \$150,000 and loans over \$150,000 separately. Since the SBA only provides ranges, rather than exact loan amounts, for loans over \$150,000, we estimated the value of each loan over \$150,000 using the midpoint of their respective range.

We aggregated the loan-level data and merged them with the industry detail file from the 2018 U.S. Census County Business Patterns (CBP) dataset, which is available at the congressional district level. The CBP dataset contains economic statistics including the number of establishments operating within a given district, number of employees, and first quarter and annual payroll of represented establishments.<sup>12</sup> The CBP data cover establishments with paid employees, including sole proprietorships.<sup>13</sup> These data were then merged with demographic information from the 2018 American Community Survey (ACS) five-year estimates at the congressional district level.

After merging the datasets, we performed three analyses. First, we divided congressional districts into five groups of equal size based on the dollar amount of PPP loans assigned to them. Because almost 20 percent of loans under \$150,000 and 14 percent of loans over \$150,000 did not report job information or reported zero jobs protected through PPP, a likely measurement error, we excluded these loans from our analysis.<sup>14</sup>

# Disparities in the Distribution of Paycheck Protection Program Funds

Map 1: PPP Loan Amounts by Congressional District Quintiles



Source: Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

## FINDINGS

### PRE-PANDEMIC ECONOMIC CHARACTERISTICS OF CALIFORNIA'S CONGRESSIONAL DISTRICTS

In this section, we provide pre-pandemic economic characteristics that enable us to later assess the performance of PPP relief to small businesses across California’s congressional districts. Taken together, the measures below indicate that small businesses in congressional districts that received the least PPP aid were already at a disadvantage compared to those that received more aid.

Before the pandemic, small businesses supported between 1.9 million and 3.9 million jobs in the state’s congressional districts. Figure 1 shows the average number of jobs by congressional district quintiles based on the amount of PPP loans expended to small businesses in each grouping. The dark green bars represent congressional districts that received the most PPP aid whereas the dark orange bars represent those that received the fewest PPP dollars. Before the pandemic, congressional districts that received the most PPP relief also had stronger economic bases. For example, on average, the districts that received the most aid (top quintile) had twice as many jobs than districts in the bottom quintile (3.97 million compared to 1.96 million jobs, respectively). Overall, businesses in districts with the weakest economic base received only 8 percent of the total amount of loans expended to businesses in California, compared to 35 percent for those in districts with the strongest economic base.

**Figure 1: Average Number of Jobs in Congressional Districts by PPP Quintiles**

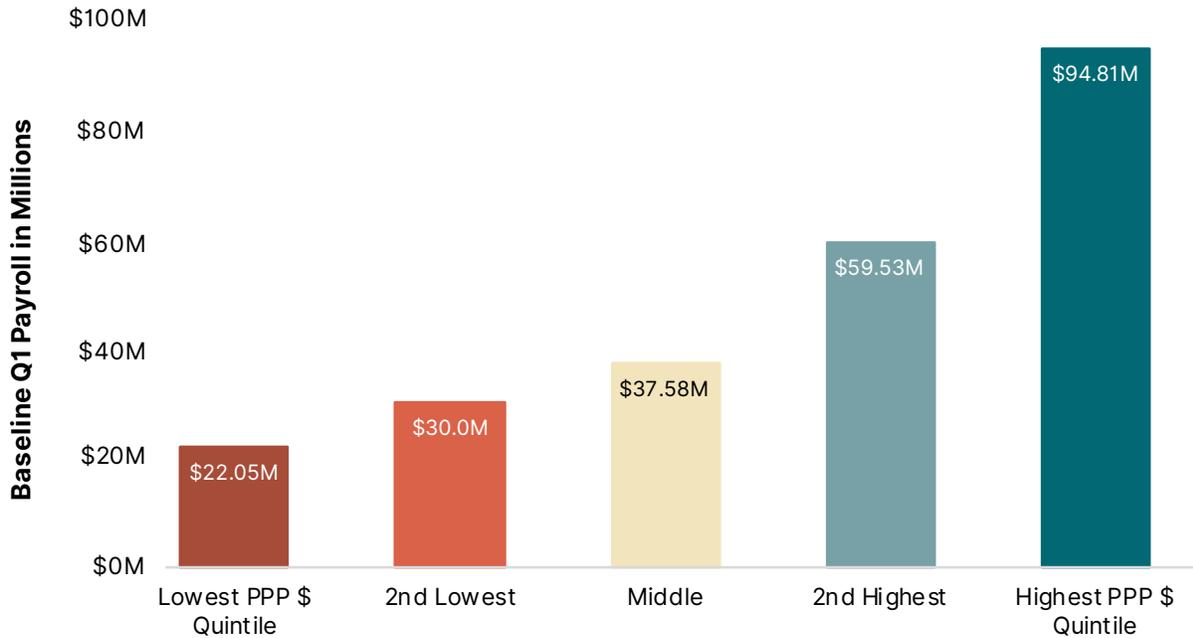


Notes: PPP quintiles refer to the grouping of congressional districts based on the dollar amount of PPP loans received. Each of the 53 congressional districts was sorted into one of five categories commonly known as quintiles.  
 Source: Authors’ analysis of the 2018 Census Code Business Patterns by Congressional District Dataset, [available online](#), and Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

## Disparities in the Distribution of Paycheck Protection Program Funds

Similar patterns emerge when comparing payroll dollars across congressional districts. Figure 2 provides payroll dollars reported in the first quarter of 2018 by congressional district quintile. The baseline payroll for the districts that received the most aid was more than four times that of districts in the bottom quintile, as the figure shows.

