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Asian American Business Ruined by Trump's Apathy Amid COVID-19 Pandemic, Says Sen. Kamala Harris

By SUNITA SOHRABJI/India-West Staff Reporter
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Sen. Kamala Harris, D-California, spoke April 30 at an event organized by the AAPI Victory Fund. The Indian American U.S. senator chastised President Donald Trump for not paying attention to the impact of the COVID-19 pandemic on small Asian American businesses. (Mandel Ngan/AFP via Getty Images file photo)

The Trump Administration has failed small businesses during the COVID-19 pandemic by not overseeing funds distributed through the first rounds of stimulus relief, said California Senator Kamala Harris April 30.

Speaking via Zoom at an event organized by the AAPI Victory Fund, the Indian American Democratic U.S. senator said: "Two million Asian Americans are being impacted profoundly. The Trump Administration failed to get money to the real small businesses."

Indian American small businesses have been hit particularly hard by the pandemic and few have received federal stimulus funds. (See earlier story: <https://bit.ly/2Wbw6xc>)

The Paycheck Protection Program was voted in by Congress to give relief to mom and pop businesses who have had to shut down as shelter-in-place orders were mandated across much of the nation. The program has been heavily criticized for its lack of oversight: larger small businesses, including those backed by venture capital and hotel and restaurant chains with fewer than 500 employees at each location, scooped up the majority of the funds, and decimated the \$349 relief effort in less than two weeks. Loans were given to companies who had prior relationships with banks.

Banks themselves made \$10 billion servicing the loans.

In the next round of funding through the CARES Act 3 federal stimulus package, \$60 billion has been set aside for distribution through community banks. Harris said at the briefing that she is advocating for a next round of funding for businesses with fewer than 20 employees.

"AAPI small businesses do not have lines of credit and they have no existing relationships with banks," said the junior senator, who dropped out of the Democratic presidential race last fall, despite a stellar start. She urged small business owners to connect with their local congressional offices, which have designated staff members to help constituents get through the loan application process.

Harris joined several Democratic senators who sent a letter April 27 to Treasury Secretary Steve Mnuchin and Small Business Administrator Jovita Carranza to "develop strong supervisory mechanisms" to identify fraud in the disbursement of CARES Act loans.

"It is critical that the funding provided by Congress be used to provide loans to the businesses whose owners and employees' livelihoods are truly at risk as a result of the pandemic. Unfortunately, reports indicate that the distribution of the initial round of funding was not limited to struggling small businesses who truly needed the money to remain in operation," wrote the senators.

Harris has also introduced a bill, with Rep. Ayanna Presley, D-Massachusetts, in the House, known as the "The Saving Our Street Act." The bill provides grants of up to \$250,000 to neighborhood and micro businesses during the COVID-19 crisis. The bill was introduced May 6, and supported by several ethnic community leaders.

"The Saving Our Street Act helps small, local businesses keep their lights on and their workers on the job," said Harris, introducing the measure.

The AAPI Victory Fund briefing focused on the rise in racism against the Asian American community in the wake of the pandemic. Rep. Ted Lieu, D-California, said at the briefing that President Donald Trump has fanned the flames of racism, calling COVID-19 the "Chinese virus."

Lieu said the community has been relegated to "second class citizens who are not Americans."

Asian Americans are on the frontlines of the pandemic, serving in many capacities, including health care and the production and delivery of food and necessary supplies, said Lieu, yet they fear being harassed. He noted his own parents, who have been afraid to leave their home since the pandemic began.

The Asian Pacific Policy and Planning Council has created an online portal in several languages for reporting hate crimes related to COVID-19. The database had collected more than 1,500 reports, said Lieu.

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