

Thursday, September 24, 2020

To: New York Community Banks

## FROM ICBA

### **Call Alert: Tell Congress to pass standalone PPP bill**

With negotiations over the next stimulus package at a standstill, ICBA is urging community bankers to [call members of Congress](#) on behalf of standalone Paycheck Protection Program forgiveness legislation. The ICBA-advocated Paycheck Protection Small Business Forgiveness Act (S. 4117/H.R. 7777) would forgive PPP loans of \$150,000 or less. Community bankers can use ICBA's [Be Heard grassroots action center](#) to call their lawmakers and urge support for the bipartisan, bicameral legislation. ICBA initiated the effort to simplify PPP loan forgiveness, long advocating a presumption of compliance for smaller loans. It continued the push last week in separate letters with other business groups and with 44 state community banking associations on behalf of the standalone forgiveness bills.

### **CALL CONGRESS NOW**

### **ICBA op-ed: How to speed up FedNow launch**

Community banks strongly support the Fed's decision to launch the FedNow real-time payments system but are increasingly eager to get it off the ground, ICBA's Deborah Matthews Phillips writes in a new op-ed. In [American Banker](#), ICBA's SVP of payments and technology policy calls on the Fed to expand transparency in FedNow's development, engage future users, and collaborate with The Clearing House's Real-Time Payments network.

"Community banks have focused much of their attention in recent months on responding to the coronavirus pandemic and implementing the Paycheck Protection Program, but they haven't lost sight of the need for swift implementation of FedNow," she writes. [Read the op-ed.](#)

### **Nacha issues tools on voice payments, cybersecurity**

Nacha's Payments Innovation Alliance released [new resources](#) on payments innovation. "Voice Payments: An Introduction and Overview" offers information on conversational payments and enabling technologies, including voice assistants and smart speakers. "COVID-19 Best Fraud Prevention and Cybersecurity Practices" offers 10 best practices on pandemic-related cyberthreats.

### **Mortgage performance slides in Q2: OCC**

The performance of first-lien mortgages in the federal banking system declined during the second quarter of 2020, according to the [OCC](#). The agency said 91.1 percent of included mortgages were current and performing at the end of the quarter, down from 96.1 percent a year earlier. The percentage of seriously delinquent mortgages increased 5.4 percent from the previous quarter, though foreclosures were down significantly due to moratoriums.

## FROM OTHER SOURCES

- Federal Reserve Chair Jerome Powell again urged Congress to pursue an economic stimulus package, saying in his second of three days of congressional testimony that "the power of fiscal policy is really unequaled by anything else." Separately, Chicago Fed President Charles Evans and Boston Fed President Eric Rosengren also pointed to the power of fiscal policy over what is in the Fed's toolbox to help support the economy amid the coronavirus pandemic. ([The Wall Street Journal](#))
- Americans have lost more than \$145 million to fraud related to the coronavirus, according to the Federal Trade Commission, which said it had fielded more than 200,000 complaints from consumers. Schemes related to the coronavirus peaked in the spring, and they focused on federal stimulus payments and other forms of financial relief, personal protective equipment, and unemployment and other government benefits, the commission

reported. [https://www.nytimes.com/2020/09/23/us/coronavirus-scams-ftc-reports.html?mkt\\_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D](https://www.nytimes.com/2020/09/23/us/coronavirus-scams-ftc-reports.html?mkt_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D)

- Federal Reserve Bank of Cleveland President Loretta Mester said the U.S. economy remains in a deep hole brought on by the coronavirus pandemic. In comments after a speech about the central bank's research on digital money options, Ms. Mester said Wednesday that parts of the economy have recovered more quickly than others, while other sectors remain depressed. [https://www.wsj.com/articles/fed-researching-options-for-digital-money-offerings-mester-says-11600866001?mkt\\_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D](https://www.wsj.com/articles/fed-researching-options-for-digital-money-offerings-mester-says-11600866001?mkt_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D)
- The U.S. economy's recovery from the virus-induced recession will get much harder, with more permanent job losses unless there's additional fiscal support, Federal Reserve Bank of Atlanta President Raphael Bostic said: "I am going to keep talking about this because I think this is important." [https://www.bloomberg.com/news/articles/2020-09-23/fed-s-bostic-says-temporary-disruptions-could-become-permanent?sref=GogtSA14&mkt\\_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D](https://www.bloomberg.com/news/articles/2020-09-23/fed-s-bostic-says-temporary-disruptions-could-become-permanent?sref=GogtSA14&mkt_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D)
- The U.S. economy in September continued its steady recovery from the sharp declines in the second quarter as demand and output strengthened, according to new business surveys. [https://www.wsj.com/articles/faltering-service-sector-weighs-on-global-recovery-as-infections-rise-11600853490?mkt\\_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D](https://www.wsj.com/articles/faltering-service-sector-weighs-on-global-recovery-as-infections-rise-11600853490?mkt_tok=eyJpIjoiTWpWalpEWTJpV0kwTTJJNCIsInQiOiJTMSSwVkRXTEtXZ2YxYzR4WFE4MwWtNWlwvbnHRSRXdiZVFNTmpCSGJ6cEtLc0pwXC9RVW1TdkZOUkRySW51Vk5CdXl5ZGFcL2JZamFYUk1obFNkdIwvbmJMdkNzYkQrbU5sMWJqbVJ3TXdRdSt0b0pBcEs3RzJtVFJaSzhsQzNiTjZGemsifQ%3D%3D)

#### FROM NEW YORK

- New York reported 25,437 total statewide deaths of New Yorkers who tested positive for COVID-19. There were 5 more fatalities in New York yesterday. For more numbers, including the latest statewide and borough-by-borough statistics, [click here](#).
- New York City officials are focusing efforts on [containing ongoing COVID-19 surges](#) in four areas of the city. An "Ocean Parkway Cluster" in southern Brooklyn is of particular concern, with at least 1,660 cases emerging in the neighborhoods of Midwood, Borough Park and Bensonhurst in recent weeks, [according to the city](#). Another 800 cases have popped up in three other neighborhoods in Brooklyn and Queens. These areas have [significant Hasidic Jewish communities](#) where widespread confidence in so-called herd immunity has emerged in recent months. While the mayor highlighted outreach to 20 local synagogues and community leaders, he avoided directly attributing the ongoing clusters to recently reported indoor gatherings within the community.
- While unemployment in upstate cities is now falling below 10%, [according to the state Department of Labor](#), the rate remains above 16% in New York City and just a few points below that in the surrounding suburbs.
- [The latest state COVID data](#) shows infection rates still remain below 2% in every region of the state, with fewer than 1% of reported tests coming back positive on Tuesday – a far cry from the 20 states where cases and deaths are increasing, [according to The New York Times](#). U.S. Sen.

Rand Paul of Kentucky suggested at a Wednesday Senate hearing that New York is only doing so well is because it has achieved herd immunity. “If you believe 22% is herd immunity, I believe you are alone in that,” Dr. Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases, [said in response](#).

- Good government groups like Common Cause New York, Reinvent Albany and the League of Women Voters of New York State are urging Cuomo in a new letter to release a plan ASAP on dealing with the state budget deficit sooner rather than later. “The State has delayed presenting a detailed budget-balancing plan, as it awaits much deserved additional federal aid,” [reads the letter](#). “Our groups appreciate the regular updates you provided on the State’s COVID-19 response; similar transparent disclosures should be extended to State budget actions.”

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**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 ([Steвер@ibanys.net](mailto:Steвер@ibanys.net))**