**Figure 2: Average Pre-pandemic Payroll in Congressional Districts by PPP Quintiles**



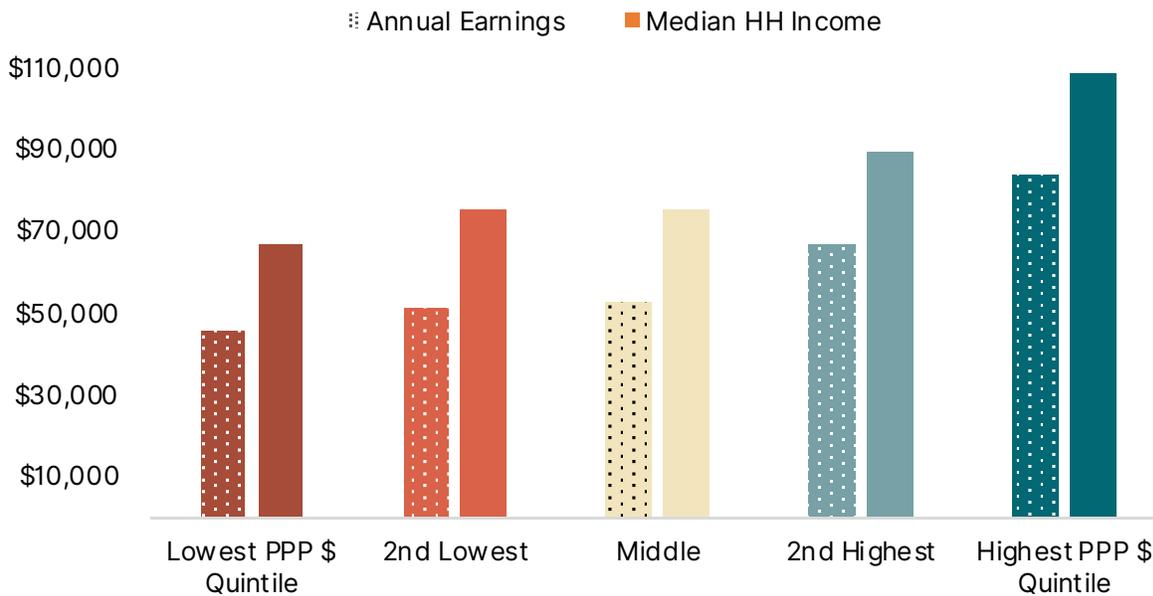
Notes: PPP quintiles refer to the grouping of congressional districts based on the dollar amount of PPP loans received. Each of the 53 congressional districts was sorted into one of five categories commonly known as quintiles.

Source: Authors' analysis of the 2018 Census Code Business Patterns by Congressional District Dataset, [available online](#), and Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

SOCIOECONOMIC & ETHNORACIAL CHARACTERISTICS OF CONGRESSIONAL DISTRICTS

The socioeconomic and racial makeup of California’s congressional districts also varies across the state in important ways. Before the pandemic, the economic bases of congressional districts that received the least PPP aid (bottom quintile) were weaker than those of congressional districts in the top quintile—partially because income and earnings were lower in these areas. Figure 3 displays the average earnings and household income across congressional district groupings. Average annual earnings are primarily from wages and salaries. Average earnings in the bottom quintile were roughly \$45,000 compared to almost \$84,000 in the top quintile. Disparities in household income, which includes wages and non-wage income such as investments, were just as pronounced. Average household income in the bottom quintile was about \$66,000 compared to more than \$108,000 in the top quintile. In the end, we find that regardless of the measurement considered (earnings or household income), congressional districts with the lowest values also received the least amount of PPP assistance.

Figure 3: Average Earnings & Household Income in Congressional Districts by PPP Quintiles

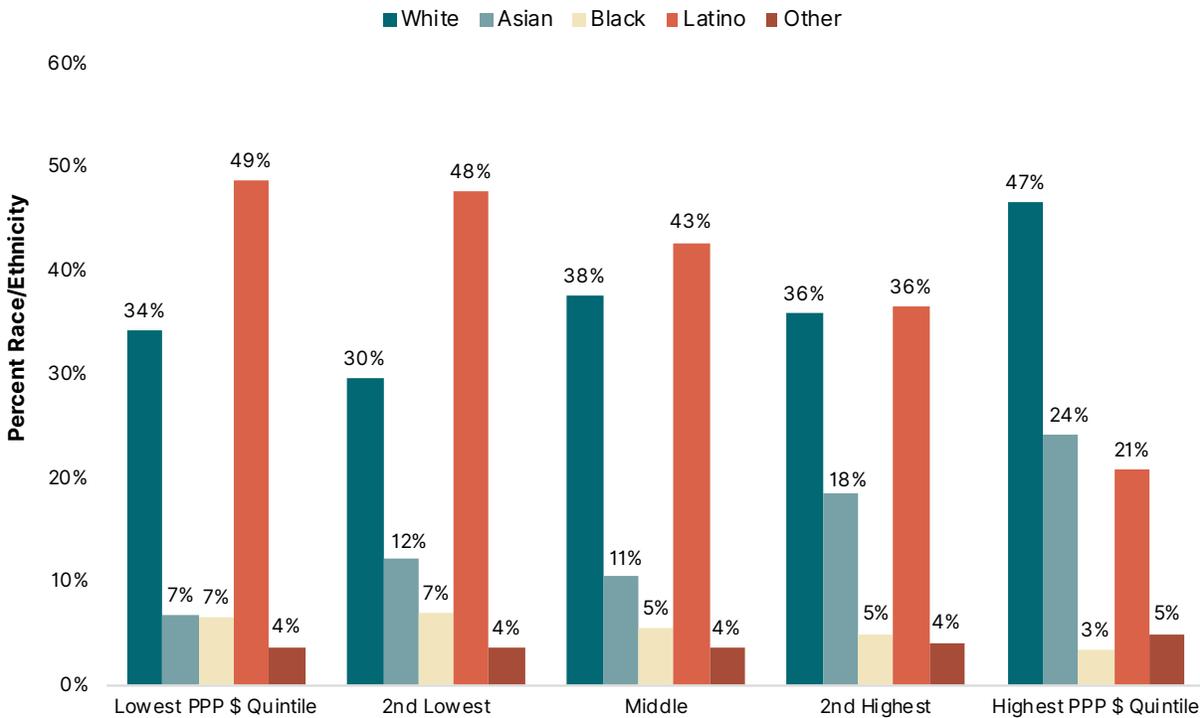


Notes: PPP quintiles refer to the grouping of congressional districts based on the dollar amount of PPP loans received. Each of the 53 congressional districts was sorted into one of five categories commonly known as quintiles.  
 Source: Authors’ analysis of the 2018 Census Code Business Patterns by Congressional District Dataset, [available online](#), and Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

