

Monday, October 19, 2020

To: New York Community Banks

Good morning. I hope you and your families are well. Today, IBANYS is joining with ICBA to urge all New York community bankers to contact their local Members of Congress regarding the deduction of Economic Injury Disaster Loan (EIDL) advances from PPP loan forgiveness -- and, to encourage their local small business owners to do the same.

While borrowers may receive up to a \$10,000 EIDL advance, those funds will be deducted from PPP loan forgiveness, leaving some borrowers with a substantial unforgiven balance that must be repaid.

Please see the article below from ICBA explaining how to use their "Be Heard" grassroots action center to reach out to Congress today on this important issue.

-- John

FROM ICBA

New ICBA summary on recent PPP guidance

ICBA [released a summary](#) of recent Paycheck Protection Program guidance, including a simplified forgiveness process and guidelines on Economic Injury Disaster Loan advances. The document details:

- The simplified Form 3508S application and instructions for borrowers with PPP loans of \$50,000 or less.
- An SBA update to its frequently asked questions on the extended deferral period for borrower payments on PPP loans.
- SBA's announcement that lenders can now see if the agency will deduct an EIDL advance from final forgiveness payments.

ICBA continues to offer a [guide on SBA lien requirements](#) related to EIDLs and additional information on the federal pandemic response on its COVID-19 [frequently asked questions](#).

[ACCESS ICBA SUMMARY](#)

Join ICBA's [15th webinar briefing](#) on ICBA's continued advocacy related to the COVID-19 outbreak, federal banking agency action to date, and the remarkable response of community banks across the country. ICBA experts will share an advocacy update from Washington, D.C. and discuss agency announcements including the recent SBA Paycheck Protection Program streamlined PPP forgiveness procedures. The ICBA team will address the measures it continues to push for in Congress as well as other advocacy highlights.

Participants are encouraged to submit questions prior to the briefing as the ICBA team spends a majority of the time answering inquiries from community bankers. A link to submit questions is provided in your registration confirmation email.

ICBA Speakers:

- **Rebeca Romero Rainey**, ICBA President & CEO
- **Karen Thomas**, Senior Executive Vice President, Government Relations & Public Policy
- **Paul Merski**, Group Executive Vice President, Congressional Relations

ICBA urges grassroots on EIDL advances

ICBA is calling on [community bankers](#) and their [small-business contacts](#) to contact Congress on the deduction of Economic Injury Disaster Loan advances from PPP loan forgiveness. While borrowers may receive up to a \$10,000 EIDL advance, those funds will be deducted from PPP loan forgiveness, leaving some borrowers with a substantial unforgiven balance that must be repaid. ICBA's Be Heard grassroots action center makes it easy for [community bankers](#) and [small-business owners](#) to urge Congress to provide relief for affected small businesses and PPP lenders. Meanwhile, ICBA continues calling

on [community bankers](#) and [small-business owners](#) to urge Congress to immediately pass bipartisan legislation to simplify PPP forgiveness.

Free PPP webinar tomorrow

ICBA is scheduled to host a complimentary Paycheck Protection Program webinar at 11:30 a.m. (Eastern time) tomorrow, Oct. 20. Staff experts will answer questions and discuss streamlined PPP forgiveness procedures, other regulatory updates, ICBA's push for forgiveness simplification, and more. [Learn more and register.](#)

FROM OTHER SOURCES

- Following discussions over the weekend between Treasury Secretary Mnuchin and House Speaker Pelosi, the Speaker gave the White House a deadline of Tuesday to reach an agreement with Democrats on an economic stimulus package that could be enacted prior to the Nov. 3 election. Pelosi and Mnuchin are to resume talks today. Senate Majority Leader McConnell plans to bring to the senate floor this week a roughly \$500 billion bill containing funding for schools, federal unemployment insurance and vaccine distribution, and vote Tuesday on fresh funding for the Paycheck Protection Program. ([The Wall Street Journal](#))
- Commercial real estate is in trouble, and turbulence in the \$15 trillion market is threatening to bleed over into the broader financial system just as the U.S. struggles to emerge from a recession. https://www.politico.com/news/2020/10/18/next-economic-crisis-empty-retail-space-429994?mkt_tok=eyJpIjoiTTJKbE1qUXpOV1JrWTJObCIsInQiOiJKa0JveEk2N0t3QU90cWloblpsVFBjZUFKREZseGg3RGdxT1Y4Q05BMExvSUZ2NTJQVFPsamtidXFcL2RDY0dmYkxyVUZKtG5QbFNwdDhLZFEzQTFOaXM2am9cL1pEYlQ0TU5ob1Q5VzVcL2JbHNTOfZvVUt5cG1nY2R5NzBmeWhRdCJ9
- The battle in Washington over the size and scope of a coronavirus relief package has piled on more uncertainty for the nation's banks as they try to plan for an already wildly unpredictable future. https://www.politico.com/news/2020/10/16/banks-coronavirus-planning-429978?mkt_tok=eyJpIjoiTTJKbE1qUXpOV1JrWTJObCIsInQiOiJKa0JveEk2N0t3QU90cWloblpsVFBjZUFKREZseGg3RGdxT1Y4Q05BMExvSUZ2NTJQVFPsamtidXFcL2RDY0dmYkxyVUZKtG5QbFNwdDhLZFEzQTFOaXM2am9cL1pEYlQ0TU5ob1Q5VzVcL2JbHNTOfZvVUt5cG1nY2R5NzBmeWhRdCJ9

FROM NEW YORK

- Though it's unclear when a coronavirus vaccine will come to be, getting as many as 40 million shots into the arms of 20 million New Yorkers could be a daunting obstacle for the state's return to normalcy. Governor Cuomo [began to lay out plans](#) for dispersing a vaccine, which could require two doses per person.
- Governor Cuomo's coronavirus update from Sunday included the following information: Statewide Positivity Rate is 1.08 Percent; Positive Testing Rate in Hot Spot Areas is 3.19 Percent; New York State Positivity Without Red Zone Focus Areas Included is 1.0 Percent; There were 7 COVID-19 Deaths in New York State Saturday.

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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 (Steve@ibanys.net)