

Monday, August 31, 2020

To: New York Community Banks

FROM ICBA

Fed Raises Coin Allocations For Larger Institutions

The [Federal Reserve](#) increased coin allocation caps for medium, large, and extra-large groupings while holding the small grouping at the Aug. 10 allocation level. The Fed said larger institutions are consistently ordering coins at the Aug. 10 allocation amount, while most smaller entities are ordering below their allocation. Due to low coin inventories caused by coronavirus pandemic disruptions, the Fed began allocating coin inventories on June 15 to promote an equitable distribution of Fed coin inventory and new coin produced by the U.S. Mint. It subsequently increased amounts on July 20 and Aug. 10. The Fed [also said](#) it will suspend the 2020 holiday currency ordering periods to reduce the operational strain on Reserve Bank cash employees during the winter holiday season. ICBA serves on the U.S. Coin Task Force, which this month released [initial recommendations](#) on resolving the supply chain issues disrupting normal coin circulation.

USDA Extends Foreclosure, Eviction Suspension

Foreclosures and related evictions for borrowers with USDA single-family housing direct and guaranteed loans are suspended through Dec. 31, according to a USDA Rural Development notice. The [stakeholder notice](#) offers a full rundown of USDA emergency relief for rural residents, businesses and communities affected by the coronavirus outbreak. The extension follows extended moratoriums for certain Fannie Mae, Freddie Mac, and Federal Housing Administration mortgage loans. The USDA [also extended](#) the temporary exceptions on Single Family Housing Guaranteed Loan Program appraisals, repair inspections, and income verifications until Nov. 30. Separately, the USDA's Farm Service Agency [reminded](#) farmers and ranchers that the deadline to apply for the Coronavirus Food Assistance Program is Sept. 11. This program provides direct relief to producers who faced price declines and additional marketing costs due to COVID-19.

House Banking Panel Restarts Hearings Next Week

The House Financial Services Committee [released](#) its September schedule of virtual and hybrid hearings. The hearings, which kick off next Tuesday, Sept. 8, will cover minority and women inclusion, the Federal Housing Finance Agency's pandemic response, Treasury Department and Federal Reserve oversight, lending and processing payments in the fintech age, and more.

ICBA Discusses Postal Banking Flaws In New podcast

ICBA's Paul Merski discusses the flaws in postal banking proposals in the latest [BankShot podcast](#) from American Banker. In the podcast, Merski notes that the U.S. Postal Service lacks financial services expertise and is already losing money doing its core mission of delivering mail. "You could convert them into a coffee shop. You could convert them into a Jiffy Lube. You could convert them into other things besides highly complex and highly regulated financial services," Merski says. In addition to continuing its pushback against postal banking proposals, ICBA also continues seeking an investigation into reports that USPS is considering an exclusive agreement with JPMorgan Chase to provide banking services. The U.S. Postal Regulatory Commission responded to last week's ICBA [request for an investigation](#) by directing ICBA to the USPS Office of Inspector General. ICBA followed up with a [separate request](#) to the IG this week. In its letters, ICBA said USPS should follow federal regulations and issue a request for proposal before proceeding. It also noted that the nation's 52,000 community bank locations have greater penetration in unbanked populations than the postal branch network.

LISTEN TO PODCAST

FROM OTHER SOURCES

- The criminal complaints read like catalogs of luxury bling: a diamond-laden \$52,000 Rolex, a gambling spree at the Bellagio, two Lamborghinis, a pair of Cadillac Escalades, a Rolls-Royce. All that and more, law enforcement officials said, was financed through schemes to defraud the federal government's signature coronavirus relief program for small

businesses. https://www.nytimes.com/2020/08/28/business/ppp-small-business-fraud-coronavirus.html?mkt_tok=eyJpIjoiT0dFNU1UTTBZalZtWkdZeSIsInQiOiI0VU1yeUpCUklyNkZcL1loNE1lQWlwdDF3eGZkeWViS1V5RmE2MGxBUlwwTk1sWkRXQUtCcFYzQIRjM1kraUI2Wm1Dc1lwcUY4aDd3RVI4aFBKcFFUSWRRdWhwUjlcL0RPY1kybElGeGdia0JSdysydHRrN0VksWtzYnhZNWYzakFzciJ9