## Disparities in the Distribution of Paycheck Protection Program Funds

In Figure 4, we present the ethnoraacial composition of congressional districts by PPP quintiles. Even prior to the start of the pandemic, workers and households in predominantly non-white districts were disadvantaged economically compared to workers and households in predominantly white districts. Districts that received the least in PPP funding—those in the bottom quintile—were overwhelmingly composed of racial and ethnic minorities. Roughly 49 percent of residents in those districts were Latino, and the Black share of residents in bottom-quintile districts was twice that of the top quintile.

**Figure 4: Ethnoraacial Composition of Congressional Districts by PPP Quintiles**

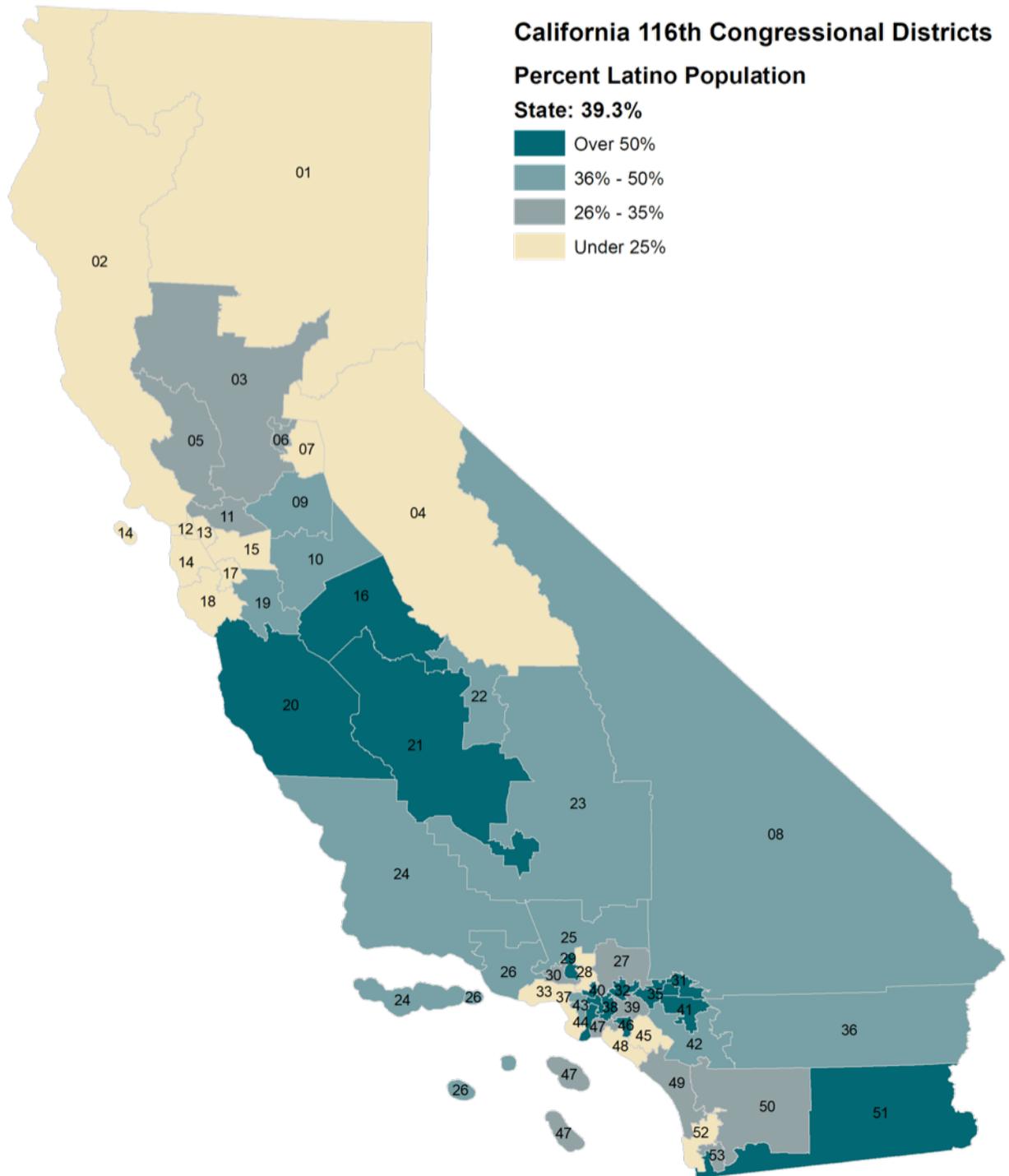


Notes: PPP quintiles refer to the grouping of congressional districts based on the dollar amount of PPP loans received. Each of the 53 congressional districts was sorted into one of five categories commonly known as quintiles.

