

Friday, February 5, 2021
To: New York Community Banks

FROM ICBA

PPP borrowers most successful with community banks: study

Community banks were the most common source for Paycheck Protection Program loans among employer firms, and they were the source from which applicants were most successful in obtaining PPP funding, the Federal Reserve Banks said. According to the latest [Small Business Credit Survey](#), "small banks" accounted for a 48% share of PPP loan applicants, compared with 43% at large banks, 9% at online lenders, and 5% at credit unions. Community banks also had the highest share of PPP applicants that received all the funding they sought, with their rate of 78 percent topping 70 percent at large banks, 63% at credit unions, 47% at online lenders, and 41% at finance companies. Additionally, community banks remain highly favored lenders by small businesses. The survey found that 81% of community bank small-business loan applicants were satisfied with their experience, compared with 68% at large banks, 60% at finance companies, and 43% at online lenders. Further, community banks' net satisfaction score of 74% topped large banks by 14 points, finance companies by 28 points, and online lenders by 49 points.

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ICBA-backed foreclosure assistance introduced in Senate

ICBA-supported legislation to prevent avoidable foreclosures, evictions, and utility shut-offs was introduced by Sen. Jack Reed (D-R.I.), Senate Banking Committee Chairman Sherrod Brown (D-Ohio), and Senate Appropriations Committee Chairman Patrick Leahy (D-Vt.). The \$75 billion Homeowner Assistance Fund would provide federal aid to state housing finance agencies to help people who have experienced COVID-19 hardships keep up with their housing payments. Assistance would be allocated partly based on state shares of unemployment claims.

Key committees finalize membership

Republican Sens. Steve Daines (Mont.), Bill Hagerty (Tenn.), and Cynthia Lummis (Wyo.) are joining the Senate Banking Committee for the 117th Congress, Senate Minority Leader Mitch McConnell announced. Senate Democrats previously announced that new Georgia Sens. Jon Ossoff and Raphael Warnock will join the panel. Additionally, the Senate Agriculture Committee will have five new members this year—Democratic Sens. Cory Booker (N.J.), Ben Ray Lujan (N.M.), and Warnock as well as Republican Sens. Roger Marshall (Kan.) and Tommy Tuberville (Ala.).

Senate panel advances HUD, CEA nominees

The Senate Banking Committee approved the nominations of Rep. Marcia Fudge (D-Ohio) for secretary of Housing and Urban Development and Cecilia Rouse of Princeton University to chair the Council of Economic Advisers. The votes advance the nominations to the full Senate.

FROM OTHER SOURCES

- The Senate early this morning approved the budget plan for President Biden's \$1.9 trillion economic relief package, allowing Democrats to move the plan forward with a simple Senate majority through the reconciliation process. Biden will hold a meeting later this morning with leading House Democrats, who will take up the Senate version of the bill after it passes, and committee leaders involved in advancing the package. ([The Wall Street Journal](#))
- Various committees in both chambers are tasked with beginning to write the legislative meat of the plan, and President Biden and Vice President Harris were scheduled to meet with House Democratic leaders and committee chairs to work on the "American Rescue Plan" in the Oval Office this morning : <http://politi.co/3az3wf3>

