



# COMMONWEALTH OF MASSACHUSETTS

Office of Consumer Affairs and Business Regulation

## DIVISION OF BANKS

1000 Washington Street, 10<sup>TH</sup> Floor, Boston, MA 02118-6200  
(617) 956-1500 · Fax (617) 956-1599 · TDD (617) 956-1577  
[www.Mass.Gov/DOB](http://www.Mass.Gov/DOB)

**MIKE KENNEALY**  
SECRETARY OF HOUSING AND  
ECONOMIC DEVELOPMENT

**EDWARD PALLESCHI**  
UNDERSECRETARY

**MARY L. GALLAGHER**  
COMMISSIONER

**CHARLES D. BAKER**  
GOVERNOR

**KARYN E. POLITO**  
LIEUTENANT GOVERNOR

## AVAILABILITY OF EMERGENCY RELIEF FOR SMALL BUSINESSES AS OF DECEMBER 31, 2020

This memorandum serves as an informational summary prepared on behalf of the Massachusetts Division of Banks (the Division) regarding the availability of COVID-19 related relief to small businesses within the Commonwealth, as of December 31, 2020.

The primary goal of this memorandum is to better understand the type and availability of emergency-related relief to small businesses within the Commonwealth. It is beyond the scope of this memorandum to offer an explanation or evaluation as to the observed outcomes. Rather, this memorandum's descriptive contribution is intended to be an assessment of relief available to small businesses with the best data available to the Division.

### **SBA Paycheck Protection Program**

The Paycheck Protection Program (PPP) was a loan program provided by the Small Business Administration designed to provide a direct incentive for small businesses to keep workers on the payroll. Loans were up to \$10M, with a 1.0% interest rate and a two-year maturity. There were no payments for the first six months. Businesses may be eligible for full loan forgiveness if all employees were kept on the payroll for eight weeks and the money was used for payroll, rent, mortgage interest, or utilities.

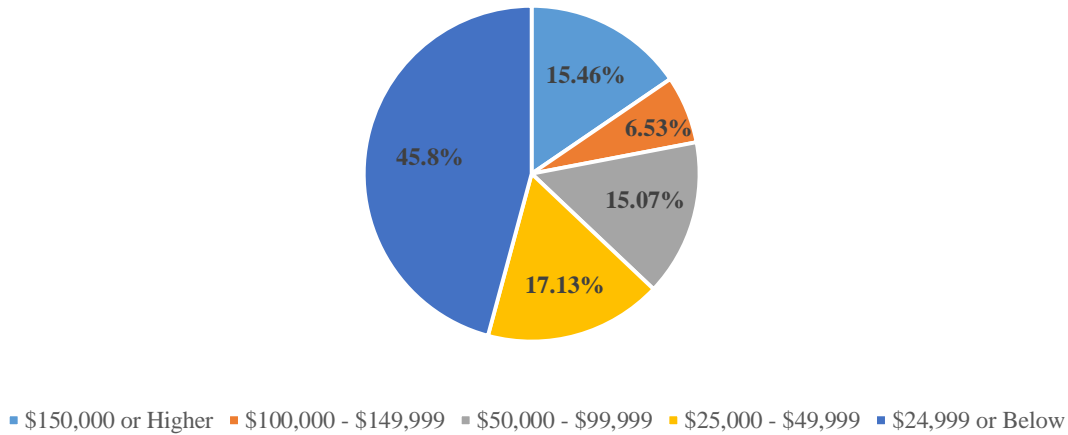
In the Commonwealth, approximately 118,000 companies were approved for loans under the PPP program, totaling more than \$14 billion in assistance. Two percent of recipients, or 2,382 companies, received more than one-third of the total loan amounts, each receiving at least \$1 million in loans.

Fifteen Massachusetts companies were approved for loans of \$10 million each, the maximum amount.

Most companies did not disclose the race or gender of their owners. For those companies that provided this information, 84 percent classified them as white, and approximately 78 percent identified as male. Among this group, about 91 percent of the funds were awarded to white owners, and 84 percent went to men.