Source: Authors' analysis of the 2018 Census Code Business Patterns by Congressional District Dataset, [available online](#), and Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

Of the 14 majority-Latino districts in California, none were in the quintile that received the most PPP loan dollars. In order of Latino population share from greatest to least, these districts include: 40 (Rep. Lucille Roybal-Allard), 21 (Rep. David Valadao), 35 (Rep. Norma Torres), 44 (Rep. Nanette Barragan), 51 (Rep. Juan Vargas), 46 (Rep. Lou Correa), 29 (Rep. Tony Cárdenas), 32 (Rep. Grace Napolitano), 41 (Rep. Mark Takano), 16 (Rep. Jim Costa), 38 (Rep. Linda Sánchez), 34 (Rep. Jimmy Gomez), 31 (Rep. Pete Aguilar), and 20 (Rep. Jimmy Panetta). Maps 2 and 3 provide further illustration of the spatial variations of expended PPP loan dollars per person, by congressional district and the distribution of the Latino population.

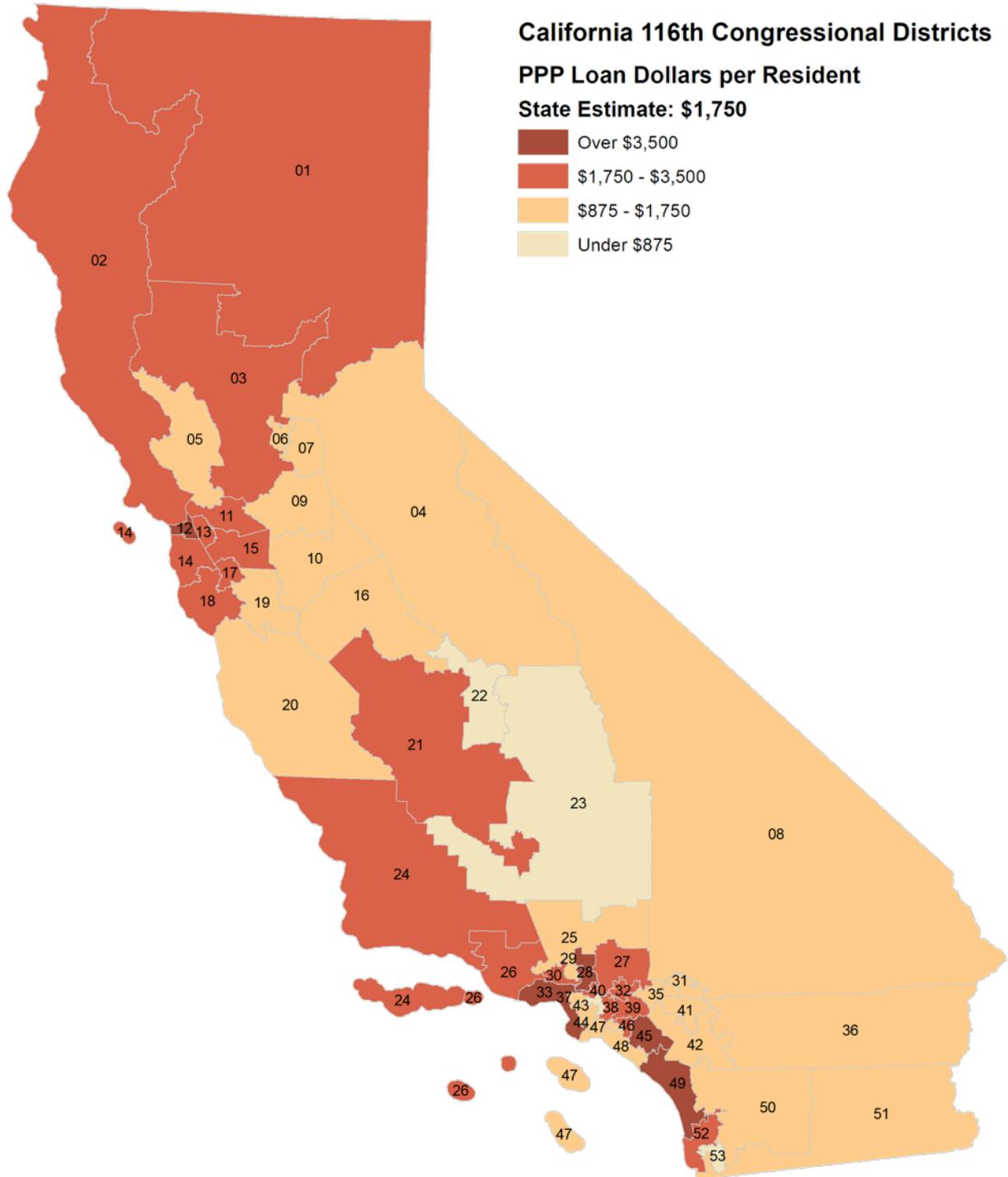
Map 2: Percent Latino Population by Congressional District



Source: Authors' analysis of U.S. Small Business Administration, "PPP Loans: August 8, 2020," [available online](#).

# Disparities in the Distribution of Paycheck Protection Program Funds

Map 3: PPP Dollars per Resident by Congressional District



Source: Authors' analysis of U.S. Small Business Administration, "PPP Loans: August 8, 2020," [available online](#).

