Title: Public Firm Borrowers of the US Paycheck Protection Program

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Abstract: We provide an initial assessment of the US Paycheck Protection Program by studying the 273 public firms that received a total of $929 million in loans between April 7-27, 2020. Despite receiving significant media coverage, these firms comprise 0.3% of the funds disbursed. Using guidelines specified by the US Small Business Administration, we document that about half of public firms were eligible to apply, of which 13% were eventual borrowers. Within the set of eligible firms, public firm borrowers tended to be smaller, have more employees, have fewer investment opportunities, have preexisting debt balances, and be located in a county with COVID-19 cases. Implementing additional eligibility requirements may help target funds towards the most constrained firms.

Data Description: We construct our list of public firms that borrowed through the PPP program using Form 8-K's submitted to the SEC and available through the EDGAR platform. We downloaded all 8-K reports from the EDGAR platform as of April 29, 2020. Form 8-K is a mandatory report of scheduled or unscheduled material information such as major events and/or corporate changes that are relevant to shareholders. An event such as taking out a large loan with a bank counts as a major event. Firms have four days to submit a Form 8-K from the triggering event. We first perform a textual search over all 8-K forms submitted in April 2020, including all attachments and exhibits, for the following keywords: ``paycheck,'' ``PPP,'' ``small business administration,'' ``SBA,'' ``cares,'' and ``emergency.'' We manually review the cases in which at least one of these terms if used and determine whether it represents a PPP loan. Finally, we collect the loan amount and date of the loan reported in the form.

JEL Codes: E61, E65, G38, H81

Key Words: PPP, SBA, COVID