

April 15 -- Update (Evening)

To: New York Community Banks

It now appears likely that guidance from the SBA regarding fees on PPP loans may be issued as soon as tomorrow.

Here are a few additional updates we are sharing with you from ICBA, The OCC and Updates From New York.

FROM ICBA

New guidance from SBA on the usage of e-signatures.

29. Question: Can lenders use scanned copies of documents or E-signatures or E-consents permitted by the E-sign Act? Answer: Yes. All PPP lenders may accept scanned copies of signed loan applications and documents containing the information and certifications required by SBA Form 2483 and the promissory note used for the PPP loan. Additionally, lenders may also accept any form of E-consent or E-signature that complies with the requirements of the Electronic Signatures in Global and National Commerce Act (P.L. 106-229). If electronic signatures are not feasible, when obtaining a wet ink signature without in person contact, lenders should take appropriate steps to ensure the proper party has executed the document. This guidance does not supersede signature requirements imposed by other applicable law, including by the lender's primary federal regulator.

FROM OCC

FFIEC Publishes BSA/AML Examination Manual

Comptroller of the Currency Otting today issued the following statement regarding the publication of the Federal Financial Institutions Examination Council (FFIEC) Bank Secrecy Act/Anti-Money Laundering (BSA/AML) Examination Manual. "Today, the FFIEC agencies published updates to the BSA/AML Examination Manual that represent a significant step forward in our efforts to improve how we ensure banks have effective programs to safeguard the banking system against financial crime, particularly money laundering and terrorist financing. . .Publication of the manual continues a two-year process to evaluate BSA/AML effectiveness and improve how banks comply with related laws and regulations, while meeting the needs of law enforcement and protecting the nation's banking system from being misused for illegal purposes."

Read the Updates:

<https://www.occ.gov/news-issuances/bulletins/2020/bulletin-2020-39.html>

Cuomo Talks About "Re-Opening" New York's Economy

Governor Cuomo today continued to lay out how the state's economy would be re-opened, a process that will begin to identify businesses that are essential and can have their employees work safely. Among the highlights of his comments:

- "Re-opening" will also requiring a scaling up tests beyond the more than half million New York has done so far. A vaccine is not expected for another year to 18 months -- which Cuomo called "the ultimate end, but until you have the vaccine, what do you do? How do you build the bridge?"
- An "essential" business will be defined by how in need its product is in the coming weeks and, as the second part of the equation, businesses will be asked to show they have redesigned workplaces to prevent infection spread. "That is an almost business by business evaluation that has to go," Cuomo said. The lower risk of infection spread and the higher nature of essential services will be opened first. There's no date, for this, however.
- Testing will play a major role as well as tracing a person's interaction with other people after they test positive for the virus.

The Governor this week announced he would be working with other northeast governors (from Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania and Delaware) regarding a coordinated regionalized re-opening plan, empowering economic and health officials to develop the specifics.

PRESS COVERAGE: Latest About New York

FROM MORNING CONSULT -- Latest On PPP

- **"The Wall Street Journal" reports that the \$350 billion small-business lending program is expected to run out of money later today, a person familiar with the fund said. Republican and Democratic lawmakers want to add \$250 billion more to the program, but have been clashing over restrictions, with Democrats wanting to expand access and include more money for hospitals, food assistance and state and local governments, while Republicans want to keep it limited to small businesses.**

FROM AXIOS:

"It's taken less than two weeks to reach the \$349 billion cap for small business loans for the coronavirus stimulus. **Why it matters:** This is a sign that more than 1.3 million small businesses (and some [larger ones](#)) will eventually get desperately needed cash. It's also a sign that way more might be needed. Paycheck Protection Program loans are forgivable if used for payroll and rent and similar expenses, and they're designed to keep otherwise healthy businesses afloat during this crisis.

What's new:

- The Small Business Administration reports **more than 1.4 million loan approvals totaling more than \$305 billion.**
- **The \$349 billion funding cap** is expected to be hit today, multiple media outlets say.

The big picture: In roughly a month, coronavirus lockdowns have **caused 1 in 10** working-age Americans to file for unemployment, **put historic pressure on businesses** not initially affected by the lockdown, with a second wave of layoffs hitting nationwide. ([WSJ](#))

What's next:

- **Treasury Secretary Mnuchin** and Speaker Pelosi spoke today about more cash for the program.
- **Both parties generally agree on \$250 billion**, but Democrats want extra cash for "hospitals, food assistance and state and local governments," while Republicans want to keep the focus purely on small businesses.

From City & State:

Will The 2020 State Legislative Session Resume? If So, What Issues May Be On Table?

Governor Cuomo has expressed doubt the Legislature will pass more bills this year, although State Senate and Assembly leaders said recently the chambers will continue working but have not yet released details on when they would meet again, or what specific legislation would be on the agenda. Some state legislators and good-government activists announced they want the legislative process to continue in the upcoming weeks. "City & State" lists a number of issues that legislators could address through virtual meetings and voting. It's not clear what legislatures might be considered, though some may seek to take up a codification of the many of the Governor's executive orders issued during the pandemic, and perhaps go further to tackle non-payment of rents during the crisis and making it easier to vote through absentee balloting. Under the 2020 legislative calendar issued prior to the pandemic, the Legislature was scheduled to return on Monday, and the session's final day was set to be June 2. "City & State" provided a list of potential issues if session does resume.

https://www.cityandstateny.com/articles/politics/new-york-state/11-issues-state-legislature-could-still-take-year.html?utm_source=First+Read+Newsletters&utm_campaign=0131e2acea-EMAIL_CAMPAIGN_2020_04_15_04_44&utm_medium=email&utm_term=0_252d27c7d1-0131e2acea-34718972&mc_cid=0131e2acea&mc_eid=e55c2af3e3.

New York Fed: State's Manufacturing Sector In Deep Trouble

The state's manufacturing sector is in deep trouble, according to the Federal Reserve Bank of New York. "New orders and shipments declined at a record pace," according to a new report by the Federal Reserve Bank of New York.

Cuomo: New Yorkers Must Wear Face Masks If Unable To Maintain Sufficient Space From Others

Gov. Cuomo said a new executive order will require people across the state to wear a face mask if they cannot maintain enough space between themselves and other people. Such situations include on public transit, walking on the sidewalk and other places where people might be in closer quarters. "(If) you're not going to be able to maintain social distance, you must wear a mask or cloth or an attractive bandana or a color-coordinated bandana."

New York COVID-19 Snapshot:

The government continues to provide data that can help put the pandemic in context. Consider these numbers to be a snapshot in time of a still-growing crisis. <https://www.cityandstateny.com/articles/politics/new-york-state/new-coronavirus-numbers.html>. Among the findings:

- **11,586** The number of people who have died after testing positive for the coronavirus in New York state, as of this morning.
- **64%** The percentage of victims statewide who are 70 years old or older.
- **213,779** People who have tested positive for the coronavirus in New York, as of this morning.
- **18,335** The number of people currently hospitalized with the coronavirus in New York, as of this morning.
- **5,205** patients were in intensive care units as of this morning.
- **526,012** The number of people who have been tested for coronavirus in New York, as of this morning. 221,161 of the tests have been conducted in New York City.
- **62** The number of counties in New York that have a positive test for COVID-19 – all of them.
- **40** The number of days that New York expects its New York State on Pause executive order to be into effect – for now. The order limiting events, mandating social distancing and closing nonessential businesses took effect March 20 and was extended until at least April 29.
- **\$1,000** The maximum fine for violating the state's protocol of keeping a 6-foot distance from people while in public, raised on April 6 up from \$500.

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

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