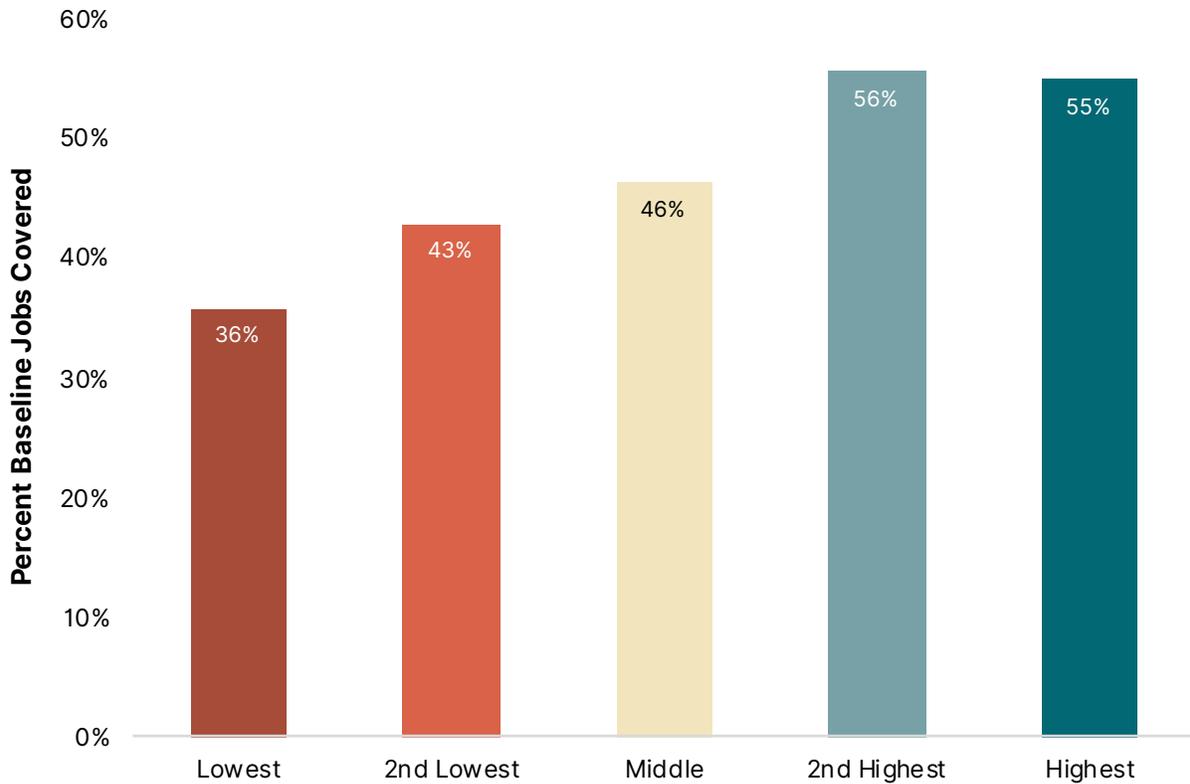
IMPACT OF PPP ON JOBS RETAINED AND PAYROLL ACROSS CONGRESSIONAL DISTRICTS

Between April 3 and August 8, 2020, lenders issued more than 623,000 PPP loans to businesses in California, totaling more than \$68.6 billion.<sup>15</sup> However, little is currently known about the efficacy of PPP in retaining jobs and protecting payroll at the congressional district level. The following section fills the information gap by examining the relative flow of PPP funds across California congressional districts.

On average, a congressional district in the bottom quintile received approximately \$645 million in PPP dollars and retained about 66,900 jobs through the program. Districts in the top quintile received, on average, over four times this amount: \$2.6 billion, retaining roughly 169,700 jobs.<sup>16</sup>

Figure 5 shows the estimated share of pre-pandemic baseline jobs that were protected by PPP across congressional district quintiles. The program helped protect the smallest share of jobs (36 percent) in districts that received the least aid. It is important to note that these districts already had weaker economic bases prior to the public health crisis, including fewer jobs. The PPP also protected a smaller share of baseline jobs in the middle quintiles compared to the two highest quintiles, where the majority of jobs were covered.

Figure 5: Estimated Share of Baseline Jobs Covered under PPP in Congressional Districts by PPP Quintiles

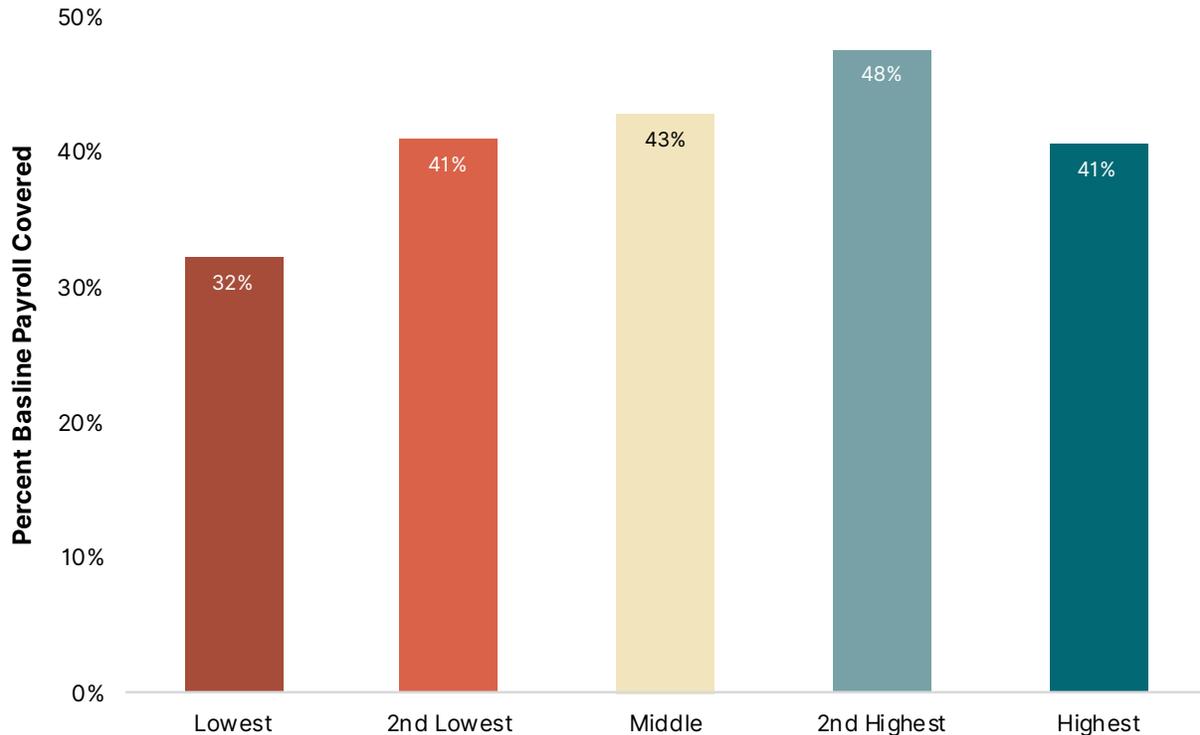


Notes: PPP quintiles refer to the grouping of congressional districts based on the dollar amount of PPP loans received. Each of the 53 congressional districts was sorted into one of five categories commonly known as quintiles.  
Source: Authors' analysis of the 2018 Census Code Business Patterns by Congressional District Dataset, [available online](#), and Small Business Administration approved loans from April 03, 2020 to August 08, 2020, [available online](#).

