

Tuesday, June 2, 2020 (Update # 1)

To: New York Community Banks

FROM ICBA

Romero Rainey: Press Senate On PPP Reforms

With the Senate considering Paycheck Protection Program reforms after the House passed its reform bill last week, community banks should [urge lawmakers](#) to enact recommended changes, ICBA President and CEO Rebeca Romero Rainey wrote.

Romero Rainey urged community bankers to use ICBA's [Be Heard grassroots action center](#) to advocate greater PPP flexibility, such as providing small businesses more time to spend PPP funds, reducing how much must be spent on payroll costs, and allowing a forgiveness presumption of compliance for loans of \$1 million or less.

Meanwhile, ICBA offers a [customizable message](#) for small-business owners that community bankers can share with their customers to urge the Senate to act.

CONTACT CONGRESS:

https://icba.quorum.us/campaign/26506/?utm_campaign=NewsWatch%20Today&utm_medium=email&_hsmi=88823515&_hsenc=p2ANqtz-8u6KmJk6Ko0Fss8V8VLfeyJHy5N6x-2vMM1ulZ6mjIRu4suG16OG4o3VDegFhTKYs3hi03UjPsU0Rky1x3KaSU3-TrGw&utm_content=88823172&utm_source=hs_email

Smaller Lenders Continue To Lead On PPP: Data

Lenders under \$10 billion in assets have made more than 2.2 million Paycheck Protection Program loans worth nearly \$223 billion through both rounds of funding, the Small Business Administration reported. According to an [SBA summary](#) of loan approvals through May 30, lenders from \$10 billion to \$50 billion in assets made more than 700,000 loans worth nearly \$100 billion.

Combined, the two asset classes accounted for more than 65 percent of approved loans and more than 63 percent of the approved dollar amount. Community bankers who continue to have trouble with the SBA's E-Tran and SBA Connect Lender Gateway portals can direct assistance questions to the SBA at 833-572-0502 or cls@sba.gov.

Additional PPP guidance and resources are available on [Treasury's PPP webpage](#) and ICBA's [COVID-19 resource center](#).

ICBA Testifying Tomorrow On CDFIs, Minority Banks

ICBA is scheduled to testify tomorrow before Congress on community development financial institutions and minority depository institutions. James Sills, president and CEO of Mechanics and Farmers Bank in Durham, N.C., and a member of ICBA's Minority Bank Council, is slated to testify before the House Subcommittee on Consumer Protection and Financial Institutions.

OTHER SOURCES/PRESS COVERAGE

Senate Action Expected Soon On "Tweaking" PPP

According to *Roll Call*, Senate Majority Leader McConnell said the Senate will "soon" vote on House-passed legislation that would tweak the Small Business Administration's Paycheck Protection Program to give small businesses more time to use the coronavirus relief loans and allow them to use more money for nonpayroll expenses. The decision to extend the program, with bipartisan backing but delayed by differences in the chambers' approaches, reflects the longer-than-expected duration of stay-at-home orders that have stalled the nation's economy. *Politico's Huddle* also noted that McConnell stated: "'I hope and anticipate the Senate will soon take up and pass legislation that just passed the House by an overwhelming vote of 417-1.'"

OCC's Brooks: Prolonged Shutdown Could Harm Banks Through Higher Loan Defaults, Lower Value Of Some Assets

New acting Comptroller of the Currency Brian Brooks sent a letter to the National League of Cities, the U.S. Conference of Mayors and the National Association of Governors saying that a prolonged shutdown amid the coronavirus pandemic could harm banks by contributing to higher loan defaults and lowering the value of some assets, including commercial real estate. Brooks also warned that banks haven't allowed customers to wear face masks in the past and that recent reports of robberies at banks "make clear that broadly applicable face mask requirements are not safe or sustainable on a permanent basis." ([Politico](#))

FROM NEW YORK

- **Legislature Will Reconvene Next Week.** State legislative leaders announced the state Senate and Assembly would reconvene next week and act on a series of criminal justice reform measures, including overhauling the statute known as "50-a" for its section in state Civil Rights Law, [the Times Union reports.](#)
- **"Western New York and the Capital Region are [expected to join](#) the rest of upstate this week in entering Phase 2 of its reopening after the coronavirus pandemic shuttered most businesses in late March. Western New York, which encompasses the counties of Allegany, Cattaraugus, Chautauqua, Erie and Niagara, is on track Tuesday to meet the metrics on the virus' spread to enter Phase 2, Gov. Andrew Cuomo said Monday. On Wednesday, the Capital Region should be allowed to go to Phase 2, he said. The Capital Region includes Albany, Columbia, Greene, Saratoga, Schenectady, Rensselaer, Warren, Washington counties. Phase 2 of the four-phase reopening that started May 15 allows professional services to resume in-person operations, as well as finance and insurance, administrative support services, real estate transactions and retail."**
- A survey released Tuesday by the National Federation of Independent Business shows that **most small businesses in New York found the Paycheck Protection Program financially beneficial** during the coronavirus pandemic and resulting economic shutdown, [State of Politics reports.](#)
- Here is Gov. Andrew Cuomo's [June 2 coronavirus presentation.](#)

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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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