

Thursday, January 21, 2021

To: New York Community Banks

## FROM ICBA

### **Community banks earn victories with stimulus advocacy**

By [\*Paul Merski\*](#)

Community bankers have hit the ground running this year with another round of Paycheck Protection Program lending, Economic Impact Payment processing, and the everyday business of supporting local communities during the pandemic.

But it is worth taking a moment to reflect on community bankers' success in achieving much-needed emergency provisions in the end-of-year stimulus package. After months of intense lobbying and grassroots outreach, many of ICBA's priority provisions have been signed into law via the Economic Aid Act.

### **What We Did Together**

We kept the community bank message alive and well in Washington in 2020 with a prolific year in community bank grassroots advocacy. As reported in ICBA's recent ["2020 in Review" advocacy report](#), more than 9,000 community bankers sent more than 65,000 messages to Congress and federal regulators last year, including 480 congressional offices.

While ICBA maintains a constant presence with policymakers in Washington, community bank outreach is the difference-maker. And the results speak for themselves.

### **What We Achieved Together**

The stimulus package signed into law at the end of December includes numerous ICBA-advocated provisions benefitting community bank customers and communities. Among its provisions, the bill:

- Simplifies Paycheck Protection Program loan forgiveness.
- Establishes a lender "hold harmless" provision for PPP loans.
- Fully forgives Economic Injury Disaster Loan advances.
- Supports a new round of PPP lending.
- Allows tax deductibility of business expenses paid with PPP funds.
- Extends troubled debt restructuring relief.
- Extends the CECL delay.
- Improves SBA 7(a) lending terms with lower fees and higher guaranty.
- Provides needed agricultural sector support.

Additionally, one of the last acts of the 116<sup>th</sup> Congress was to enact ICBA-advocated BSA/AML reforms as part of the defense spending bill, including beneficial ownership reporting by small businesses directly to FinCEN.

[\*\*READ THE FULL ARTICLE\*\*](#)

### **ICBA welcomes President Joe Biden**

ICBA welcomed President Joe Biden following his inauguration and said it looks forward to working with the new president, his administration, and the 117th Congress. In a [news release](#), ICBA President and CEO Rebeca Romero Rainey said community banks have a hard-earned reputation as catalysts for bipartisan solutions and are committed to advancing pragmatic policies benefiting local communities.

"ICBA's bipartisan policy agenda offers common-sense policy reforms that will help restore broad-based and inclusive economic growth in urban, suburban, and rural communities nationwide," she said.

ICBA announced the nominees for its 2021-2022 board of directors. ICBA's current board will vote on the nominations during [ICBA Connect](#), the virtual event scheduled for March 9-10.

The nominees include:

- **Chairman: Robert M. Fisher of Tioga State Bank in Spencer, N.Y.**
- Chairman-elect: Brad M. Bolton of Community Spirit Bank in Red Bay, Ala.
- Vice Chairman: Russell L. Laffitte of Palmetto State Bank in Hampton, S.C.
- Treasurer: Gregory S. Deckard of State Bank Northwest in Spokane Valley, Wash.
- Secretary: Tim R. Aiken of Union Bank Inc. in Middlebourne, W. Va.
- Immediate Past Chairman: Noah W. Wilcox of Grand Rapids State Bank and its holding company, Wilcox Bancshares Inc., in Grand Rapids, Minn.

### **PPP resources available directly from SBA**

Community bankers have reported problems with NewsWatch Today links to the SBA's Paycheck Protection Program resources, including application forms and rules. All such resources are available on the [SBA](#) and [Treasury Department](#) PPP pages. Additional information is available on ICBA's [PPP and EIP News](#) page, the Independent Bankers Association of Texas's [matrix of PPP updates](#) in the stimulus law, and [ICBA's summary](#) of the stimulus package's community banking provisions.

### **Kraninger steps down from CFPB**

Kathy Kraninger [announced](#) Wednesday that she resigned as Consumer Financial Protection Bureau director, as requested by President Joe Biden's administration. Federal Trade Commission Commissioner Rohit Chopra has been nominated for CFPB director.

### **Builder confidence declines in January**

Builder confidence in the market for new single-family homes [declined](#) three points to 83 in January, according to the National Association of Home Builders index. The decline was led by surging lumber prices and a resurgence of the coronavirus, the NAHB said.