## Disparities in the Distribution of Paycheck Protection Program Funds

We observe similar patterns in the share of payroll supported by PPP dollars, an alternative measure to examine disparities in PPP lending. Figure 6 shows the coverage of payroll by congressional district quintiles. The program covered roughly 32 percent of payroll in the districts that received the least aid compared to 41 percent in the highest quintile. Overall, the data show that PPP was potentially more effective at protecting jobs in districts with already strong economic bases and more jobs, which tend to be whiter and more affluent.

**Figure 6: Estimated Percent of Baseline Payroll Covered under PPP in Congressional Districts by PPP Quintiles**



Notes: PPP quintiles refer to the grouping of congressional districts based on the dollar amount of PPP loans received. Each of the 53 congressional districts was sorted into one of five categories commonly known as quintiles.  
Source: Authors' analysis of the 2018 Census Code Business Patterns by Congressional District Dataset, [available online](#), and Small Business Administration approved loans from April 3, 2020 to August 8, 2020, [available online](#).

## CONCLUSION AND POLICY RECOMMENDATIONS

In addition to its direct health impacts, COVID-19 has transformed how people live, work, learn, socialize, and consume. These drastic lifestyle changes have deepened socioeconomic and ethnorracial inequalities. For instance, even though COVID-19 caused widespread dislocation among small businesses, Black, Latino, and immigrant small businesses were hit especially hard.<sup>17</sup> Historically, the small business environment has been disadvantageous for minority ethnic groups due to persistent inequities in access to capital and wealth.<sup>18</sup> This research documented the disparities small businesses faced in lower-income and more ethnically diverse congressional districts prior to the start of the pandemic. These inequalities have been reproduced and reinforced by systematic disparities in the flow of PPP funds to support small businesses and jobs. These disparities will likely contribute to systemic economic disparities among congressional districts as pre-COVID disadvantaged districts will not only remain disadvantaged, but perhaps become more marginalized.

Based on our findings, the following considerations should be included in a new round of funding for small businesses:

**1. The U.S. Small Business Administration should allocate more funds specifically for minority-owned businesses and should establish measurable objectives that help reduce long-lasting and widened racial inequality.**

- Based on our findings of inequitable distribution of funds at the neighborhood level published in December of 2020, we recommended earmarking a portion of PPP loans to be distributed through Community Development Financial Institutions (CDFIs). This would give minority business owners currently underserved by traditional bank lenders a better chance to access PPP funds. The Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, passed later in December 2020, incorporates our recommendation, but the funding assigned may be insufficient. Of the total \$284.45 billion allocated to the PPP Second Draw Loans, \$15 billion (5.3 percent of the total) was earmarked for PPP loans issued by community financial institutions, including CDFIs and Minority Depository Institutions (MDIs).<sup>19</sup> Given that the first rounds of PPP widened pre-pandemic racial inequalities across neighborhoods, it is imperative that adequate funding be provided to ensure not simply an equitable recovery, but economic growth of minority-owned businesses and communities of color. Assigning additional funds to disadvantaged neighborhoods would help reduce the pre-pandemic economic inequities and would increase the tax base for local governments.

**2. The SBA should invest more resources to work with financial institutions and community organizations to provide technical and other assistance to minority-owned businesses, particularly those in disadvantaged communities.**

- Our previous policy recommendations published in December of 2020 highlighted the need to provide cultural and linguistically appropriate technical assistance to guide minority business owners through the PPP application process along with the process for securing funds and loan forgiveness.<sup>20</sup> Though Congress designated funds in December 2020 to assist minority-owned businesses applying for the program, this funding may be insufficient to ensure equitable access to loans. Only \$25 million or 0.009 percent of the \$284.45 billion total in PPP funding was allocated to assist minority business enterprises with technical assistance, such as applying for PPP.<sup>21</sup> Despite the changes made to the PPP, efforts to help minority-owned businesses must be improved, with increased funding allocated to support businessowners of color who may face cultural, linguistic, and/or financial barriers unique from their white counterparts.

**3. The SBA should increase transparency and accountability by improving data collection from all recipients and lenders, and by making detailed information accessible to the public.**

- Even though the law passed in December 2020 has more detailed accountability requirements, it does not include clear requirements for collecting and disseminating data on race or ethnicity to evaluate the program for racial equity. In Section 25 of the new law, “Extension of the debt relief program,” the SBA is mandated to publish “program information on its website, conduct outreach to all borrowers, report monthly to Congress on program spending, and educate lenders, borrowers, SBA district offices, and resources partners about the program.” While the new legislation requires increased transparency of SBA’s oversight plans, what this means or how it will be done remains unclear. It is imperative that the SBA outline clear protocols for data collection and dissemination, which should include measures of race and ethnicity, to improve program evaluation.<sup>22</sup>

