

Trump praises banks for expanding assistance to small businesses

April 07, 2020, 5:14 p.m. EDT

President Trump on Tuesday praised some of the country's largest financial firms for pledging to take new steps to help small businesses disrupted by the coronavirus.

Trump heralded their plans as he hosted a video conference with leaders of banks including Goldman Sachs, Bank of America, Citigroup, and JPMorgan Chase.

"We really appreciate what you're doing," Trump said. "I hope the media here can see what an incredible job the banks have done."



*President Donald Trump
Bloomberg News*

Goldman Sachs is planning to double its balance sheet capital available to small businesses to \$500 million, Chief Executive Officer David Solomon said. The move is in addition to \$25 million for a relief fund and \$25 million in grants to community development financial institutions.

The participants — who also included executives from community banks — have been helping the Treasury Department and Small Business Administration distribute \$349 billion for the Paycheck Protection Program.

That program is an initiative created in last month's \$2.2 trillion coronavirus stimulus legislation that provides companies with fewer than 500 employees loans that cover payroll and some operating expenses. The loans will be forgiven by the federal government if the businesses meet certain conditions, including retaining their workforce through the shutdown.

The rollout of the program had some early glitches — including a computer system freeze Monday that halted lenders' ability to process loans — and some financial institutions have openly complained that they have not been given sufficient guidance from the government. Still, Trump has depicted the program as an unequivocal success and the SBA had teed up about \$43 billion in loans to disburse as of midday Monday, according to a person familiar with the matter.

Treasury Secretary Steven Mnuchin said Tuesday that the administration would seek an additional \$250 billion in funding for the program.