

Thursday, February 18, 2021

To: New York Community Banks

FROM ICBA

ICBA updates 'Return to the New Normal' guide

ICBA updated its "[Return to the New Normal](#)" [guide](#) featuring suggestions to help community banks resume more normal operations and person-to-person services amid the COVID-19 pandemic. Updated with new information on the vaccine rollout, the guide offers key considerations, such as the emotional state of employees, how to protect personnel, mitigating COVID-19 exposure, and more.

[READ THE GUIDE](#)

Lawmakers urge expanded farm partnership access to PPP

A bipartisan group of lawmakers asked the Treasury Department and SBA to clarify that farm partnerships and LLCs are eligible to use gross income in applying maximum Paycheck Protection Program loan calculations. **Background:** Farmers and ranchers without payroll or positive net income in 2019 were shut out of the original Paycheck Protection Program. Congress changed this limitation to be based on gross income, but SBA guidance has required farm partnership applicants to use net income from their schedule K-1. **What's New:** In their [letter](#), the members of Congress said they believe the Consolidated Appropriations Act of 2021 provides SBA authority to use gross income to allow farm partnerships to qualify. **ICBA Position:** [ICBA supports](#) using gross income in lieu of net income to show positive income and allow farm partnerships to qualify for the PPP.

Fed minutes: economy 'far from' goal

The economy is far from achieving the Federal Reserve's goal of maximum employment, which will "take some time" even with improvements in the labor market, according to the [minutes](#) of the Federal Open Market Committee's Jan. 26-27 meeting.

Key economic indicators improve in January

- Retail Sales: [Rose](#) 7 percent in January from the previous month and were up 7.4 percent from a year ago.
- Producer Price Index: [Increased](#) 3 percent in January, the largest gain since the index began in 2009, and was up 1.7 percent over the past 12 months.
- Industrial Production: [Improved](#) 9 percent in January on gains in manufacturing and mining but remained down 1.8 percent from a year ago.
- Business Inventories: [Rose](#) 6 percent in December but remained down 2.6 percent from a year ago.

FROM OTHER SOURCES

- Almost a year into the pandemic, urgent questions remain unanswered: When can schools open, when can we get vaccinated, and when will things seem normal?
https://www.washingtonpost.com/politics/biden-covid-return-normalcy/2021/02/17/56453f76-713c-11eb-b8a9-b9467510f0fe_story.html?utm_campaign=wp_politics_am&utm_medium=email&utm_source=newsletter&wpisrc=nl_politics
- According to minutes from the Fed's January policy meeting, officials discussed how a quick distribution of the coronavirus vaccine is vital to an economic recovery, with Fed Chair Powell saying "there's nothing more important to the economy" than Americans getting vaccinated. Fed officials also discussed economic risks from new coronavirus strains and possible resistance to vaccines. ([The Washington Post](#))
- The White House plans to increase testing capacity in the U.S. through multiple channels, officials said in a media briefing on Wednesday. The administration says it will spend \$650 million to expand testing for K-8 schools and settings where people congregate such as homeless shelters, via new "hubs" created by the Department of Health and Human Services and the

Cuomo's coronavirus task force in its handling of nursing homes and other long-term care facilities during the pandemic, [the Times Union reports](#).

- The Cuomo administration released a [full transcript of that fateful call](#) from just a week ago when top aide Melissa DeRosa said the governor's team "froze" when asked for the nursing home death toll numbers. Here are [Top 8 Takeaways](#) from the more than 22,000-word transcript.
- The governor is under a national microscope and "out for revenge." Democrats in the [Legislature are riled up](#) from the direct attack on one of their own, and there's a budget with an impossibly large hole to fill due March 31. The pandemic might not be over, but the unity strategy seems to have been collectively abandoned. <https://www.politico.com/newsletters/new-york-playbook/2021/02/18/cuomo-lashes-out-as-feds-investigate-de-blasio-convenes-labor-leaders-on-mayors-race-amusement-parks-cleared-to-reopen-491799?nname=new-york-playbook&nid=0000014f-1646-d88f-a1cf-5f46b74f0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630317>
- Governor Cuomo's Nursing Home Problem Is Getting Worse. The New York Governor's dispute with a Queens Democrat isn't his worst move on the issue. [Read more »](#)
- The New York State Senate plans to pass legislation to curb Governor Andrew Cuomo's enhanced COVID-19 pandemic power, officials Wednesday night confirmed. [Read More](#)
- For years, Governor Cuomo's influence in the State Legislature loomed large over both chambers. The office of the governor of New York is an inherently powerful one, especially when it comes to budget making, and Cuomo is more adept than his recent predecessors in using the right levers to get what he wanted. Only now it's increasingly harder for him to get what he wants in Albany, as a series of flashpoints over the controversy surrounding his handling of nursing homes during the COVID-19 pandemic could have the consequence of reducing his power to issue orders responding to the crisis. [Read More](#)
- Additional aid could be on the way for renters who are struggling to make ends meet due to the pandemic. [Read More](#)
- Ten elected officials from New York today are announcing support for the "Invest In Our New York Act," a package of bills aimed at raising taxes on the state's wealthiest individuals and corporations. The new supporters are Congresswoman Nydia Velazquez; NYS Senators Neil Breslin, Leroy Comrie, Zellnor Myrie, José M. Serrano; and NYS Assemblymembers Rebecca Seawright, Fred Thiele, Rodneyse Bichotte, Pamela Hunter and Jo Anne Simon. <https://www.politico.com/newsletters/new-york-playbook/2021/02/18/cuomo-lashes-out-as-feds-investigate-de-blasio-convenes-labor-leaders-on-mayors-race-amusement-parks-cleared-to-reopen-491799?nname=new-york-playbook&nid=0000014f-1646-d88f-a1cf-5f46b74f0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630317>

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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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