- Vice President Harris broke a 50-50 tie in the Senate to adopt the budget resolution that will set the stage for passage of a COVID-19 relief measure without Republican support. The House passed a similar measure earlier this week but will need to vote on the Senate's resolution due to a number of technical and largely symbolic amendments. ([Roll Call](#))
- Coronavirus deaths in the U.S. have surpassed 450,000, and the number of daily deaths remains alarmingly high at more than 3,000 a day, despite falling infections and the arrival of multiple vaccines. Infectious disease [specialists expect deaths to start dropping soon, after new cases hit a peak right around the beginning of the year.](#) The new director of the CDC says new COVID-19 deaths could ebb as early as next week. . . but there's also the risk that improving trends in infections and hospitalizations could be offset by people dropping their guard and coming together — including this Sunday to watch the Super Bowl.
- Johnson & Johnson yesterday asked U.S. regulators to authorize the emergency use of its Covid-19 vaccine, setting the stage for a potential third vaccine to become available in the U.S. within weeks. J&J's move follows last week's release of results from an international clinical trial showing that a single shot of the vaccine was 66% effective at preventing moderate and severe Covid-19 disease. https://www.wsj.com/articles/johnson-johnson-seeks-emergency-use-vaccine-authorization-11612480550?mod=hp_lead_pos2&mkt_tok=eyJpIjoiWTJNMU5UTXdaREEWldNeSIsInQiOiJQTWhnaGtzTkF6TWF5ekNsZWNGcWlSmUrZ2hMbnBqRm1HcUVRc3I0bzJldm13NFZtNFwvZmZVQXZkR2dKV2hFZFINVUpOaXhKeUFqTVRzb202S2c4bVRONFwvb3pXY3JnMkFs eGRnZm1RNThcL1Z4elF2emZuK3prNGF6VjFcL21GalkifQ%3D%3D
- Despite its world-class medical system and Centers for Disease Control and Prevention, the U.S. fell behind in the race to detect dangerous coronavirus mutations and is only now beginning to catch up. Scientists say the problem has not been a shortage of technology or expertise, but rather an absence of national leadership and coordination and a lack of funding and supplies for overburdened laboratories trying to juggle diagnostic testing with the hunt for mutations. https://apnews.com/article/us-catch-up-coronavirus-variants-4290ca14029d97cdf01446cb32a96e3a?utm_source=Sailthru&utm_medium=email&utm_campaign=AP%20Morning%20Wire&utm_term=Morning%20Wire%20Subscribers
- The Food and Drug Administration is preparing to release new standards for Covid-19 vaccine booster shots, tests and drugs in the coming weeks aimed at preparing the country to beat back fast-spreading virus variants that are less susceptible to existing shots. The agency confirmed that it plans to release draft guidance. https://www.politico.com/news/2021/02/04/biden-covid-vaccine-strategy-fda-466031?mkt_tok=eyJpIjoiWTJNMU5UTXdaREEWldNeSIsInQiOiJQTWhnaGtzTkF6TWF5ekNsZWNGcWlSmUrZ2hMbnBqRm1HcUVRc3I0bzJldm13NFZtNFwvZmZVQXZkR2dKV2hFZFINVUpOaXhKeUFqTVRzb202S2c4bVRONFwvb3pXY3JnMkFseGRnZm1RNThcL1Z4elF2emZuK3prNGF6VjFcL21GalkifQ%3D%3D
- When Will Life Return to Normal? In 7 Years at Today's Vaccine Rates. Bloomberg 's new calculator shows how long it will take states and countries to vaccinate 75% of their populations. <https://webcache.googleusercontent.com/search?q=cache:IK9IMD1-WfEJ:https://www.bloomberg.com/news/articles/2021-02-04/when-will-covid-pandemic-end-near-me-vaccine-coverage-calculator+&cd=4&hl=en&ct=clnk&gl=us>
- Treasury Secretary Yellen said that President Biden wants to advance a new coronavirus relief package with bipartisan support but reiterated the administration must act forcefully with a deal that supports families and businesses until the pandemic ends. "We need to act big. We need to make sure that we provide a bridge so that people aren't scarred indefinitely by this crisis." https://www.wsj.com/articles/yellen-says-we-need-to-act-big-on-covid-relief-11612447111?mkt_tok=eyJpIjoiWm1JMK9EVTJOekl5Tm1VNSIsInQiOiJNYUJvG1sZGhaREdFQW84SUNcLzNWYU1cL09IK2tWQVpMNFfSUVwvZzk1a2M1SFZJNnZrSTRvcXIwdHI3

