

Tuesday, December 22, 2020

To: New York Community Banks

IBANYS is reviewing the details of the coronavirus relief/stimulus package passed Monday by Congress and examining its potential impact on New York community banks. We will continue to keep you fully informed.

-- John

## FROM ICBA

### **ICBA President & CEO Romero Rainey: Stimulus bill contains community bank-advocated provisions**

Months of relentless advocacy by ICBA and community bankers, with the support of their small business customers, helped secure ICBA-advocated provisions that will ensure continued support for consumers and small businesses amid the ongoing coronavirus pandemic, ICBA President and CEO Rebeca Romero Rainey said [in a message to community bankers](#). “Through tens of thousands of phone calls and direct messages to your members of Congress, you made your voices heard, community bankers, and once again Washington paid attention,” Romero Rainey wrote.

The message followed a [national news release](#) outlining the ICBA-advocated provisions in the stimulus package, which will:

- Simplify Paycheck Protection Program loan forgiveness.
- Fully forgive Economic Injury Disaster Loan advances, ending the EIDL debt trap.
- Support a new round of PPP lending.
- Allow tax deductibility of business expenses paid with PPP funds.
- Extend troubled debt restructuring (TDR) relief.
- Provide agricultural sector support.

A more detailed summary prepared by ICBA can be [found here](#) and will be updated with additional information as it is known.

### **ICBA updates FAQs on stimulus payments**

As Americans await news about the stimulus bill and the prospect of receiving direct Economic Impact Payments, ICBA has [compiled answers](#) to the top issues impacting community banks. To prepare, ICBA advises bankers to evaluate their cash forecast now to ensure sufficient cash on hand and for replenishing ATMs. Banks are encouraged to coordinate their orders with the Federal Reserve and their armored car service. Banks should also ensure that they have adequate staffing in supporting functions, such as call centers and payment operations, to handle a possible increase in customer questions or payment exception processing.

### **Supplemental guidance issued on SolarWinds attack**

The Department of Homeland Security and Cybersecurity and Infrastructure Security Agency issued supplemental guidance to its [alert](#) for affected organizations to help mitigate exposure related to the supply chain attack on the SolarWinds Orion Platform. The attack, which occurred between March and June 2020, pushed malicious code to an estimated 18,000 SolarWinds Orion customers, and has been linked to Russian hackers. CISA recommends that affected agencies must disconnect and rebuild affected systems, as well as look for other persistent malware that might now reside within impacted networks. ICBA will continue to monitor developments and update its [Cyber and Data Security](#) resources section with the latest information.

## FROM OTHER SOURCES

- Congress passed a \$2.3 trillion government funding and coronavirus relief measure that, once signed into law, will keep the federal government running for the rest of the fiscal year, send \$600 in direct payments to Americans, revive a \$300-per-week supplemental benefit for the

unemployed and provide billions of dollars in aid for businesses. The passage of the \$900 billion COVID-19 stimulus package caps months of negotiations that followed the \$2.2 trillion CARES ACT enacted in March. President-elect Joe Biden pledged that additional aid - especially relief for state and local governments, which was not included the latest package - would be forthcoming once he takes office. ([The New York Times](#))

