

Monday, December 21, 2020

To: New York Community Banks

Congress is scheduled to vote on the long-negotiated-and-awaited coronavirus emergency relief package today, and the President is expected to sign it when it is delivered to his desk.

IBANYS, together with ICBA, has been closely monitoring developments and weighing in with members of the New York Congressional Delegation on the priority issues for New York community banks and those we serve.

We'll continue to update you on further developments once the legislation is passed and signed. Thanks for all your support.

-- John

FROM ICBA

Congress announces stimulus deal outline

Congressional leaders announced the outline of a deal for an economic stimulus package and year-end spending bill, with passage expected as soon as today.

While full details of the stimulus agreement are still emerging, a [limited summary](#) released by congressional Democrats cites \$284 billion in Paycheck Protection Program funding, PPP funds dedicated for loans from community-based institutions, expanded PPP eligibility, and more than \$25 billion for other SBA programs.

The deal also includes another round of Economic Impact Payments: \$600 for individuals making up to \$75,000 per year, \$1,200 for couples making up to \$150,000 annually, and \$600 for each child dependent.

Congress announced the deal Sunday before approving a one-day spending bill to keep the government running until today. The House and Senate need to vote to approve the package to send it to President Trump to be signed into law.

ICBA has continued to press lawmakers through the weekend to include PPP forgiveness simplification, an EIDL Advance fix, and a TDR relief extension through 2021. ICBA will continue reviewing and keeping community bankers apprised of the details as they are available, including the ICBA-advocated provisions.

[READ THE SUMMARY](#)

FROM OTHER SOURCES

- Senate Majority Leader McConnell and Senate Minority Leader Charles Schumer said lawmakers agreed to a \$900 billion economic relief package, which includes stimulus checks of up to \$600 per person and the extension of federal unemployment benefits of up to \$300 per week. President Trump signed a one-day extension of government funding that will allow time for Congress to quickly approve the final bill. Negotiators have reportedly agreed to extend a moratorium on evictions set to expire at the end of the year for one month, along with a full-year deadline extension for states and cities to use any remaining money allocated in the CARES Act, according to informed sources. ([The Washington Post](#))
- Here's a summary of what's in the package agreed upon Sunday. <https://politi.co/3h4a4oI>

- Top Capitol Hill negotiators sealed a deal on a \$900 billion COVID-19 economic relief package, finally delivering long-overdue help to businesses and individuals and providing.....[Read More](#)
- The House meets at 9 a.m. with votes TBD, but no earlier than 10 a.m. The Senate meets at noon.
- Economists and policymakers expressed relief over the \$900 billion stimulus package, but the smaller size of the legislation, omission of several key provisions and the fact that some of the aid expires in March left analysts warning that more spending may be needed next year. https://www.washingtonpost.com/business/2020/12/21/stimulus-bill-economy/?mkt_tok=eyJpLjoiTVdOaU1UUXdPRGM1TVRJeIsInQiOiJiWmNpY3dIXC94bll5NzhveWolakZ5RjNVTfdoS3JcL0ZEZlRmbGdLTm4yUkQ5Y3NjcUpcL1VjN29vNmducWJpNEtEalBjcVVyb3NoMWIMWW5mbGtNM1dvejZYU2lSNEh5T3VGK0p2cVZTenU1R2s4cnI2ZENrcUpUYWlhUDFKTEMrRCJ9
- The new coronavirus relief package would provide direct payments and jobless aid to millions of Americans, and support for small business, hospitals and schools. The agreement will reportedly provide stimulus payments of \$600 to millions of American adults making up to \$75,000 (the previous stimulus law included payments of up to \$1,200, and a [report from the Federal Reserve Bank of New York found](#) most of those funds were used to pay off debt or put into savings.
- The package would revive lapsed supplemental federal unemployment benefits at \$300 per week for 11 weeks, half the level of aid delivered by the \$2.2 trillion stimulus law enacted last March. According to *Business Insider*, in the largest U.S. cities the new money would carry a two-person [household for less than two weeks](#).
https://www.nytimes.com/2020/12/20/us/20stimulus-deal-reaction.html?action=click&module=Spotlight&pgtype=Homepage&mkt_tok=eyJpLjoiTVdOaU1UUXdPRGM1TVRJeIsInQiOiJiWmNpY3dIXC94bll5NzhveWolakZ5RjNVTfdoS3JcL0ZEZlRmbGdLTm4yUkQ5Y3NjcUpcL1VjN29vNmducWJpNEtEalBjcVVyb3NoMWIMWW5mbGtNM1dvejZYU2lSNEh5T3VGK0p2cVZTenU1R2s4cnI2ZENrcUpUYWlhUDFKTEMrRCJ9
- A New York Times editorial notes the \$900 billion pandemic aid package "is a necessary measure that will ease the suffering of millions of Americans. It will help unemployed workers to feed their families and to avoid eviction. It will help unemployed workers to feed their families and to avoid eviction. It will help small businesses avoid bankruptcy. It will help to keep the trains and buses running in cities across the country. Congress should have acted months ago, and the delay has caused a lot of unnecessary pain. Even now, Congress is not doing enough to meet the full measure of the need. But the relevant question is whether this agreement will help — and the clear answer is yes." https://www.nytimes.com/2020/12/20/opinion/second-stimulus-package-congress.html?mkt_tok=eyJpLjoiTVdOaU1UUXdPRGM1TVRJeIsInQiOiJiWmNpY3dIXC94bll5NzhveWolakZ5RjNVTfdoS3JcL0ZEZlRmbGdLTm4yUkQ5Y3NjcUpcL1VjN29vNmducWJpNEtEalBjcVVyb3NoMWIMWW5mbGtNM1dvejZYU2lSNEh5T3VGK0p2cVZTenU1R2s4cnI2ZENrcUpUYWlhUDFKTEMrRCJ9