**FROM OTHER SOURCES**

- Joseph R. Biden was sworn in as the 46th president of the United States Wednesday, taking office at a moment of profound economic, health and political crises with a promise to seek unity after a tumultuous four years that tore at the fabric of American society, [the Times reports.](#)
- Kamala Harris was sworn in as vice president of the United States, becoming the highest-ranking female politician in American history, and the first Black person and the first person of South Asian descent to hold the office, [The Washington Post reports.](#)
- President Biden will use his first full day in office to go on the offensive against the coronavirus, with a 21-page strategy that includes aggressive use of executive authority to protect workers, advance racial equity and ramp up the manufacturing of test kits, vaccines and supplies, [the Times reports.](#)
- New York City and State will be [looking for many things](#) from a Biden-Schumer-Pelosi-run Washington. High on the list will be a pandemic aid bailout to the tune of many billions of dollars and a solution to a vaccine supply crisis that forced the city [to postpone tens of thousands of appointments](#) scheduled for this week because of shortages. Governor Cuomo said the entire state [will run out of doses](#) in the next two to three days.
- Kathy Kraninger has resigned as head of the Consumer Financial Protection Bureau at the request of President Biden's administration, immediately ending her term that was set to conclude in 2023 and easing the way for Biden's pick, Rohit Chopra, to replace her. It's unclear if Biden will install Chopra, a Federal Trade Commission member, as director on an acting basis, or if a current CFPB staffer will lead the agency until Chopra is confirmed. ([Reuters](#))
- According to sources, President Biden is expected to pick Michael Barr, the dean of public policy at the University of Michigan, as the next Comptroller of the Currency. It's uncertain when the nomination will be announced. Barr served as Assistant Treasury Secretary for Financial Institutions during the Obama administration and played a key role in developing the 2010 Dodd-Frank Act. ([The Wall Street Journal](#))
- The Senate Finance Committee is scheduled to vote on Janet Yellen's nomination to be Treasury secretary on Friday morning, according to a notice issued Wednesday by the office of outgoing Chairman Chuck Grassley (R-Iowa).
- President Biden faces a number of challenging decisions on financial policy, including pandemic relief, jumpstarting the economy, GSE reform and regulatory hires. The administration is not expected to move quickly to overturn some of the financial deregulation the banking industry has enjoyed during the last four years. [https://www.americanbanker.com/list/bidens-banking-to-do-list-pandemic-relief-gse-reform-regulatory-hires?mkt\\_tok=eyJpIjoiWldJNVIURmIPV013T0RWbCIzInQiOiJ2R0FRT0wrRFZqYWWM1bIRkeIMwdWI1S2JhWEhTeWtMRUZDRit3bFMwQTJxaitHNFp3UEFvS1wvNGVscFFKYWZ1bE14U1NPY3JXRTBmU2hVOVh2UE5wczJBVGFsU2RoS1ViTkV5MWxyblc3UWFBWmNpVjYwc3RrdlNCaDdqT1B3Q1kifQ%3D%3D](https://www.americanbanker.com/list/bidens-banking-to-do-list-pandemic-relief-gse-reform-regulatory-hires?mkt_tok=eyJpIjoiWldJNVIURmIPV013T0RWbCIzInQiOiJ2R0FRT0wrRFZqYWWM1bIRkeIMwdWI1S2JhWEhTeWtMRUZDRit3bFMwQTJxaitHNFp3UEFvS1wvNGVscFFKYWZ1bE14U1NPY3JXRTBmU2hVOVh2UE5wczJBVGFsU2RoS1ViTkV5MWxyblc3UWFBWmNpVjYwc3RrdlNCaDdqT1B3Q1kifQ%3D%3D)
- On President Trump's last full day in office, the Small Business Administration made public proposed rules that would permanently allow religious businesses, such as Christian publishers and for-profit schools affiliated with religious organizations, to receive loans from seven SBA

programs. The proposal faces a public comment period and a lengthy approval process. ([The Washington Post](#))

### FROM NEW YORK

- Total hospitalizations rose to 9,273. Of the 195,409 tests reported yesterday, 13,364, or 6.84 percent, were positive. There were 1,621 patients in ICU yesterday, up seven from the previous day. Of them, 1,044 are intubated. Sadly, we lost 185 New Yorkers to the virus.
- Governor Cuomo said New York has about two to three days of vaccines in supply before needing another shipment of doses, as more vaccination sites themselves are opening up. [Read More](#)
- Governor Cuomo announced a new proposal to help small businesses impacted by COVID as part of his Fiscal Year 2022 Executive Budget: The Pandemic Recovery and Restart Program, a \$130 million proposal to [help](#) small businesses that were most impacted recover from the COVID-19 pandemic. The Program would establish three new tax credits and expand a fourth tax credit to help small businesses, arts and theatrical industries, restaurants, and other businesses to bring back jobs and help the economy recover faster.
- New York's senior U.S. Senator Charles Schumer has been waiting, arguably, his entire professional life for today. The Brooklyn Democrat is now the Majority Leader of the closely divided U.S. Senate, split 50-50 with Republicans. New vice president Kamala Harris will act as the tie-breaking vote. [Read More](#)
- The Governor's \$192.9 billion budget plan [paints a sober picture](#) of New York's current and post-pandemic economy, and forecasts a bleak job market for much of this decade. 'New York State employment is not expected to reach its pre-pandemic peak until 2025,' the analysis from the governor's budget division said. Cuomo's 206-page "Economic Revenue and Outlook" describes job growth stalling amid a second surge of the pandemic.
- State Senate Majority Leader Andrea Stewart-Cousins and Assembly Speaker Carl Heastie, both Democrats, appear to be on the same page when it comes to raising taxes. They both see the challenge this year as more than simply a way to close a budget shortfall. Instead, it appears they want to begin addressing long-standing injustices in the system. [Read More](#)
- Governor Cuomo's demand for \$15 billion in federal aid to New York is unlikely to sour a positive relationship with President Biden, but Democratic state senators say Cuomo [should instead discuss taxing the wealthy](#) as a way to plug the state's deficit.
- A day after threatening to sue the federal government if New York receives less than \$15 billion in COVID-19 aid, a hopeful Gov. Andrew Cuomo said he welcomes a change of tone from Washington following the inauguration of President Joe Biden, [the Daily News reports](#).
- **Pursuit's Paycheck Protection Program (PPP) application is now open to all qualified small businesses seeking access to the program!** You and your clients can find resources on PPP, including links to apply, loan calculators, FAQs and program information in their [PPP Application Information Hub](#). In 2020, Pursuit provided more than 7,000 businesses with PPP loans that averaged just \$23,000. Building on their commitment to ensuring that truly small businesses can access PPP, they are launching a dedicated effort to increase access to the program for women and minority-owned businesses, with a focus on Black- and Latinx-owned enterprises.

Pursuit will be partnering with organizations across their footprint to support women and minority-owned businesses and will also host office hours where businesses in these groups can directly access the Pursuit team to ask questions. Businesses can [sign up here](#). For more information and to discuss ways to partner, please contact Rachel Van Tosh at [rvantosh@pursuitlending.com](mailto:rvantosh@pursuitlending.com).

Visit the PPP Application  
Information Hub

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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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