

CARES Act Lending Facilities are Providing Aid to Businesses

Earlier today I had the honor of testifying before the Senate Banking Committee at a hearing titled, "Implementation of Title IV of the CARES Act."

As we have all seen, this pandemic has led to the swiftest and most significant economic downturn the United States has ever faced. In the span of two short months, tens of millions of Americans have lost their jobs, millions of businesses have been ordered to limit their activities or shut their doors entirely, and households have struggled to pay their mortgages, rent, utilities, and other regular expenses. Governments at all levels have had to take extraordinary and unprecedented actions to keep our economy afloat and allow workers to continue to get a paycheck.

Since the passage of the CARES Act in March, the Federal Reserve announced the establishment of several facilities to support lending to main street businesses, municipalities, and other markets that are critical to the functioning of our broader economy. These facilities – once fully operational – will eventually support around \$3 trillion of lending to the economy. As I stated in my testimony, "The ultimate goal of policymakers should be to ensure that the credit provided under the CARES Act flows to the businesses and households that most need it, while rooting out any waste, fraud, and abuse that would undermine or impede economic recovery."

The Chamber strongly supported the inclusion of several programs in the CARES Act so that businesses can get the help they need to weather the current storm and retain employees. We also support efforts by Congress and others to provide oversight for the lending programs, as oversight is central to the confidence of Americans that funding is deployed responsibly.

With some changes outlined at the hearing and appropriate oversight from Congress and other bodies, these programs will allow businesses to weather this storm, and help workers keep their jobs as we recover from the pandemic.

The recording of the hearing [can be viewed here](#).

–Tom Quadman, Executive Vice President, U.S. Chamber's Center for Capital Markets Competitiveness