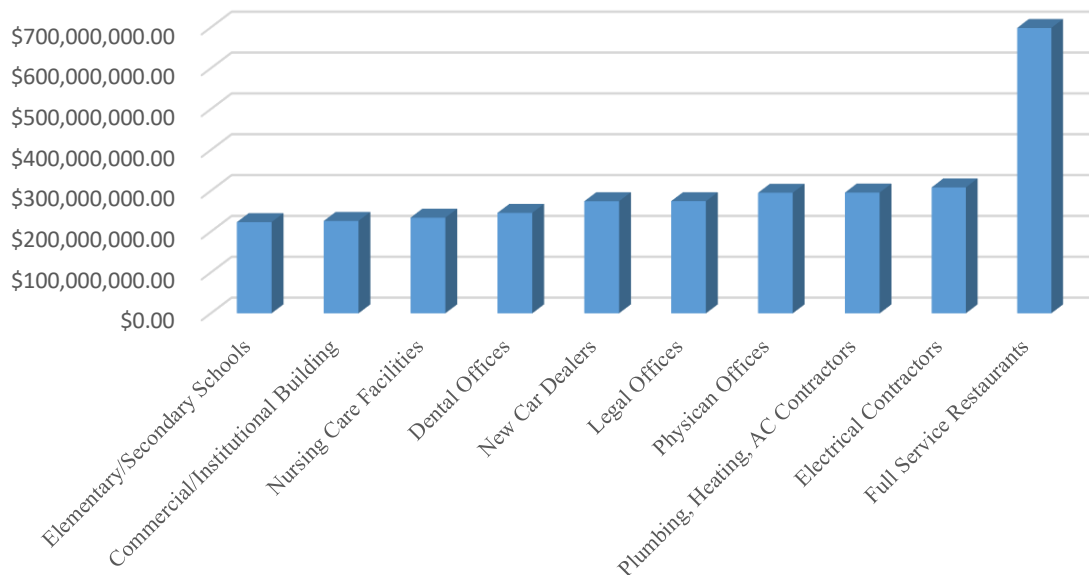
While the majority of dollars distributed in Massachusetts went to a small number of companies, the largest volume of loans was concentrated in smaller amounts. Of the nearly 118,000 loans awarded in the Commonwealth, about 54,000 were for less than \$25,000 each.

### PPP Loan Amounts in the Commonwealth



Massachusetts industries provided with the largest PPP assistance consisted of elementary and secondary schools, commercial and institution building, nursing care facilities, dental offices, new car dealers, legal offices, physician offices, plumbing, heating and air conditioning contractors, electrical contractors, and full service restaurants.

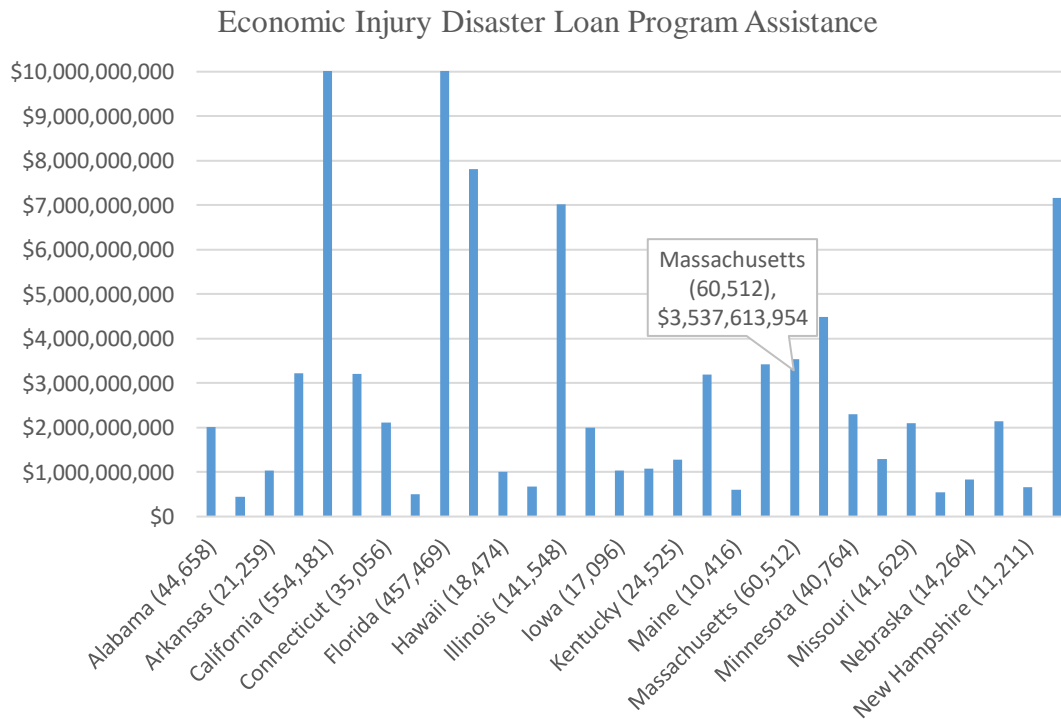
### Top Massachusetts Industries Which Received PPP Assistance

