

**Monday, April 20, 2020 (Update #2)**

To: New York Community Banks:

Here are some updates we wanted to share with you this evening.

**Update On NYS AG's Prohibition On Garnishing Stimulus Payments From CARES Act**

Yesterday, IBANYS' update included an announcement on Saturday by New York State Attorney General Letitia James that New York banks, creditors and debt collectors cannot garnish stimulus payments from the CARES Act during the coronavirus crisis, and that any institutions that did so would face "swift legal action" from her office. Here is her press release on the announcement:

[https://ag.ny.gov/press-release/2020/stimulus-payments-will-be-limits-debt-collectors-after-attorney-general-james?utm\\_source=First+Read+Newsletters&utm\\_campaign=befab60712-EMAIL\\_CAMPAIGN\\_2020\\_04\\_18\\_05\\_08&utm\\_medium=email&utm\\_term=0\\_252d27c7d1-befab60712-34718972&mc\\_cid=befab60712&mc\\_eid=e55c2af3e3](https://ag.ny.gov/press-release/2020/stimulus-payments-will-be-limits-debt-collectors-after-attorney-general-james?utm_source=First+Read+Newsletters&utm_campaign=befab60712-EMAIL_CAMPAIGN_2020_04_18_05_08&utm_medium=email&utm_term=0_252d27c7d1-befab60712-34718972&mc_cid=befab60712&mc_eid=e55c2af3e3)

**IBANYS has pointed out that many people have already received payment through NYS banks, and inquired how banks are supposed to follow guidelines that were placed 4 days after stimulus payments were received?** ICBA has informed us that it is participating in a Joint Trades Working Group that meets twice a week, and the group is reviewing the AG's guidance. In the meantime, **attached is a letter from ICBA to Senators Brown and Warren on EIP funds and garnishment, as well as a letter signed by several other trade groups on the same.**

**Governor Cuomo Pushing Hard For Federal Aid To States**

In his Monday briefing, Governor Cuomo noted Governors across the country want \$500 billion in direct aid from the federal government, and Cuomo and state lawmakers are hoping that such an aid package would mean billions for New York that would help stave off huge cuts to public education. He said "Whatever we get from the federal government will determine our state budget," warning there could be 20% cuts to schools, local governments and hospitals unless federal aid comes through. Cuomo has repeatedly urged U.S. Senate Minority Leader Schumer and House Appropriations Committee Chairwoman Lowey (D-Westchester) to get it done, but it remains unclear whether Congress will approve billions in unrestricted aid for New York. The Governor also called on the federal government to boost wages for health care workers, police, firefighters and others on the front lines of the battle against the coronavirus outbreak.

- *Click the link below to access Governor Cuomo's Monday, April 20 coronavirus/COVID-19 briefing:*

[https://www.scribd.com/document/457372175/NYS-Gov-Andrew-Cuomo-April-19-Coronavirus-Presentation?utm\\_source=First+Read+Newsletters&utm\\_campaign=642e3dc41c-EMAIL\\_CAMPAIGN\\_2020\\_04\\_20\\_05\\_43&utm\\_medium=email&utm\\_term=0\\_252d27c7d1-642e3dc41c-34718972&mc\\_cid=642e3dc41c&mc\\_eid=e55c2af3e3](https://www.scribd.com/document/457372175/NYS-Gov-Andrew-Cuomo-April-19-Coronavirus-Presentation?utm_source=First+Read+Newsletters&utm_campaign=642e3dc41c-EMAIL_CAMPAIGN_2020_04_20_05_43&utm_medium=email&utm_term=0_252d27c7d1-642e3dc41c-34718972&mc_cid=642e3dc41c&mc_eid=e55c2af3e3)

- *Click the link below for a numbers breakout, including the latest statewide and borough-by-borough statistics:*

[https://www.cityandstateny.com/articles/politics/new-york-state/new-coronavirus-numbers.html?utm\\_source=First+Read+Newsletters&utm\\_campaign=642e3dc41c-EMAIL\\_CAMPAIGN\\_2020\\_04\\_20\\_05\\_43&utm\\_medium=email&utm\\_term=0\\_252d27c7d1-642e3dc41c-34718972&mc\\_cid=642e3dc41c&mc\\_eid=e55c2af3e3](https://www.cityandstateny.com/articles/politics/new-york-state/new-coronavirus-numbers.html?utm_source=First+Read+Newsletters&utm_campaign=642e3dc41c-EMAIL_CAMPAIGN_2020_04_20_05_43&utm_medium=email&utm_term=0_252d27c7d1-642e3dc41c-34718972&mc_cid=642e3dc41c&mc_eid=e55c2af3e3)

**New York Has Paid Out More Than \$2Billion In Unemployment Insurance**

New York State has paid out \$2.2 billion to more than one million seeking unemployment benefits since the coronavirus pandemic took hold in New York. The application backlog since before April 8 has dropped from 275,000 claims to 4,305, state officials said.

**FDIC Ombudsman Offers To Defer Planned On-Site Visits, Conference Calls**

**The FDIC has written to IBANYS (see attached letter) informing us** that, in recognition that community banks are primarily focused on addressing the challenges presented by the pandemic and its impact on banking operations, **the agency will extend all courtesies and flexibilities, as may be requested or needed...for which the FDIC is the primary federal regulator, in deferring any near-term planned on-site visits or conference calls by the agency's ombudsman.** The letter also included a reminder of the services the office can provide during the crisis.

**IBANYS will continue to provide updates as additional information becomes available. Thank you all for your continued participation and support.**

- **John J. Witkowski, President & CEO (Johnw@ibanys.net; 716.880.0518)**
- **Stephen W. Rice, Director, Communications & Government Relations (Stever@ibanys.net)**