

Thursday, April 23, 2020 (Update # 2)

To: New York Community Banks

FROM ICBA

House Approves PPP Legislation

Statement by ICBA President Rebeca Romero Rainey: "The House just passed bipartisan legislation to restart the Paycheck Protection Program and dedicate funding exclusively to community banks, sending it to President Trump to be signed into law. The bill authorizes an additional \$310 billion in PPP funds with at least \$60 billion set aside for loans made by community banks. Specifically, it dedicates at least \$30 billion for loans from institutions under \$10 billion in assets and another \$30 billion for those with between \$10 billion and \$50 billion in assets.

The allocations reflect repeated ICBA and community banker calls for policymakers to quickly pass a PPP funding extension and dedicate at least a quarter of the funds for loans from community banks under \$50 billion in assets. ICBA has also urged the Treasury and SBA to immediately prepare to administer the community bank funding allocation.

https://www.icba.org/news/news-details/2020/04/21/icba-letter-regarding-ppp-community-bank-allocation?utm_source=informz&utm_medium=email&utm_campaign=informz&zs=njOgU&zl=Wti42

Our understanding is that the SBA systems will go live shortly after President Trump signs the bill into law. We will keep you posted as we learn more from the agencies as they begin restarting the PPP and allocating funds. More information on the program and other elements of the federal response to the COVID-19 emergency is available on ICBA's online resource center. https://www.icba.org/news/Crisis-Preparedness/coronavirus-response/?utm_source=informz&utm_medium=email&utm_campaign=informz&zs=njOgU&zl=Xti42

Meanwhile, with more than 12,000 community banker messages to Congress advocating a PPP extension with a community bank allocation, we thank you for making your voice heard in Washington—and for continuing to serve your local customers and communities during this challenging time.

Slide Deck (Attached) From This Morning's SBA Webinar On "How To Become A PPP Lender" Here is the slide deck (attached) from this morning's SBA "How to Become a PPP Lender" Webinar that you might find helpful. Slide #19 of the attached has a helpful graphic on "SBA Routing Help" for Lenders. According to John Miller, SBA Office of Capital Access, *the intent of the PPP is to help small businesses cover payroll costs for eight weeks*. A recording of the webinar will be on the SBA Website. **However, please note: It was stated several times and it is important to note: we still need guidance from SBA/Treasury. The presenters may have hinted how things may work but they recommend to wait for guidance, which ICBA and you have been doing for a couple weeks now. While the call was helpful, there still remains to be seen clear-cut answers to the items below:**

- **Expected Guidance for PPP Lenders**
 - **Loan Forgiveness Process**
 - **Disbursement Reporting and Lender Fees**
 - **PPP clarifications**

SBA Cautions Large Public Companies Against Borrowing Through PPP

The SBA warned public companies against borrowing from the Paycheck Protection Program, and the Treasury Department is asking those large companies to pay back the money. Secretary Mnuchin said the fund was not meant "for big, public companies that have access to capital." Treasury said that public companies should consider their access to other funding sources before applying for a small business loan.

Fed Will Publish Emergency Lending Facilities Information At Least Every 30 Days

The Federal Reserve announced it plans to publish the names of borrowers from its emergency lending facilities at least every 30 days, as well as the amount they borrowed and the interest rates they charged, as part of the loan program launched via the recently passed \$2.2 trillion coronavirus economic stimulus bill. Chairman Powell said the Fed is "committed to transparency and accountability" following pressure from lawmakers for oversight.

https://www.bloomberg.com/news/articles/2020-04-23/fed-to-name-participants-in-cares-act-backed-loan-programs?mkt_tok=eyJpIjoiTVdNNFpHRmhZV00zWIRGaSIsInQiOiIwaG9XbzhzQXExU2swNHdPVkdTbE5kRmY5eTNBT0hYdFwvTDR2NUtNeTNSdGdldGhcLzdLeFZxY21MbXdxOGN1SFQrakhqUGZHWjhkTVZtRHdGZWdMcVprSTJJaVwvOHlQV2dLTmpyTHFiUHVDZitkUWpoeGhjdHMwTVJhek9XazRKRiJ9

Jobless Claims Of The Last 5 Weeks Now Outnumber All Job Gains Since 2008 Financial Crisis

With approximately 4.4 million Americans having applied for unemployment benefits last week, and with the five-week total now more than 26 million (according to the U.S. Labor Department), the job gains made since the 2008 financial crisis are now outnumbered by the amount of jobless claim filings over the past five weeks.

https://www.cnbc.com/2020/04/23/weekly-jobless-claims.html?mkt_tok=eyJpIjoiTVdNNFpHRmhZV00zWIRGaSIsInQiOiIwaG9XbzhzQXExU2swNHdPVkdTbE5kRmY5eTNBT0hYdFwvTDR2NUtNeTNSdGdldGhcLzdLeFZxY21MbXdxOGN1SFQrakhqUGZHWjhkTVZtRHdGZWdMcVprSTJJaVwvOHlQV2dLTmpyTHFiUHVDZitkUWpoeGhjdHMwTVJhek9XazRKRiJ9

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

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