- House Speaker Pelosi on Friday rejected a White House offer for a \$1.3 trillion coronavirus relief bill, saying the latest proposal from the GOP falls well short of what is needed to help Americans weather the fallout from the COVID-19 pandemic. Pelosi said that she does not support anything less than the \$2.2 trillion package proposed by Democrats. https://thehill.com/homenews/house/514223-pelosi-slams-gop-says-13-trillion-in-coronavirus-relief-not-enough?mkt_tok=eyJpIjoiT0dFNU1UTTBZalZtWkdZeSIsInQiOiI0VU1yeUpCUklyNkZcL1loNE1lQWlwdDF3eGZkeWViS1V5RmE2MGxBUlwwTk1sWkRXQUtCcFYzQIRjM1kraUI2Wm1Dc1lwcUY4aDd3RVI4aFBKcFFUSWRRdWhwUjlcL0RPY1kybElGeGdia0JSdysydHRrN0VksWtzYnhZNWYzakFzciJ9
- Some consultants are advising clients who received pandemic relief loans that they ultimately won't have to fill out any federal government forgiveness forms and that they should focus on running their business, pay their staff, and hold off on applying for forgiveness even if their bankers say they're ready to accept those applications. Once the covered period ends, borrowers will have 10 months to seek forgiveness for Paycheck Protection Program loans. . .but accountants, small business advocates, and accounting's largest professional organization all advise PPP borrowers to give Congress, the Small Business Administration, and lenders time to answer key questions about taxes and documentation. https://news.bloombergtax.com/daily-tax-report/hold-off-seeking-relief-loan-forgiveness-small-businesses-told?mkt_tok=eyJpIjoiT0dFNU1UTTBZalZtWkdZeSIsInQiOiI0VU1yeUpCUklyNkZcL1loNE1lQWlwdDF3eGZkeWViS1V5RmE2MGxBUlwwTk1sWkRXQUtCcFYzQIRjM1kraUI2Wm1Dc1lwcUY4aDd3RVI4aFBKcFFUSWRRdWhwUjlcL0RPY1kybElGeGdia0JSdysydHRrN0VksWtzYnhZNWYzakFzciJ9
- The coronavirus threw the U.S. banking system into extreme gyrations. The normally unexciting quarterly industry report from the Federal Deposit Insurance Corp., released last week, showed in stark detail how the pandemic is ensnaring banks big and small. https://www.wsj.com/articles/the-coronavirus-is-doing-weird-things-to-the-banking-industry-11598779800?mod=hp_lista_pos2&mkt_tok=eyJpIjoiT0dFNU1UTTBZalZtWkdZeSIsInQiOiI0VU1yeUpCUklyNkZcL1loNE1lQWlwdDF3eGZkeWViS1V5RmE2MGxBUlwwTk1sWkRXQUtCcFYzQIRjM1kraUI2Wm1Dc1lwcUY4aDd3RVI4aFBKcFFUSWRRdWhwUjlcL0RPY1kybElGeGdia0JSdysydHRrN0VksWtzYnhZNWYzakFzciJ9
- At the height of the coronavirus pandemic last spring, the heads of U.S. banks including Morgan Stanley, Bank of America Corp and others pledged not to cut any jobs in 2020 because it was the wrong thing to do. However, as executives prepare for an extended recession and loan losses that come with it, layoffs are back on the table, said consultants, industry insiders and compensation analysts. https://www.reuters.com/article/us-usa-banks-layoffs/banks-eye-layoffs-as-short-term-crisis-ends-long-term-costs-emerge-idUSKBN2501KI?mkt_tok=eyJpIjoiT0dFNU1UTTBZalZtWkdZeSIsInQiOiI0VU1yeUpCUklyNkZcL1loNE1lQWlwdDF3eGZkeWViS1V5RmE2MGxBUlwwTk1sWkRXQUtCcFYzQIRjM1kraUI2Wm1Dc1lwcUY4aDd3RVI4aFBKcFFUSWRRdWhwUjlcL0RPY1kybElGeGdia0JSdysydHRrN0VksWtzYnhZNWYzakFzciJ9
- As the United States nears 6 million Covid-19 cases, the coordinator of the White House coronavirus response urged Americans not to wait for a vaccine to stop community spread of the virus. "Do the right thing today," Dr. Deborah Birx said. <https://www.cnn.com/2020/08/31/health/us-coronavirus->

monday/index.html?mkt_tok=eyJpIjoiTIRnME5XVm1ZakU0TVdWbSIsInQiOiJcLzRIYStPU3o2bzBqUHNVRThId0grYlBUb01TMjVMRFRTTtkxUWZK0F3b2paZ1BpUUZCYXZUemh1QWZyNWNqN0hrVEJITHRhUGsyUFFHRWFOTVBwSHE3XC9XUGo2QU1pd2VudDMwWVIEUXNiVitOSGRvYmpRMzBhWVN6WXlaWWxYIn0%3D

FROM NEW YORK

- Governor Cuomo announced that classes at SUNY Oneonta will move to online-only instruction for at least two weeks after more than 100 students tested positive for coronavirus following student parties, [State of Politics reports](https://www.governor.ny.gov/news/governor-cuomo-deploys-swat-team-suny-oneonta-contain-covid-19-cluster). <https://www.governor.ny.gov/news/governor-cuomo-deploys-swat-team-suny-oneonta-contain-covid-19-cluster>
- Governor Cuomo yesterday announced that 100,022 test results were reported to New York State Saturday—a new record high. Hospitalizations dropped to 429, a new low since March 16, and intubations dropped to 47, a new low since March 14. New York State’s infection rate has been below 1% for 23 straight days. Visit the link below for in-depth updates from around the state. <https://www.news10.com/health/governor-cuomo-provides-sunday-coronavirus-update-for-nys-3/>
- Remote learning relies on students using computers and broadband internet, but many kids [still don’t have access](#). Experts say it hasn’t gotten any better over the summer – and in some cases, it’s even gotten worse.
- New York City’s teachers union is rapidly laying the groundwork for a strike to halt the reopening of school buildings, which it may vote to authorize on Monday, following months of threats that educators would take action over coronavirus safety concerns, [Chalkbeat reports](#).
- The apparent exodus of New York City residents to the suburbs continues. Last month, there was a 44% jump in home sales in New York City’s suburbs — including a 112% hike in Westchester County — compared to the same month last year, [according to the New York Times](#). Meanwhile, Manhattan property sales dropped 56%. <https://nypost.com/2020/08/30/moving-companies-in-such-high-demand-as-new-yorkers-flee-the-city/>

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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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