FROM NEW YORK

- Governor Cuomo's Sunday update on the pandemic noted that there were 6,185 patient hospitalizations statewide; 1,045 Patients in the ICU; 600 Intubated; the statewide positivity rate is 5.05%; there were 123 COVID-19 deaths in the state yesterday. For full details, including regional breakdowns of the latest data: <https://empirereportnewyork.com/cuomo-virus-update-december-20/>
- The Governor called on the federal government to take action in the wake of a new, highly contagious [variant of the COVID-19](#) virus in the United Kingdom. Several European countries have imposed new restrictions on individuals traveling from the United Kingdom, including banning travelers and mandatory testing measures. The United States has taken no action.

- Veteran members of the state Assembly are calling for increasing taxes on upper income earners in New York, as Congress has reached a deal for a COVID-19 stimulus agreement that did not include unrestricted aid to state and local governments reeling from the loss of revenue during the pandemic. [Read More](#)
- Governor Cuomo and Assembly Speaker Heastie both seem resigned to the fact they may have to raise taxes soon to fill what's currently a \$15 billion crater in the state budget, but Cuomo is right that a tax hike should wait until after the new year, [the Daily News writes](#).
- Senator Schumer announced that the coronavirus stimulus deal reached in Congress will include more than \$4 billion in funding for the Metropolitan Transportation Authority, [NY1 reports](#).
- The \$900 billion federal pandemic relief bill expected to be passed by Congress on Monday will provide a major, if temporary, boost to New Yorkers grappling with unemployment and food and housing insecurity, [The City reports](#).
- The New York state Capitol [remains closed to the general public on the eve of a legislative session](#) where lawmakers will consider key issues including raising taxes and adjusting the state budget. The Capitol was closed to visitors on March 14 after two state legislators tested positive for the coronavirus, and access restrictions have remained in place ever since. Both chambers of the Legislature passed resolutions allowing members to cast their votes remotely. The Governor and legislative leaders said there are no plans to reopen the Capitol, citing the continuing pandemic.
- Governor Cuomo emphasized his belief New York could avoid another shutdown like what the state witnessed in the spring, saying despite COVID-19 cases and hospitalizations broadly rising across the state in recent weeks, New Yorkers could keep the spread under control. "A shutdown is totally avoidable," [Cuomo said](#). "I believe New Yorkers can slow the spread and hospitals can manage the increase."
- Governor Cuomo [released new guidance](#) for the state's rent relief program, reopening the application period and expanding eligibility after roughly \$60 million of a federal allotment of \$100 million for the program went unused. The federal funds are set to expire at the end of the year, however, and tenant advocates criticized the governor for waiting to take action to expand eligibility for the program. Under the new criteria for eligibility, households no longer have to have been considered rent-burdened before the pandemic to qualify, but must have a household income level at or below 80% of the area median income pre-pandemic, and have lost income between April 1 and July 31.
- The State Department of Labor reported that New York's unemployment rate fell from 9.2% in October to 8.4% in November ([announced yesterday](#)) continuing a trend of job gains over the past several months. [The City reported](#), the creation of new jobs is tenuous, as the possibility of further pandemic restrictions on businesses looms. New York City's unemployment rate in November dropped from 13.0% to 12.1%. "There are very few positive signs in the November jobs data," New School economist James Parrott told The City. "And when you add back those who've dropped out of the labor force since February, the city's unemployment rate for November would be 16.4%."

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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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