

COVID-19 - March 26 – Late Day Update

ICBA Summary Of Key Community Banking Provisions Of Senate-passed Coronavirus Aid, Relief, and Economic Security (CARES) Act

The Senate-passed Coronavirus Aid, Relief, and Economic Security (CARES) Act includes several ICBA-advocated measures to help community banks support their communities. A **new ICBA analysis summarizes the key community banking provisions of the bill**, which is **expected to pass the House and be signed into law as soon as Friday**. There are many open questions regarding the details of the provisions described below. These questions will not be clarified until the agencies issue guidance, which we are encouraging them to do on an expedited basis. ICBA will continue to provide information to community bankers as the details of the act come into focus. **You can access the full ICBA analysis/summary in the attached document, or by clicking on the link provided below:**
<https://www.icba.org/docs/default-source/icba/crisis-response/coronavirus/community-bank-provisions-of-the-cares-act.pdf>

Latest From OCC

Five federal financial regulatory agencies today issued a joint statement encouraging banks, savings associations and credit unions to offer responsible small-dollar loans to consumers and small businesses in response to COVID-19. The statement of the Board of Governors of the Federal Reserve System, Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation, National Credit Union Administration, and Office of the Comptroller of the Currency recognizes that responsible small-dollar loans can play an important role in meeting customers' credit needs because of temporary cash-flow imbalances, unexpected expenses, or income disruptions during periods of economic stress or disaster recoveries. Such loans can be offered through a variety of structures including open-end lines of credit, closed-end installment loans, or appropriately structured single payment loans. . . In addition to today's statement, the agencies are working on future guidance and lending principles for responsible small-dollar loans to facilitate the ability of banks, credit unions, and saving associations to more effectively meet the ongoing credit needs of their customers, members, and communities.

To read the full release, click the link provided below:

<https://www.occ.gov/news-issuances/news-releases/2020/nr-ia-2020-40.html>

Latest Guidance From U.S. Department of Labor On Paid Sick Leave & Medical Leave Guidance

Today, the U.S. Department of Labor's Wage and Hour Division (WHD) announced more guidance to provide information to workers and employers about how each will be able to take advantage of the protections and relief offered by the Families First Coronavirus Response Act (FFCRA) when it takes effect on April 1, 2020, specifically as they relate to paid sick leave and expanded family and medical leave under the "Families First Coronavirus Response Act." To read the DOL release, please see the attachment or click on the link provided below:

<https://www.dol.gov/agencies/whd/pandemic>

Latest From NYS DFS

This afternoon, the New York State Department of Financial Services (DFS) provided IBANYS with the following information which we are passing along to you. We continue to work with DFS in an effort to obtain additional clarity.

- "The Emergency Regulation does not set forth standards or criteria for demonstrating financial hardship as a result of the COVID-19 pandemic. It is up to each institution to establish such standards and criteria in light of its knowledge of the individual borrower, the borrowers' financial resources, payment history, etc., subject to the safety and soundness of the institution. However, institutions are encouraged to be liberal in establishing such standards and criteria to help those who are facing financial resource constraints as a result of this public health crisis."
- "The components of a mortgage payment vary depending on the facts of each case and arrangements between the borrower and the lending institution. In some cases, a lending institution may require the borrower to include taxes and insurance in the borrower's mortgage payment, and in other cases, the lending institution may not require it and allow the borrower to pay taxes and insurance separately. The Emergency Regulation's forbearance requirement applies to all the components of a mortgage payment that the borrower is obligated to pay to the lending institution."

State Budget Update

At this point, it appears New York State will have to find its own way to balance its budget, without the billions of dollars in additional federal aid the Cuomo administration says is needed to bridge a budget gap that could run up to \$15 billion. "I've spoke to all the officials involved," Cuomo said. "I believe what they did failed to meet the governmental need." He said he and the Legislature will do a state budget in the coming days, but it will be highly contingent on quarterly revenue and expenses. He's doing something that's never been done before: The budget will have initial projections, but will rely on adjusting the budget through the year to reflect the "actual" revenue because of economic uncertainty.

Thanks for your participation and support. We will continue to provide updates as information becomes available.

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