- Congress approved a \$900 billion coronavirus relief package last night, 359-53 in the House and 92-6 in the Senate, and President Trump is expected to sign the bill into law. The final bill included the major provisions that Congress had negotiated over for months, including up to \$600 in direct payments per person, enhanced unemployment benefits, help for small businesses and money to distribute the COVID-19 vaccine. ([Politico](#))
- Senate Majority Leader McConnell called the COVID-19 package "a historic bipartisan rescue package" and Sen. Dan Sullivan (Alaska) predicting it would be remembered when "the history of this challenging year is written." President-elect Joe Biden saw it differently, calling the deal merely a "down payment." [https://www.washingtonpost.com/politics/biden-gop-covid-aid/2020/12/21/e7a6201c-43aa-11eb-a277-49a6d1f9dff1\\_story.html?mkt\\_tok=eyJpIjoiTnpFeFpEVmxZemhoT0RReCIsInQiOiJQaWlpaUVsZmJEa2p0Q3VEczc0RkxpY1RVb0xsRVZQNzRtWFFHV0IyVFZlS1NucTM0NUZzamxwRVBKak52ZkJKTWpuQIVTNkI3OUgzbnh2RDhTYTVGTCTjNjFhSjZlYXNNT0I3K3RvV2QzW4wNXRKUzFmeHNyTEluaVR3TIFyNSJ9](https://www.washingtonpost.com/politics/biden-gop-covid-aid/2020/12/21/e7a6201c-43aa-11eb-a277-49a6d1f9dff1_story.html?mkt_tok=eyJpIjoiTnpFeFpEVmxZemhoT0RReCIsInQiOiJQaWlpaUVsZmJEa2p0Q3VEczc0RkxpY1RVb0xsRVZQNzRtWFFHV0IyVFZlS1NucTM0NUZzamxwRVBKak52ZkJKTWpuQIVTNkI3OUgzbnh2RDhTYTVGTCTjNjFhSjZlYXNNT0I3K3RvV2QzW4wNXRKUzFmeHNyTEluaVR3TIFyNSJ9)
- Treasury Secretary Steven Mnuchin said households could begin receiving \$600 in direct payments as soon as the beginning of next week under the Covid-19 aid deal. "This is a very, very fast way of getting money into the economy," he said. [https://www.wsj.com/articles/mnuchin-says-stimulus-payments-to-households-could-come-next-week-11608560664?mkt\\_tok=eyJpIjoiT1dJME5UWTVZemM0Tm1FNCIsInQiOiJ1bnMwd3h2NmtjTHlsU0lWQzFkVGNuS3FIa3F4WVV1b2NTZUluQzJZaEhmTIBWMVBsbGg5NWRxRFpHNGRldGJ4aVITMWtGcExtWjNrMTZ5c2NYT3lNdGVVVK0ZURTIod045b0N2V2dOaGhLTndaRzlyWk12U0ZzUVByZ3kwazd4NSJ9](https://www.wsj.com/articles/mnuchin-says-stimulus-payments-to-households-could-come-next-week-11608560664?mkt_tok=eyJpIjoiT1dJME5UWTVZemM0Tm1FNCIsInQiOiJ1bnMwd3h2NmtjTHlsU0lWQzFkVGNuS3FIa3F4WVV1b2NTZUluQzJZaEhmTIBWMVBsbGg5NWRxRFpHNGRldGJ4aVITMWtGcExtWjNrMTZ5c2NYT3lNdGVVVK0ZURTIod045b0N2V2dOaGhLTndaRzlyWk12U0ZzUVByZ3kwazd4NSJ9)
- There are many similarities between the second round of stimulus payments to households and the stimulus checks that were paid in the spring but also some important differences. Here is what we know about them, though things could change as Congress releases details of the legislation and the government implements the program. [https://www.wsj.com/articles/stimulus-checks-round-2-when-will-they-arrive-how-much-will-they-be-11608561726?mkt\\_tok=eyJpIjoiT1dJME5UWTVZemM0Tm1FNCIsInQiOiJ1bnMwd3h2NmtjTHlsU0lWQzFkVGNuS3FIa3F4WVV1b2NTZUluQzJZaEhmTIBWMVBsbGg5NWRxRFpHNGRldGJ4aVITMWtGcExtWjNrMTZ5c2NYT3lNdGVVVK0ZURTIod045b0N2V2dOaGhLTndaRzlyWk12U0ZzUVByZ3kwazd4NSJ9](https://www.wsj.com/articles/stimulus-checks-round-2-when-will-they-arrive-how-much-will-they-be-11608561726?mkt_tok=eyJpIjoiT1dJME5UWTVZemM0Tm1FNCIsInQiOiJ1bnMwd3h2NmtjTHlsU0lWQzFkVGNuS3FIa3F4WVV1b2NTZUluQzJZaEhmTIBWMVBsbGg5NWRxRFpHNGRldGJ4aVITMWtGcExtWjNrMTZ5c2NYT3lNdGVVVK0ZURTIod045b0N2V2dOaGhLTndaRzlyWk12U0ZzUVByZ3kwazd4NSJ9)
- The U.S. Congress on Monday was scrambling to pass a \$900 billion pandemic aid package, following seven months of partisan bickering. The banking industry aggressively pushed for extra stimulus and a raft of other measures which would help shore up struggling borrowers and ultimately benefit the industry. [https://www.reuters.com/article/us-health-coronavirus-usa-banksfactbox/factbox-where-u-s-banks-won-and-lost-in-the-new-pandemic-relief-package-idUSKBN28W18E?mkt\\_tok=eyJpIjoiT1dJME5UWTVZemM0Tm1FNCIsInQiOiJ1bnMwd3h2NmtjTHlsU0lWQzFkVGNuS3FIa3F4WVV1b2NTZUluQzJZaEhmTIBWMVBsbGg5NWRxRFpHNGRldGJ4aVITMWtGcExtWjNrMTZ5c2NYT3lNdGVVVK0ZURTIod045b0N2V2dOaGhLTndaRzlyWk12U0ZzUVByZ3kwazd4NSJ9](https://www.reuters.com/article/us-health-coronavirus-usa-banksfactbox/factbox-where-u-s-banks-won-and-lost-in-the-new-pandemic-relief-package-idUSKBN28W18E?mkt_tok=eyJpIjoiT1dJME5UWTVZemM0Tm1FNCIsInQiOiJ1bnMwd3h2NmtjTHlsU0lWQzFkVGNuS3FIa3F4WVV1b2NTZUluQzJZaEhmTIBWMVBsbGg5NWRxRFpHNGRldGJ4aVITMWtGcExtWjNrMTZ5c2NYT3lNdGVVVK0ZURTIod045b0N2V2dOaGhLTndaRzlyWk12U0ZzUVByZ3kwazd4NSJ9)
- So, how did lawmakers finally break the impasse after eight months of fighting and finger pointing? <http://politi.co/2KPAncZ>. Here's the Associated Press summary: [https://apnews.com/article/donald-trump-health-legislation-coronavirus-pandemic-bills-a38250860a0e720bde8481fe1aab744b?utm\\_source=Sailthru&utm\\_medium=email&utm\\_campaign=Dec22\\_MorningWire\\_Automated&utm\\_term=Morning%20Wire%20Subscribers](https://apnews.com/article/donald-trump-health-legislation-coronavirus-pandemic-bills-a38250860a0e720bde8481fe1aab744b?utm_source=Sailthru&utm_medium=email&utm_campaign=Dec22_MorningWire_Automated&utm_term=Morning%20Wire%20Subscribers)

