

Thursday, September 10, 2020

To: New York Community Banks

**IBANYS' 2020 Annual Convention – “*Virtually Un-Conventional*”- Please register for this exciting event where one price invites all bank and company employees to participate! Great speakers!!**  
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#### FROM ICBA

##### **Cruz Bill Includes Relief As Senate Plans Stimulus Vote**

Sen. Ted Cruz (R-Texas) [introduced](#) economic stimulus legislation that includes ICBA-advocated relief for community banks. Section 207 of the RECOVERY Act includes provisions to extend by one year the 8 percent Community Bank Leverage Ratio as well as relief from troubled debt restructuring and Current Expected Credit Losses standards. Senate Majority Leader Mitch McConnell (R-Ky.) said the Senate will vote today on a separate coronavirus relief package that includes ICBA-advocated provisions, though the House is not expected to take up the bill. The roughly \$500 billion "skinny" package includes provisions forgiving Paycheck Protection Program loans under \$150,000, providing a lender safe harbor, expanding forgivable expenses, and more. ICBA continues working with policymakers on the next stimulus package as Congress and the Trump administration work to resume negotiations.

##### **Texas Study Reaffirms Community Bank PPP Leadership**

The Paycheck Protection Program has worked as intended to provide short-term support to small businesses largely due to community banks, according to a [forthcoming study](#) from Texas Tech University researchers. The study found that roughly 64 percent of Texas-based participants in the first phase of the PPP are community banks, which were instrumental in distributing PPP loans to rural markets. Further, community banks helped serve the most vulnerable sectors, including the hotel, food services, mining, and oil and gas industries. The research paper follows [ICBA's reporting](#) of SBA data showing that community banks were the nation's leading PPP lenders, supported underrepresented small businesses, served communities of all kinds, had the fastest turnaround times among lenders, and saved jobs in critical areas of the economy.

#### FROM OTHER SOURCES

- Senate Democrats are set to block a Republican-backed, \$500 billion coronavirus relief measure in a procedural vote today, even as Senate Majority Leader Mitch McConnell said he was optimistic about strong Republican support for the legislation. If the measure fails, it appears unlikely that Congress will enact relief legislation before the November elections, with lawmakers instead planning only to send Trump legislation to avoid a government shutdown at the end of the month. ([The Associated Press](#))
- The two parties can't even agree to begin debate on the Republicans' narrow \$500 billion coronavirus relief bill, [Politico reports](#).
- The prospect of Congress and the White House providing much needed coronavirus relief to millions of Americans is getting worse by the day, despite leaders in both parties saying they're open to a deal, [Politico reports](#).
- With the Senate poised to vote Thursday on a slender GOP coronavirus relief bill that's certain to fail, chances for a bipartisan deal on new economic stimulus look more remote than ever. This impasse has prompted top White House officials to consider a new round of executive actions that they hope could direct funding to certain groups amid fears that the nascent economic recovery could fail to gain momentum. [https://www.washingtonpost.com/us-policy/2020/09/09/white-house-senate-coronavirus-relief-economy/?mkt\\_tok=eyJpIjoiTVdFME1USTBNMIUyTkdkKbCIIsInQiOiJUallQRHg4TGM1a2hBS](https://www.washingtonpost.com/us-policy/2020/09/09/white-house-senate-coronavirus-relief-economy/?mkt_tok=eyJpIjoiTVdFME1USTBNMIUyTkdkKbCIIsInQiOiJUallQRHg4TGM1a2hBS)

