

Friday, October 30, 2020

FROM ICBA

Grassroots on EIDL advances continues

ICBA continues urging community bankers to direct borrowers to ICBA's [small-business alert](#) addressing Economic Injury Disaster Loan Advance deductions from PPP forgiveness amounts. ICBA also offers a separate alert for [community bankers](#). More than 1 million PPP borrowers are beginning to realize their EIDL advance grants are converting to as much as \$10,000 in unexpected debt during the PPP forgiveness process. The conflict also has left community banks with balances on their books for EIDL advances originated by the SBA. In addition to ICBA's grassroots alerts on the EIDL-PPP issues, [community bankers](#) and [small-business owners](#) can also continue calling their members of Congress in support of bipartisan legislation to simplify PPP forgiveness.

FROM OTHER SOURCES

- President Trump and House Speaker Nancy Pelosi both held out hope Thursday for action on economic relief legislation immediately following the election, although they differed on what could or should happen, [The Washington Post reports](#).
- A new phase of the economic crisis looms for the winner of the presidential election: potentially massive defaults by jobless Americans on consumer loans as the chances for more federal relief this year diminish. Both Presidential candidates have called for robust new rescue packages for an economy still suffering from the pandemic, but Congress's inability to agree on key issues such as the size of unemployment benefits has kept the talks at an impasse for months. https://www.politico.com/news/2020/10/29/jobless-americans-face-debt-crunch-without-more-federal-aid-as-bills-come-due-433649?mkt_tok=eyJpIjoiWkRkaE56VXlaV1kwWWpZeSIsInQiOiIrZzJFNHJzdEFYAGxDOU F2NHZTVUFEMVwvYWdrdlM0YVhpaFJQV3hzUW93VWxTak4rYU9VNDdBVzVtNFFIZG NwVjVPcU9PXC9uZ0Jtb1pGY2NFY1wvXC8wbm9lcnBIaUR1XC9WXC9FRW5jMEdjZ0pO TnBXWjZ0aVRBVEpsK1k1aUs5cVdRMjY9
- States face the biggest cash crisis since the great depression. The drop in tax revenue has led to an expected total shortfall of hundreds of billions of dollars—greater than 2019's K-12 education budget for every state combined, or more than twice the amount spent that year on state roads and transportation infrastructure.
- [Jobless claims nationwide](#) fell to their lowest number since March last week. Still, the 751,000 out-of-work Americans remains high and suggests employers continue to cutback on positions amid the ongoing COVID-19 pandemic. Meanwhile, the virus is surging back in virtually every state after a summertime lull in most parts of the country. The question remains how much the economic woes created largely by the pandemic and efforts to halt the spread of the coronavirus will play out at the polls.

FROM NEW YORK

- New York reported 25,773 total statewide deaths of New Yorkers who tested positive for COVID-19 as of Oct. 28. For more numbers, including the latest statewide and citywide statistics, [click here](#).

- New York City is recording a slow and steady rise in COVID-19 cases, Mayor Bill de Blasio said, with health officials blaming some of the uptick on out-of-state travelers and indoor gatherings, [The Wall Street Journal reports](#).
- Just how bad is COVID-19 surging in New York? The best answer to that question has changed over time. Total confirmed cases used to be the headline data point early on in the pandemic. Then came hospitalizations and deaths. Now, two other measures are focal points: testing positivity rate and the number of new cases per 100,000 people. “It’s not one metric that can tell you how a given area is doing during the epidemic,” Syra Madad, senior director at the System-wide Special Pathogens Program Office at NYC Health + Hospitals, said in an interview. “You have to look at multiple different factors.” [Read more here](#).
- [More than a million people](#) in New York City remain unemployed, and [federal employment data](#) released Thursday shows that 52,000 more residents filed for benefits in the past week. [Total layoffs statewide](#) are larger in 2020 than the previous six years combined. It hardly helps that many people are [still working from home](#). “Seven months after being hit by the bus, this patient still has a long road ahead to full health,” The New York Times writes of the national economy, “with a lot that could yet go wrong.”
- State Comptroller Thomas DiNapoli is urging New York City to come up with a common-sense fiscal plan to address economic uncertainty caused by the pandemic, panning the city’s proposed plan to borrow funds and calling for federal assistance, [the Daily News reports](#).

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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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