- Some experts warn the COVID-19 aid may be too little, too late. Key sectors of the economy, including state and local governments, restaurants and plenty more small businesses, say it's not enough. Democrats says this rescue package is just a down payment, but the Republicans have not committed to additional relief next year: <http://politi.co/2KKwxew>.
- Latest cumulative coronavirus numbers nationwide: 18 million Americans have tested positive for the coronavirus, and 319,457 Americans have died.

### FROM NEW YORK

- Congress has put the finishing touches on a \$900 billion coronavirus stimulus measure while also funding the government with a \$1.4 trillion measure. The money will provide economic relief as the pandemic is resurgent in most of the country and small businesses continue to struggle. But the package did not include direct aid to state and local governments. The incoming Joe Biden administration will be looked to for another stimulus package early next year to soften the blow of likely spending cuts next year on the local level. [More here.](#)
- Senator Chuck Schumer said New Yorkers [will net about \\$54 billion](#) from the stimulus bill [passed by Congress late Monday night](#) through unemployment aid, rent assistance, school and mass transit funding, business loans and a smorgasbord of other programs. However, it does not include the billions of dollars in direct aid to New York state and New York City that Mayor de Blasio and Governor Cuomo [say is needed to avoid layoffs and service cuts](#). "Obviously, we would have much preferred a larger infusion that went directly to the states and localities . . . Schumer added: "We're going to come back and fight for much more of that under a Biden administration," he said. "With a new president and pressure on a good number of Republican senators, I think we have a very good chance to get considerably more."
- Governor Cuomo [allowed that congressional Democrats were stuck](#) in an "impossible situation," but de Blasio said the legislation doesn't [deserve to be called a stimulus](#) but is really "a short-term survival plan. This barely helps us to tread water." Now, [almost all city agencies have been ordered to cut](#) their budgets by 3 percent, our Sally Goldenberg [reports](#) this morning.
- Governor Cuomo has formed a task force to ensure vaccines [reach minority and low-income New Yorkers](#) in equitable numbers.
- The NYS Assembly held a [rare December session on Monday](#) - members dealt with nothing beyond some technical housekeeping. But Assembly Speaker Carl Heastie said that another convening to deal with broader issues relating to evictions during the pandemic is still very much on the table before New Year's Day. In Monday's session, members approved a resolution that clarifies that they can use their current remote voting practices in 2021.
- Democrats in the state Legislature have big ambitions about what they can get done in the state legislative session next year. [Here's what to expect.](#)
- The confluence of a deadly pandemic, a multibillion-dollar budget deficit and new Democratic supermajorities suggest that the 2021 legislative session will be unlike any other in state history. [Here are the seven top issues facing state lawmakers.](#)
- New York has the means to solve its revenue shortfall without relying on the federal government or resorting to fiscally irresponsible stopgap borrowing: reinstating the Stock Transfer Tax, [writes City & State Publisher Tom Allon.](#)
- Governor Cuomo's coronavirus update included a request that Virgin Atlantic join British Airways and Delta Airlines in voluntarily testing passengers before boarding flights to New York. He also noted there were 6,331 patient hospitalizations statewide; 1,095 Patients in the ICU; 613 Intubated patients; the statewide Positivity Rate is 5.75% and there were 109 COVID-19 Deaths in New York State. For more details, including a regionalized breakdown of the date:

<https://empirereportnewyork.com/governor-cuomo-announces-british-airways-and-delta-airlines-agree-to-test-all-passengers-before-entering-new-york-state/>

- Moderna's Covid-19 vaccine [began arriving in New York City on Monday](#).

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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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