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- Republicans have called for a more-targeted approach to a third round of stimulus checks, while Democrats have argued that broad distribution is necessary to cover gaps in other federal programs. Here is a look at the proposals, which differ both on the size of the payment and in who is eligible. https://www.wsj.com/articles/who-could-receive-a-third-stimulus-check-11612462739?mkt_tok=eyJpIjoiWm1JmK9EVTJOekl5Tm1VNSIsInQiOiJNYUJvG1sZGhaREdFQW84SUNcLzNWYU1cL09IK2tWQVpMNFFSUVwvZzk1a2M1SFZJNnZrSTRvcXIwdHI3eE5cL05cL0pTaUlpS2ZpeDVRyYmRjVjV0eVpcL2g4dGhibklcL2tcL0d0cFVTTXRFZW1kM05wS1wveE1cL0NBZERWZTR0Q1JEM3hsS3gifQ%3D%3D
- The number of workers seeking unemployment benefits fell for the third straight week, a sign that layoffs have started to ease following an increase in early January. Initial weekly unemployment claims declined to 779,000 last week, the Labor Department said Thursday, following a revised 812,000 claims the prior week. https://www.wsj.com/articles/weekly-jobless-claims-coronavirus-02-04-2021-11612403022?mkt_tok=eyJpIjoiWm1JmK9EVTJOekl5Tm1VNSIsInQiOiJNYUJvG1sZGhaREdFQW84SUNcLzNWYU1cL09IK2tWQVpMNFFSUVwvZzk1a2M1SFZJNnZrSTRvcXIwdHI3eE5cL05cL0pTaUlpS2ZpeDVRyYmRjVjV0eVpcL2g4dGhibklcL2tcL0d0cFVTTXRFZW1kM05wS1wveE1cL0NBZERWZTR0Q1JEM3hsS3gifQ%3D%3D
- President Biden formally withdrew President Trump's nomination of Judy Shelton's nomination to the Federal Reserve Board, one of more than two dozen officials withdrawn after being nominated by former President Trump in January shortly before he left office. https://thehill.com/policy/finance/537457-biden-withdraws-judy-sheltons-fed-nomination?mkt_tok=eyJpIjoiWm1JmK9EVTJOekl5Tm1VNSIsInQiOiJNYUJvG1sZGhaREdFQW84SUNcLzNWYU1cL09IK2tWQVpMNFFSUVwvZzk1a2M1SFZJNnZrSTRvcXIwdHI3eE5cL05cL0pTaUlpS2ZpeDVRyYmRjVjV0eVpcL2g4dGhibklcL2tcL0d0cFVTTXRFZW1kM05wS1wveE1cL0NBZERWZTR0Q1JEM3hsS3gifQ%3D%3D
- The last major economic datapoint of the Trump era is out, showing the economy ended the Trump years with an unemployment rate of 6.3% -- much lower than the pandemic-induced high point of 14.8% in April, but well above the 4.7% unemployment the Trump administration inherited from the Obama administration. More than 1 million Americans have filed for unemployment in each of the past 46 weeks. https://www.axios.com/january-jobs-report-718fb1bf-9f1e-40c7-a03d-18cf0558beca.html?stream=top&utm_source=alert&utm_medium=email&utm_campaign=alerts_all

FROM NEW YORK

- Governor Cuomo yesterday provided an update on the status of COVID-19 in New York State. Hospitalizations dropped to 7,967. Of the 169,186 tests reported yesterday, 7,414, or 4.38%, were positive -- the lowest daily statewide positivity rate since November 28. The 7-day average positivity rate in all NYS regions is below 6%. There were 1,506 patients in the ICU yesterday, down 16 from the previous day. Of them, 986 are intubated. 135 New Yorkers died due to the virus. For details and a regional breakout of the data: <https://www.governor.ny.gov/news/governor-cuomo-announces-lowest-daily-positivity-rate-november-28-net-hospitalizations-drop-553>
- Governor Cuomo has written another letter to the congressional delegation, [making the case for his \\$15 billion ask](https://www.politico.com/newsletters/new-york-playbook/2021/02/05/brindisi-tenney-election-heads-back-to-court-state-nixes-city-bid-to-use-second-vaccine-doses-prisons-to-vaccinate-some-inmates-after-lawsuit-491657?nname=new-york-playbook&nid=0000014f-1646-d88f-a1cf-5f46b74f0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630317) in federal relief to fill out the state's budget. <https://www.politico.com/newsletters/new-york-playbook/2021/02/05/brindisi-tenney-election-heads-back-to-court-state-nixes-city-bid-to-use-second-vaccine-doses-prisons-to-vaccinate-some-inmates-after-lawsuit-491657?nname=new-york-playbook&nid=0000014f-1646-d88f-a1cf-5f46b74f0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630317>

- The State Senate is preparing to pass 10 bills to bolster accountability and oversight of nursing homes – and the health department – after an investigative report revealed Cuomo’s administration misled the public about COVID-19 nursing home deaths, [the New York Post reports](#).
- [New York is seeking](#) to recoup \$114 million in unemployment benefits to people deemed ineligible.

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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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