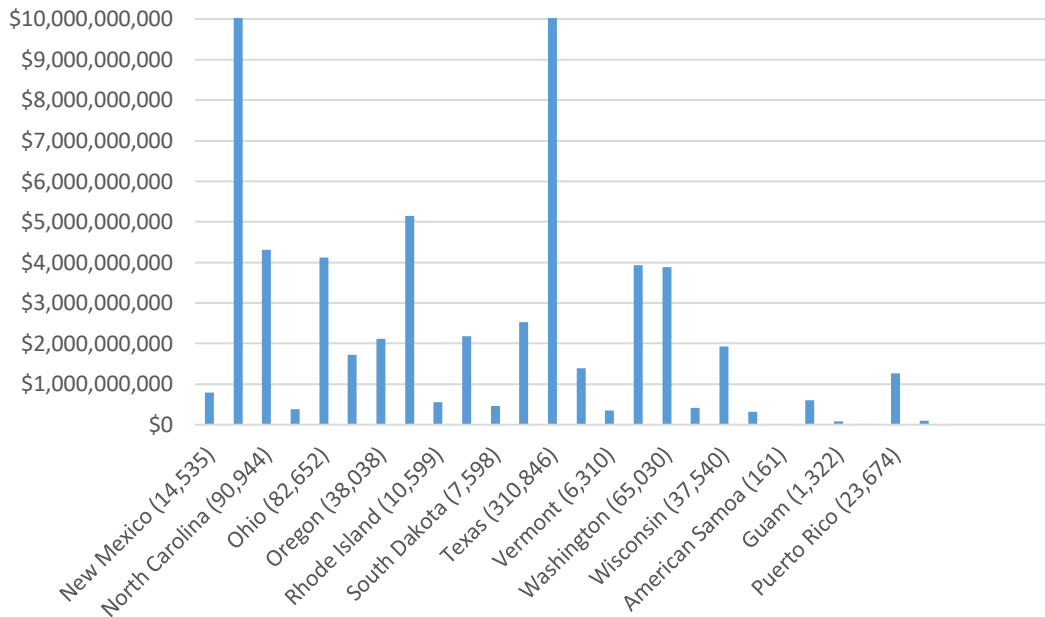


## SBA Economic Injury Disaster Loan (EIDL) Program

The EIDL program provided economic relief to small businesses, private non-profit organizations of any size, small agricultural cooperatives, and small aquaculture enterprises that were financially impacted as a direct result of the Coronavirus (COVID-19). Eligible enterprises were eligible for up to \$2 million to help meet financial obligations and operating expenses which could have been met had the disaster not occurred. The interest rate was 3.75 percent for small businesses. The interest rate for private non-profit organizations was 2.75 percent. The SBA offered loans with long-term repayments in order to keep payments affordable, up to a maximum of 30 years and were available to entities without the financial ability to offset the adverse impact without hardship.

Businesses in Massachusetts were approved for 60,512 loans under this program and received a total of \$3,537,613,954.





\*Number of Economic Injury Disaster Loans contained in parentheses.

### **SBA Economic Injury Disaster Loan Advance**

The SBA also provided relief in the form of an Economic Injury Disaster Loan Advance. This was a grant program offered together with the Economic Injury Loan Program. The amount of the grants was determined by the number of employees indicated on the EIDL application for \$1,000 per employee up to a maximum of \$10,000.

### **SBA Express Bridge Loans**

Through its Express Bridge Loan Program, the SBA allowed small business with a pre-existing business relationship with an SBA Express Lender to access up to \$25,000. These loans provided vital economic support to small business to overcome the temporary loss of revenue and could have been term loans or used to bridge the gap while applying for a direct SBA Economic Injury Disaster Loan.

### **SBA Debt Relief Program**

The SBA also offered debt relief to small businesses. Under this relief, the SBA automatically paid the principal and interest for six months beginning March 27th, 2020 for qualifying holders of 7(a) loans, 504, and microloans. Loans made under the Paycheck Protection Program were not eligible for debt relief under this program.