## Disparities in the Distribution of Paycheck Protection Program Funds

### APPENDIX: DETAILED DATA FOR ALL CONGRESSIONAL DISTRICTS IN CALIFORNIA.

TABLE A1: CURRENT REPRESENTATIVE INFORMATION AND PPP DATA BY CONGRESSIONAL DISTRICT

CD	ELECTED REPRESENTATIVE	PARTY	YEAR STARTED	# OF PPP LOANS	JOBS SAVED (%)	PAYROLL COVERED (%)	PPP LOAN \$ QUINTILE	PPP LOAN \$ RANK
1	Doug LaMalfa	R	2013	9024	60%	78%	Middle	23
2	Jared Huffman	D	2013	15709	69%	63%	Highest	10
3	John Garamendi	D	2009	10174	73%	72%	2nd	21
4	Tom McClintock	R	2009	13055	47%	45%	Highest	25
5	Mike Thompson	D	1999	11409	35%	30%	Middle	36
6	Doris Matsui	D	2005	7852	34%	30%	Lowest	32
7	Ami Bera	D	2013	7620	28%	23%	Middle	46
8	Jay Obernolte	R	2021	5778	69%	69%	Lowest	47
9	Jerry McNerney	D	2007	6790	48%	51%	2nd	35
10	Josh Harder	D	2019	7667	38%	41%	Lowest	43
11	Mark DeSaulnier	D	2015	14855	62%	55%	Highest	8
12	Nancy Pelosi	D	1987	21813	32%	16%	Highest	3
13	Barbara Lee	D	1998	14430	43%	35%	2nd	11
14	Jackie Speier	D	2008	14579	34%	16%	Highest	7
15	Eric Swalwell	D	2013	8800	36%	24%	2nd	19
16	Jim Costa	D	2005	7294	72%	72%	Highest	29
17	Ro Khanna	D	2017	13117	24%	10%	Middle	6
18	Anna Eshoo	D	1993	11870	29%	11%	Highest	18
19	Zoe Lofgren	D	1995	8444	34%	22%	2nd	39
20	Jimmy Panetta	D	2017	8468	43%	40%	Lowest	40
21	David Valadao	R	2021	8171	129%	131%	2nd	20
22	Devin Nunes	R	2003	5354	28%	23%	Highest	52
23	Kevin McCarthy	R	2007	4559	21%	15%	Lowest	53
24	Salud Carbajal	D	2017	15167	67%	58%	2nd	12
25	Mike Garcia	R	2020	9980	63%	60%	Highest	30
26	Julia Brownley	D	2013	11481	47%	34%	Middle	24
27	Judy Chu	D	2009	14881	73%	58%	Highest	9

**APPENDIX: DETAILED DATA FOR ALL CONGRESSIONAL DISTRICTS IN CALIFORNIA.****TABLE A1: CURRENT REPRESENTATIVE INFORMATION AND PPP DATA BY CONGRESSIONAL DISTRICT**

CD	ELECTED REPRESENTATIVE	PARTY	YEAR STARTED	# OF PPP LOANS	JOBS SAVED (%)	PAYROLL COVERED (%)	PPP LOAN \$ QUINTILE	PPP LOAN \$ RANK
28	Adam Schiff	D	2001	23958	71%	56%	Highest	4
29	Tony Cárdenas	D	2013	7368	43%	43%	2nd	42
30	Brad Sherman	D	1997	26844	45%	31%	2nd highest	15
31	Pete Aguilar	D	2015	7894	35%	34%	2nd	38
32	Grace Napolitano	D	1999	11583	49%	43%	Middle	26
33	Ted Lieu	D	2015	29923	52%	32%	Highest	1
34	Jimmy Gomez	D	2017	16381	44%	30%	2nd	16
35	Norma Torres	D	2015	8218	42%	37%	Middle	27
36	Raul Ruiz	D	2013	7701	43%	41%	Lowest	48
37	Karen Bass	D	2011	13021	34%	22%	Middle	31
38	Linda Sánchez	D	2003	9237	57%	58%	2nd	17
39	Young Kim	R	2021	13402	59%	55%	2nd	14
40	Lucille Roybal-Allard	D	1993	5305	26%	24%	Lowest	50
41	Mark Takano	D	2013	7681	38%	38%	Lowest	45
42	Ken Calvert	R	1993	10302	57%	55%	2nd Lowest	37
43	Maxine Waters	D	1991	10374	29%	23%	2nd	41
44	Nanette Barragan	D	2017	5756	35%	30%	Lowest	49
45	Katie Porter	D	2019	20895	59%	41%	Highest	2
46	Lou Correa	D	2017	9050	29%	28%	Middle	22
47	Alan Lowenthal	D	2013	12601	41%	32%	2nd Lowest	33
48	Michelle Steel	R	2021	17280	33%	22%	Middle	28
49	Mike Levin	D	2019	17592	74%	59%	Highest	5
50	Darrell Issa	R	2021	7185	45%	41%	Lowest	44
51	Juan Vargas	D	2013	6923	68%	79%	2nd Lowest	34
52	Scott Peters	D	2013	16951	30%	18%	2nd	13
53	Sara Jacobs	D	2021	11231	25%	18%	Lowest	51

## Disparities in the Distribution of Paycheck Protection Program Funds

### ENDNOTES

<sup>1</sup> Small businesses are defined as establishment with 500 employees or fewer. U.S. Census Bureau, “All Sectors: County Business Patterns by Legal Form of Organization and Employment Size Class for U.S., States, and Selected Geographies 2018, Table CB1800CBP” accessed December 13, 2020, [available online](#). ; Paul M. Ong, Silvia R. González, Chhandara Pech, Kassandra Hernández, and Rodrigo Domínguez-Villegas, *Disparities in the Distribution of Paycheck Protection Program Funds Between Majority-white Neighborhoods and Neighborhoods of Color in California* (Los Angeles: UCLA Latino Policy & Politics Initiative, 2020), [available online](#).