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- Lawmakers on a top banking panel largely agree that the Federal Reserve's Main Street lending program has fallen short. But they're debating whether or how to change the rules and allow the Fed to make more, albeit riskier, loans to struggling businesses. [https://www.washingtonpost.com/business/2020/09/09/main-street-senate-banking/?mkt\\_tok=eyJpIjoiWWpNMFl6bGtOMk0yWTJJMiIsInQiOiJMVFZVZitlb3BiUHIFbk9xUzRGZjVxWGdVNTBtUitNandNQkR4Y3I5Q0JXQVRRV3JRdTc3eXRhK0lmUIZJa0xjN3JJN3E3dXJPMjF0VE1aUDdqdFhGQlI4QjU2ckhyczZhQelA2MTEzQW9kd3ZcL0RVWTZyT2VCNU01OVFKV0FCOW4ifQ%3D%3D](https://www.washingtonpost.com/business/2020/09/09/main-street-senate-banking/?mkt_tok=eyJpIjoiWWpNMFl6bGtOMk0yWTJJMiIsInQiOiJMVFZVZitlb3BiUHIFbk9xUzRGZjVxWGdVNTBtUitNandNQkR4Y3I5Q0JXQVRRV3JRdTc3eXRhK0lmUIZJa0xjN3JJN3E3dXJPMjF0VE1aUDdqdFhGQlI4QjU2ckhyczZhQelA2MTEzQW9kd3ZcL0RVWTZyT2VCNU01OVFKV0FCOW4ifQ%3D%3D)
- The number of available jobs leveled off late this summer, the latest sign momentum in the labor market is easing six months after the coronavirus pandemic took hold in the U.S. The increase in the number of job postings, a real-time measure of labor-market activity, has slowed dramatically since late July, and last week stood about 20% below 2019 levels, according to data the job-search site Indeed.com shared with The Wall Street Journal. [https://www.wsj.com/articles/u-s-job-openings-leveled-off-late-in-the-summer-11599664068?mkt\\_tok=eyJpIjoiWWpNMFl6bGtOMk0yWTJJMiIsInQiOiJMVFZVZitlb3BiUHIFbk9xUzRGZjVxWGdVNTBtUitNandNQkR4Y3I5Q0JXQVRRV3JRdTc3eXRhK0lmUIZJa0xjN3JJN3E3dXJPMjF0VE1aUDdqdFhGQlI4QjU2ckhyczZhQelA2MTEzQW9kd3ZcL0RVWTZyT2VCNU01OVFKV0FCOW4ifQ%3D%3D](https://www.wsj.com/articles/u-s-job-openings-leveled-off-late-in-the-summer-11599664068?mkt_tok=eyJpIjoiWWpNMFl6bGtOMk0yWTJJMiIsInQiOiJMVFZVZitlb3BiUHIFbk9xUzRGZjVxWGdVNTBtUitNandNQkR4Y3I5Q0JXQVRRV3JRdTc3eXRhK0lmUIZJa0xjN3JJN3E3dXJPMjF0VE1aUDdqdFhGQlI4QjU2ckhyczZhQelA2MTEzQW9kd3ZcL0RVWTZyT2VCNU01OVFKV0FCOW4ifQ%3D%3D)
- JPMorgan Chase & Co. has fired several workers who are accused of taking money under the Economic Injury Disaster Loan program that was meant to help businesses hit by the coronavirus pandemic with grants up to \$10,000, according to a person familiar with the situation. The JPMorgan staff members who had deposited suspicious funds through the program in their Chase checking accounts made up a "very small" part of the suspicious activity the bank found after the Small Business Administration asked banks to probe any suspicious activity related to the program, the person said. ([Financial Times](#))

## FROM NEW YORK

- Indoor dining [will soon return](#) to New York City. After months of keeping it shut down to stem the spread of the coronavirus — the only jurisdiction in the state, and one of a few in the country, to enforce such a ban — Gov. Andrew Cuomo [gave city eateries](#) the go-ahead to open their dining rooms on Sept. 30. There will be rules, and lots of them, but it is a [boon for the devastated restaurant industry](#), which has been growing increasingly desperate as colder weather approaches.
- Around 2.2 million New Yorkers are struggling with food insecurity right now as a result of the pandemic. Lawmakers are now looking at ways to fix breaks in the food supply chain and bolster food assistance programs. [Read More](#)
- The Cuomo administration has begun to withhold 20 percent of its payments to local governments and schools to narrow the state's budget deficit. According to the Division of Budget, the state is facing a revenue loss of \$14.5 billion this year due to the COVID-19 pandemic. There is growing support among some state legislators for some form of wealth tax to help resolve the state's budget shortfall. <https://webcache.googleusercontent.com/search?q=cache:rDjbDTwhNLwJ:https://www.timesunion.com/news/article/Support-grows-for-wealth-tax-to-fund-public-15554565.php+&cd=1&hl=en&ct=clnk&gl=us>

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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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