

Friday, June 26, 2020

To: New York Community Banks

FROM ICBA

SBA providing committees, GAO loan-level PPP data

The Treasury Department and SBA said they will provide confidential loan-level Paycheck Protection Program information to congressional committees and the Government Accountability Office. In a [letter](#) to committee leaders, the agencies said they will securely provide all borrower names and loan amounts. Treasury and SBA [last week said](#) they will publicly release certain information about PPP borrowers with loans of \$150,000 and up.

SBA updates PPP guidance on maturity dates, fishing boats

The SBA updated its [frequently asked questions](#) on the Paycheck Protection Program with guidance on maturity dates. The latest FAQ notes that PPP loans that received an SBA loan number on or after June 5, 2020, have a five-year maturity. Loans that received an SBA loan number before that have a two-year maturity, unless the borrower and lender mutually agree to extend the term of the loan to five years.

The SBA separately released an [interim final rule](#) with updated guidance on calculating payroll costs of certain fishing boat owners.

ICBA continues calling on [community bankers](#) and [small-business owners](#) to urge the Treasury Department and SBA to enact additional PPP simplifications, including a loan-forgiveness calculator and presumption of compliance for certain loans.

Questions on submitting 1502 reports can be directed to SBA's Fiscal and Transfer Agent, Colson Services Corp., at 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](#).

GAO Recommends Tighter PPP Oversight

The Government Accountability Office recommended updates to the Paycheck Protection Program as part of a [sprawling review](#) of the federal COVID-19 response. Alongside a timeline of the SBA's numerous issuances of regulations and guidance on the program, the GAO encouraged the agency to "identify and respond to risks in PPP to ensure program integrity, achieve program effectiveness, and address potential fraud." Specifically, the GAO raised concerns with allowing lenders to rely on borrower certifications to determine their eligibility and use of loan proceeds. It also encouraged the SBA to proceed with its planned reviews of loans over \$2 million.

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Romero Rainey: PPP Shines Positive Light On Community Banks

The Paycheck Protection Program has cast a national light on the role of community banks in supporting small businesses, ICBA President and CEO Rebeca Romero Rainey writes in [Main Street Matters](#). The spotlight is directing the nation's attention to all that community banks stand for, such as meeting the needs of underserved communities, individuals of moderate means, and small businesses. [Read the post.](#)

CDC Issues COVID-19 Guidelines For Banks

The Centers for Disease Control and Prevention released COVID-19 guidelines for bank [employers](#) and [employees](#). The guidelines provide information on how COVID-19 spreads, how to

protect staff, and more. Additional resources on managing staff and technology are available on ICBA's comprehensive COVID-19 [frequently asked questions](#).

FROM THE WHITE HOUSE

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

- [Frequently Asked Questions](#) – Updated 6/25
- [Interim Final Rule on Certain Eligible Payroll Costs](#) – Updated 6/25
- [Lender Application Form](#) – Updated 6/24

FROM NEW YORK

New York's Counties Receiving \$323 Million In Medicaid Funding

The State Department of Health announced Thursday the state's counties are receiving \$323 million in Medicaid funding as part of coronavirus relief money from the federal government. The money, part of the "Families First Coronavirus Response Act," is being disbursed to counties whose governments have been financially hard hit by the virus and have spent heavily to respond to the crisis. State Health Commissioner Zucker stated: "While COVID-19 infection rates are dropping and New York State has effectively flattened the curve, we're still feeling the significant human and financial toll of this virus. Governor Cuomo has been a fierce advocate for increased federal funding, and while this allotment will help the state and counties support programs important to our pandemic response, more federal funding is critically needed."

OTHER SOURCES

Trump Administration To Release Details On PPP Loans

Bloomberg News reports that the Trump administration plans to publicly release details about coronavirus relief loans for small businesses by the end of next week after reversing its position on withholding the data. Company names and other details about Paycheck Protection Program loans of \$150,000 and more, plus certain details about smaller loans without information identifying the firms, will be posted on the Small Business Administration's website, according to a Treasury Department official speaking on condition of anonymity.

Average Rate For 30-year Fixed Mortgage Still Lowest On Record

According to *Housing Wire*, the average U.S. rate for a 30-year fixed mortgage this week is 3.13%, matching last week's rate that was the lowest on record, according to Freddie Mac. Mortgage rates remained at the record low as the three most populous U.S. states - California, Texas and Florida - hit new highs for COVID-19 infections, driving money managers to seek fixed-income investments like mortgage bonds in a "flight to safety," said Keith Gumbinger, vice president of mortgage-data firm HSH.com.

CDC: 20 Million Americans Have Likely Been Infected By COVID-19

The Centers for Disease Control and Prevention estimates 20 million Americans - about 6 percent of the U.S. population - have been infected with COVID-19, roughly 10 times the 2.3 million cases that have been confirmed. CDC Director Robert Redfield said the data shows many Americans are still susceptible to infection as Trump works to tamp down on concerns amid a resurgence of cases that are already threatening re-opening efforts in Texas. ([The Associated Press](#))

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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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