<sup>2</sup> Joyce M. Rosenberg, “Head of the line: Big companies got coronavirus loans first,” Associated Press, July 20, 2020, [available online](#).  
See also: Kori Hale, “Here’s What the New Round of PPP Loans Means for Black-Owned Businesses,” Forbes, January 5, 2021, [available online](#). Robert W. Fairlie, “The Impact of COVID-19 on Small Business Owners: The First Three Months After Social-distancing Restrictions” (National Bureau of Economic Research, Working Paper 27462, July 2020), [available online](#).

<sup>3</sup> U.S. Department of Treasury, “The CARES Act Works for All Americans,” accessed November 30, 2020, [available online](#).

<sup>4</sup> Paul M. Ong, Silvia R. González, Chhandara Pech, Kassandra Hernández, and Rodrigo Domínguez-Villegas, *Disparities in the Distribution of Paycheck Protection Program Funds Between Majority-white Neighborhoods and Neighborhoods of Color in California* (Los Angeles: UCLA Latino Policy & Politics Initiative, 2020), [available online](#).

<sup>5</sup> Christopher Neilson, John Eric Humphries, and Gabriel Ulyssea (2020). *Information Frictions and Access to the Paycheck Protection Program* (Working Paper No. 27624; Working Paper Series). National Bureau of Economic Research, [available online](#).

See also: David, D. Autor, David Cho, Leland D. Crane, Mita Goldar, Byron Lutz, Joshua Montes, William B. Peterman, David Ratner, Daniel Villar, and Ahu Yildirmaz (2020), “An Evaluation of the Paycheck Protection Program Using Administrative Payroll Microdata,” [available online](#).

Raj Chetty, John N. Friedman, Nathaniel Hendren, and Michael Stepner. (2020). “How Did COVID-19 and Stabilization Policies Affect Spending and Employment? A New Real-Time Economic Tracker Based on Private Sector Data,” Working Paper 27431, National Bureau of Economic Research, [available online](#).

Ilya Beylin (2020). *The Ignominious Life of the Paycheck Protection Program* (SSRN Scholarly Paper ID 3661005). Social Science Research Network, [available online](#).

<sup>6</sup> U.S. Department of Treasury, “The CARES Act Works for All Americans,” accessed November 30, 2020, [available online](#).

<sup>7</sup> U. S. Small Business Administration (2020). “Paycheck Protection Program (PPP) Report: Approvals through 08/08/2020,” [available online](#).

<sup>8</sup> Paul M. Ong, Silvia R. González, Chhandara Pech, Kassandra Hernández, and Rodrigo Domínguez-Villegas, *Disparities in the Distribution of Paycheck Protection Program Funds Between Majority-white Neighborhoods and Neighborhoods of Color in California* (Los Angeles: UCLA Latino Policy & Politics Initiative, 2020), [available online](#).

[See also](#): Joyce M. Rosenberg, “Head of the line: Big companies got coronavirus loans first,” Associated Press, July 20, 2020, [available online](#).

Kori Hale, “Here’s What the New Round of PPP Loans Means for Black-Owned Businesses,” Forbes, January 5, 2021, [available online](#).

<sup>9</sup> Alex Tausanovitch (2019), “The Impact of Partisan Gerrymandering,” Center for American Progress, [available online](#).

<sup>10</sup> Wendy Guan (2020), “Center for Geographic Analysis collaboration creates a Congressional District COVID-19 Dashboard,” The Institute for Quantitative Social Science, [available online](#).

<sup>11</sup> U.S. Department of Treasury, “SBA Paycheck Protection Program Loan Level Data,” accessed August 25th, 2020, [available online](#).

## Disparities in the Distribution of Paycheck Protection Program Funds

<sup>12</sup> U.S. Census Bureau, “County Business Patterns: 2018, Complete Congressional District File,” accessed November 30, 2020, [available online](#).

<sup>13</sup> Unlike other CBP products, the congressional district file does not include employment class size and therefore, baseline measures are for all firms, not just small businesses as defined by SBA.

<sup>14</sup> Paul Ong, Silvia R. González, and Victor Tran. “Technical Brief for UCLA LPP: Statewide Statistics for PPP Loans”, November 6, 2020, [available online](#).

<sup>15</sup> U.S. Small Business Administration (2020). “Paycheck Protection Program (PPP) Report: Approvals through 08/08/2020,” [available online](#).

<sup>16</sup> The number of jobs retained is reported by business owners.

<sup>17</sup> Robert W. Fairlie, (2020), “The Impact of COVID-19 on Small Business Owners: The First Three Months After Social-distancing Restrictions,” National Bureau of Economic Research, Working Paper 27462, [available online](#).

<sup>18</sup> Paul Ong, Andre Comandom, Nicholas DiRago, and Lauren Harper (2020), “COVID-19 Impacts on Minority Businesses and Systemic Inequality,” UCLA Center for Neighborhood Knowledge, [available online](#).  
She also: Mels de Zeeuw (December 2020), “Report on Minority Owned Firms: Small Business Credit Survey,” Federal Reserve Bank of Atlanta, [available online](#).

<sup>19</sup> U.S. Small Business Administration (Dec. 2020), *The Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act*, [available online](#).

<sup>20</sup> Paul M. Ong, Silvia R. González, Chhandara Pech, Kassandra Hernandez, and Rodrigo Domínguez-Villegas, *Disparities in the Distribution of Paycheck Protection Program Funds Between Majority-white Neighborhoods and Neighborhoods of Color in California* (Los Angeles: UCLA Latino Policy & Politics Initiative, 2020), [available online](#).

<sup>21</sup> U.S. Small Business Administration (Dec. 2020), *The Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act*, [available online](#).

<sup>22</sup> Ibid.

**UCLA**

**Latino Policy &  
Politics Initiative**

 **UCLAlatino**

 **UCLAlatino**

**latino@luskin.ucla.edu**

**UCLA**

**Center for Neighborhood  
Knowledge**

 **KnowledgeLuskin**

 **UCLACenterforNeighborhoodKnowledge**

**knowledge@luskin.ucla.edu**