

**Tuesday, May 19, 2020 -- Update #1**

To: New York Community Banks

This morning's update includes the latest news from ICBA, the White House and other sources.

## **FROM ICBA**

### **ICBA PPP Campaign Connects Small Biz, Community Banks**

ICBA launched a new [Paycheck Protection Program loan campaign](#) to connect small businesses with community banks that continue to offer these loans. The multichannel effort features a focused community bank finder along with targeted efforts on multiple social and digital channels, including Facebook's Economic Relief for Small Businesses Portal.

ICBA also added to its [Tell Your Story Toolkit](#) new graphic assets that community banks can use to promote their PPP lending.

A recent [ICBA survey](#) found that community bankers funded some 80 percent of loan requests during the first round of PPP. The SBA [has reported](#) that community banks with less than \$10 billion in assets have made roughly \$63 billion in loans during the second round, while those with between \$10 billion and \$50 billion in assets account for some \$30 billion.

### **ICBA Webinar Tomorrow On PPP Loan Forgiveness**

ICBA's next interactive webinar on the COVID-19 response is scheduled for 11 a.m. (Eastern time) tomorrow, May 20. The complimentary Community Bank Briefing will address the SBA's latest guidance on loan forgiveness, continued ICBA advocacy for additional details, and more, with time for community banker questions. [Learn more and register.](#)

### **SBA Issues New PPP Rule On Foreign Affiliates**

Employees of foreign affiliates are included for purposes of determining whether a Paycheck Protection Program borrower has more than 500 employees, the Small Business Administration said in its latest [interim final rule](#) on the program. Any entity that, together with its domestic and foreign affiliates, does not meet the 500-employee or other applicable PPP size standards is ineligible for a PPP loan, the rule says. The SBA [separately released](#) materials on the PPP and other coronavirus recovery programs in various languages other than English.

### **Urge FDIC To Change Brokered Deposit Proposal**

ICBA is calling on community bankers to urge the FDIC to change its proposed regulations on what constitutes a brokered deposit. ICBA's [Be Heard grassroots action center](#) offers a custom letter that community bankers can use to tell the agency that its proposal is too broad and places undue limits on community banks. [Contact Congress Today.](#)

### **Mnuchin, Powell Testifying Today On CARES Act**

Treasury Secretary Steven Mnuchin and Federal Reserve Chairman Jerome Powell today are scheduled to provide a quarterly CARES Act update to the Senate Banking Committee. The [remote hearing](#) is slated for 10 a.m. (Eastern time). In written testimony provided ahead of the hearing, Mnuchin said Treasury and SBA have processed 4.2 million Paycheck Protection Program loans worth more than \$530 billion. Treasury has also issued more than 140 million Economic Impact Payments worth more \$240 billion, he said. Powell noted in his prepared testimony that the sharp drop in output and employment are without modern precedent and are significantly worse than any recession since World War II.

## **From The White House**

The U.S. Department of the Treasury and U.S. Small Business Administration released new information regarding the Paycheck Protection Program:

- [Interim Final Rule on Treatment of Entities with Foreign Affiliates](#)
- [Coronavirus Recovery Information in Other Languages](#)

## Program Overview

- [Summary of Paycheck Protection Program Round 2 Data – Updated 5/16](#)
- [Coronavirus Recovery Information in Other Languages – Updated 5/18](#)
  
- [Loan Forgiveness Application – Updated 5/15](#)
  
- [Lender Assistance Hotline: \(833\) 572-0502](#)
  
- [Interim Final Rule on Loan Increases – Updated 5/13](#)
- [Interim Final Rule on Eligibility of Certain Electric Cooperatives – Updated 5/14](#)
- [Interim Final Rule on Treatment of Entities with Foreign Affiliates – Updated 5/18](#)

For more information and updates, visit [Treasury.gov/CARES](https://www.treasury.gov/CARES) and [SBA.gov/PayCheckProtection](https://www.sba.gov/PayCheckProtection).

## **Statement of Secretary Steven T. Mnuchin Department of the Treasury before the Senate Committee on Banking, Housing, and Urban Affairs United States Senate (HERE)**

- “I want to begin by acknowledging the unprecedented challenges the American people are experiencing due to the COVID-19 pandemic. This disease is impacting families and communities across the nation. Through no fault of their own, the American people are also enduring economic challenges. I am inspired by our nation’s medical professionals and first responders on the front lines taking care of their fellow citizens. Thanks to their efforts and their unwavering commitment to their communities, I am confident that our nation will emerge from the pandemic stronger than ever before.”

For more information and updates, visit [Treasury.gov/CARES](https://www.treasury.gov/CARES) and [SBA.gov/PayCheckProtection](https://www.sba.gov/PayCheckProtection).

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## FROM OTHER SOURCES

### **From CenterState Bank: S15 Items That Will Trip Borrowers Up In The New PPP Forgiveness Application**

Last Friday night, the SBA released the long-awaited PPP application, and while it clarified some aspects of the program, its complexity also surprised many bankers. In the SBA's defense, it is hard to strike the right balance of speed to market, simplicity, and breadth of idea inclusion, so overall we must give the SBA high marks for this effort. Despite those marks, we have identified 15 areas where banks will need to focus on providing further education, process. . .to read full article, use the link provided below:

<https://csbcorrespondent.com/blog/15-items-will-trip-your-borrowers-new-ppp-forgiveness-application>

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

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