

Friday, June 19, 2020

To: New York Community Banks

### **ICBA continues push for PPP simplification**

ICBA continues calling on [community bankers](#) and [small-business owners](#) to urge the Treasury Department and SBA to enact additional reforms to simplify Paycheck Protection Program loan forgiveness. Community bankers and small-business owners can use ICBA's Be Heard grassroots action center to advocate a loan forgiveness calculator, presumption of compliance for loans of \$1 million or less, and other simplifications. Treasury and SBA this week issued a revised [full forgiveness form](#) and new [EZ application form](#) requiring less calculation and documentation as well as updated instructions for the regular [Form 3508](#) and [Form 3508EZ](#). Nevertheless, ICBA's push for additional reforms continues. Questions on submitting 1502 reports can be directed to SBA's Fiscal and Transfer Agent, Colson Services Corp., at [info@colsonservices.com](mailto:info@colsonservices.com) or 877-245-6159. Additional guidance and resources are available on [Treasury's PPP webpage](#) and ICBA's [COVID-19 resource center](#).

### **Fed working on coin shortages**

The [Federal Reserve said](#) it is working on several fronts to mitigate the effects of low coin inventories. The Federal Reserve Banks this week began allocating available supplies of coins to depository institutions to temporarily relieve circulation disruptions caused by the COVID-19 pandemic. Testifying this week before the House Financial Services Committee, Federal Reserve Chairman Jerome Powell [said](#) the Fed is working with the reserve banks and the U.S. Mint, though circulation has improved as the economy begins to reopen. [The Washington Post](#) reported that the Fed is notifying banks to expect issues with coin orders. According to [The Wall Street Journal](#), a Fed spokesperson said coin deposits from banks are down 50 percent over the past year.

### **ICBA releases custom small-business op-ed**

ICBA this week released a [customizable op-ed](#) that community bankers can use to share how they have rallied around small businesses during the COVID-19 pandemic and led the way on Paycheck Protection Program loans. The custom op-ed, which can be customized and distributed to local news, is available with other resources on ICBA's [Tell Your Story toolkit](#).

## **FROM THE WHITE HOUSE**

**Paycheck Protection Program (PPP):** The Paycheck Protection Program is providing small businesses with the resources they need to maintain their payroll, hire back employees who may have been laid off, and cover applicable overhead. On June 6, the President signed legislation providing more flexibility and relief for small businesses including extending the covered period for loan forgiveness from 8 weeks after the date of loan disbursement to 24 weeks and lowering the requirements that 75% of a borrower's loan proceeds must be used for payroll costs to 60%.

- Deadline for Support: Small businesses must apply with a lender to be eligible for funding by June 30, 2020. SBA has approximately \$100 billion available for relief.
- State-by-State Data can be found [here](#).

### **Program Overview**

- [Top-line Overview of PPP](#)
- [SBA Paycheck Protection Program Loan Report](#)
- [SBA Paycheck Protection Program Loan Report Round 2](#) – Updated 6/14
- [Summary of Paycheck Protection Program Round 2 Data](#) – Updated 6/18

## FROM NEW YORK

The NYS Department of Labor reported that New York's unemployment rate improved last month from the historic high of 15.3% in April, but still remains at 14.5%. The overall private-sector job count stands at 6.6 million. Most regions of the state are now in Phase 3 of the reopening, and New York City is expected to reach the second phase on Monday. However, the employment picture is expected to remain grim for months, if not years. The leisure and hospitality sector recorded the largest decline among industries, losing 601,300 jobs over the last 12 months. The trade, transportation and utilities sector shed 320,700 jobs.

<https://nystateofpolitics.com/state-of-politics/new-york/ny-state-of-politics/2020/06/18/new-york-s-unemployment-rate-improved--but-is-still-bad>

# # # # #

**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](mailto:Johnw@ibanys.net); 716.880.0518)**
- **Stephen W. Rice, Director, Communications & Government Relations ([Stever@ibanys.net](mailto:Stever@ibanys.net))**