

Monday, May 18, 2020 (Update # 2)

To: New York Community Banks

Our second update of the day includes the latest information from ICBA and a number of other sources. We have also attached information from The Bonadio Group on the SBA's PPP Loan Forgiveness Guidance.

John

FROM ICBA

ICBA PPP Loan Campaign Connects Small Businesses with Community Banks While Funds Remain

Washington, D.C. (May 18, 2020)—The Independent Community Bankers of America® (ICBA) today launched its Paycheck Protection Program loan campaign (www.icba.org/ppploan) to connect the nation's small businesses with local community banks that continue to offer these loans in the midst of COVID-19. The multichannel effort identifies small businesses nationwide and introduces them to the community banks that have helped fund Main Street throughout the crisis. The outreach features a focused community bank finder, along with targeted efforts on multiple social and digital channels including inclusion on Facebook's Economic Relief for Small Businesses Portal.

"Community banks continue to make the majority of PPP loans, and with significant funds remaining of the \$310 billion granted by Congress, we are doing our part to ensure small businesses get access to these loans through the right partners within their communities," ICBA President and CEO Rebeca Romero Rainey said. "This effort is about extending the helping hand of community banking to ensure every American small business has access to PPP funds and can keep workers on payroll during this crucial time."

A recent [ICBA survey](#) revealed that community bankers were able to fund upwards of 80 percent of all loans that came their way in this first round of PPP—for an average of 166 loans per bank. Further, survey data shows community bank loans reached Main Street directly, with an average approved loan between \$50,000 and \$75,000. Further, [SBA data](#) demonstrates community banks' positive influence on the economy: Institutions with \$10 billion in assets or less approved about 60 percent of loans in the first round, and 20 percent of the amount approved was processed by lenders with less than \$1 billion in assets.

"Because in this difficult environment, for community banks, the relationship comes first," Romero Rainey said. "It's about meeting customers where they are and helping them thrive. As so many news reports and small businesses have noted of late, in times of financial trials, it's time to get to know your local community bank."

AN ICBA CALL TO ACTION

Tell 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.

Here is the link to ICBA's [Be Heard grassroots action center](#).

OTHER INFORMATION

What's Next For State Budget, Next Round Of Federal Coronavirus Relief?

Governor Cuomo is placing his [his trust on a blend of “common sense”](#) and politicians' thirst for reelection in Congress to avoid looming cuts to health care and education in New York. On Friday he changed his tone on the 20-percent, across-the board cuts he's been warning about for weeks, saying now that the House Democrats' proposal for direct aid to state and local governments could spare his ax. However, those hoping for the next round of coronavirus relief [will probably be waiting for weeks — if not much longer.](#) Though House Democrats on Friday passed a sweeping, \$3 trillion stimulus bill built around aid for local governments and a fresh batch of direct payments to the public, the Republican Senate majority has no immediate plans to produce an alternative. Instead, senators are expected to consider a handful of lifetime judicial appointments this week and then head home for the Memorial Day recess. The House will return to session after Memorial Day, handling much of its work remotely. There's basically zero bipartisan talk among congressional leaders right now in Washington about what to do next.

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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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