

Tuesday, October 13, 2020

To: New York Community Banks

FROM ICBA

ICBA: More PPP forgiveness relief needed

ICBA said community banks are pleased that the SBA simplified the loan forgiveness application for certain Paycheck Protection Program loans, but more relief is needed. Following the SBA's [announcement](#) of a simplified process for PPP loans of \$50,000 or less, ICBA continued its call for Congress to immediately pass legislation to simplify forgiveness for loans of \$150,000 or less.

"The broadly supported, bipartisan, bicameral Paycheck Protection Small Business Forgiveness Act (H.R. 7777/S. 4117) would relieve small businesses of reporting burdens and preserve the intent of the program to sustain employment amid pandemic-related shutdowns," ICBA President and CEO Rebeca Romero Raine said [in a statement](#). Under the simplified forgiveness process, borrowers with loans of less than \$50,000 are exempt from reductions in the forgiveness amount based on reductions in full-time equivalent employees, salary, or wages. ICBA has led the effort to simplify PPP loan forgiveness and continues calling on community [bankers](#) and [small-business owners](#) to call their members of Congress and urge them to immediately pass H.R. 7777/S. 4117.

[READ ICBA RELEASE](#)

Crapo continues push on PPP asset-threshold impact

Senate Banking Committee Chairman Mike Crapo (R-Idaho) urged regulators to use their discretion to minimize the regulatory impact of Paycheck Protection Program lending. In a letter to the agencies, Crapo noted that PPP lending has led to significant balance sheet growth, sending some institutions over certain asset-based regulatory thresholds. The FDIC recently told a group of 14 House Republicans that it is exploring options to address the impact of PPP loans after the lawmakers urged regulators to exclude PPP balances from regulatory thresholds. In a recent [letter](#) to ICBA, McWilliams said the agency is considering targeted adjustments to address the issue. ICBA first raised the concern in messages to [Congress](#) and [regulators](#), noting the agencies are authorized to quickly amend PPP regulations.

Fraud grows amid pandemic: examiners

A survey of fraud examiners found 77 percent of respondents said they've observed an increase in the overall level of fraud during the coronavirus outbreak. The Association of Certified Fraud Examiners benchmarking [report found](#) cyberfraud continues to be the most heightened risk for organizations. Other significant risks include unemployment fraud, payment fraud, and fraud by vendors and sellers.

FROM OTHER SOURCES

- With the virus still [surging](#) in some parts of the country, a growing number of employers are delaying return-to-office dates once again, to the summer of 2021 at the earliest. 73% of U.S. employees fearing that being in their workplace could pose a risk to their personal health and safety, according to a [study \[https://www.nytimes.com/2020/10/13/technology/offices-reopening-delay-coronavirus.html?mkt_tok=eyJpIjoiT1RKBjU1qRmxORFF4WkRaaCIsInQiOiJcLzZMTXhaZVpuYU5SQnpGOEZnSVI2UTRhdmlobUUtNc3k4dHBtcVlzMGM5BSzBjXC9Lb2s0VVhPQmdqZ0ZRZDISREVZS3FmN28rXC9tWUo5VTUwa1JkUnlTMTRjMEsyV21GK1JwU1FMdHhWZDRWeHJDR1EyV1MxRG5IWWFObSsycDRvdSJ9\]\(https://www.nytimes.com/2020/10/13/technology/offices-reopening-delay-coronavirus.html?mkt_tok=eyJpIjoiT1RKBjU1qRmxORFF4WkRaaCIsInQiOiJcLzZMTXhaZVpuYU5SQnpGOEZnSVI2UTRhdmlobUUtNc3k4dHBtcVlzMGM5BSzBjXC9Lb2s0VVhPQmdqZ0ZRZDISREVZS3FmN28rXC9tWUo5VTUwa1JkUnlTMTRjMEsyV21GK1JwU1FMdHhWZDRWeHJDR1EyV1MxRG5IWWFObSsycDRvdSJ9\)](https://www.nytimes.com/2020/10/13/technology/offices-reopening-delay-coronavirus.html?mkt_tok=eyJpIjoiT1RKBjU1qRmxORFF4WkRaaCIsInQiOiJcLzZMTXhaZVpuYU5SQnpGOEZnSVI2UTRhdmlobUUtNc3k4dHBtcVlzMGM5BSzBjXC9Lb2s0VVhPQmdqZ0ZRZDISREVZS3FmN28rXC9tWUo5VTUwa1JkUnlTMTRjMEsyV21GK1JwU1FMdHhWZDRWeHJDR1EyV1MxRG5IWWFObSsycDRvdSJ9)
- House Majority Leader Steny Hoyer (D-Md.) told lawmakers that no votes are expected this week, dampening the already slim prospects that Congress might pass a coronavirus stimulus measure before the Nov. 3 elections. House Speaker Pelosi and Treasury Secretary Mnuchin plan to continue negotiations, even after multiple Senate Republicans expressed opposition to the latest pitch from the Trump administration. ([Bloomberg](#))

- White House chief of staff Meadows and Treasury Secretary Mnuchin sent a letter to Congress asking lawmakers to pass legislation that would permit President Trump to redirect about \$130 billion in unused PPP funding -- unlikely to move the needle in the House as Speaker Pelosi continues to push for a more comprehensive deal. Pelosi reiterated both parties "remain at an impasse" on economic stimulus package negotiations, following earlier objections to the administration's \$1.8 trillion proposal from Democrats and Republicans. ([The Washington Post](#))
- The White House again pivoted its approach to stimulus negotiations on Sunday, with the president's aides pushing for immediate action on a narrow measure after the administration's \$1.8 trillion proposal was rebuffed by members of both parties, [The Washington Post reports](#).
- The potential failure of economic relief talks in Washington would have dire consequences for small businesses across the U.S., with the lack of new federal aid threatening to trigger mass layoffs and closures that would drag on the economy. The negotiations between Democratic leaders and the White House - which Senate Majority Leader Mitch McConnell said Friday are "unlikely" to succeed before the election - cover a vast range of issues. https://www.politico.com/news/2020/10/09/small-businesses-lack-lifelines-428387?mkt_tok=eyJpIjoiT0RBM09UVmlNRFl6WVRJeSIsInQiOiJqNitSelpuMW41MXNiS2ILcE1RcGF2ejFMbHdqNU9KaUNickpRRjQ0VThQdUFpdWFYcXdLa3d1Q3luRjJkSHpzeWlhTE1OcGxwU2VJQmt0aXU3NnVhcllWQVBPpSVwvRXNwcHV0QXhEaURsb0c4VIZvYk92N0xRcnRUOExiNmt0QVEifQ%3D%3D

FROM NEW YORK

- Hospitalizations have increased in New York alongside an alarming spike in coronavirus cases that caused Gov. Andrew Cuomo to reinstate cluster containment zones and shut down schools in hotspots, [the New York Post reports](#).
- Democrats are so convinced that Cuomo could be considered for Joe Biden's attorney general that aides at the National Governors Association, which Cuomo chairs, are looking into contingencies for replacing him, [Axios reports](#). Cuomo insisted that he was not interested in becoming attorney general but added he would help the Democratic nominee "any way I can," [Politico New York reports](#).
- [Former Senate Majority Leader](#) Joe Bruno was laid to rest on Friday. The long-time state senator passed away on Wednesday from a battle with cancer at the age of 91.

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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; 716.880.0518)**
- **Stephen W. Rice, Director, Communications & Government Relations (Stever@ibanys.net)**