

Thursday, February 4, 2021

To: New York Community Banks

### FROM ICBA

- Nearly one-third of small businesses unlikely to survive without aid: study. Sales for 88 percent of small businesses have not returned to pre-pandemic levels, according to a [study](#) from the 12 Federal Reserve Banks. Of those businesses, 30 percent said they would be unlikely to survive until sales recover without government help. Nearly two-thirds said they would apply for another round of government aid if it were offered.
- Treasury announces key staff appointments. The Treasury Department [announced](#) the appointment of key staff members, including Special Assistant of Legislative Affairs Clement Abonyi Jr., Deputy Assistant Secretary for Tax Analysis Kimberly Clausing, Counselor to the Secretary David Lipton, and Principal Deputy General Counsel Laurie Schaffer.

### FROM OTHER SOURCES

- Nationwide, the U.S. is averaging about 139,000 new cases per day — a 16% improvement over last week, which was also a 16% improvement over the week before. The number of new hospitalizations was down last week by over 26%, and deaths fell by about 6% to an average of 3,097 deaths per day. The number of new daily cases fell over the past week in 42 states, held steady in eight states and no state got worse. While 139,000 cases and 3,000 deaths per day is still a very bad pandemic, numbers appear headed in the right direction as the U.S. is back to about the same caseload experienced shortly before Thanksgiving. One warning sign: Experts warn a more contagious variant of the virus is [quickly becoming](#) the dominant strain. [https://www.axios.com/newsletters/axios-vitals-f62c1f51-a557-4e19-bab0-10f5001fb960.html?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter\\_axiosvitals&stream=top](https://www.axios.com/newsletters/axios-vitals-f62c1f51-a557-4e19-bab0-10f5001fb960.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top)
- The House approved a budget measure for President Joe Biden's \$1.9 trillion economic relief package in a 218-212 vote, opening the reconciliation process that Democrats can use to avert the legislative filibuster in the Senate, directing a dozen committees to begin drafting pieces of the bill. ([Politico](#)). Senator Manchin (D-West Virginia) said he would support the nearly \$2 trillion price tag for President Biden's coronavirus-relief package. [https://www.wsj.com/articles/joe-manchin-backs-bidens-covid-aid-price-tag-11612371722?mkt\\_tok=eyJpIjoiT0RSalkySTFNv1kwT1RReSIsInQiOiJzM1h2dVhuNzJBU1RjZ3hiSVFucTZnMUdlYU5EcGoydjAxc3ZnczRTRTQ5VnJxMjdMUEhGdDFNR2pkdnBaY0hWamxEVmpYc3VwMmRHcndQVlVDTEFSTXRIRiYwSXkwSVdRREZmNUt2bzE1ZHorcWVOZmE3cFlYeW0wTFpZVnd0eCJ9](https://www.wsj.com/articles/joe-manchin-backs-bidens-covid-aid-price-tag-11612371722?mkt_tok=eyJpIjoiT0RSalkySTFNv1kwT1RReSIsInQiOiJzM1h2dVhuNzJBU1RjZ3hiSVFucTZnMUdlYU5EcGoydjAxc3ZnczRTRTQ5VnJxMjdMUEhGdDFNR2pkdnBaY0hWamxEVmpYc3VwMmRHcndQVlVDTEFSTXRIRiYwSXkwSVdRREZmNUt2bzE1ZHorcWVOZmE3cFlYeW0wTFpZVnd0eCJ9)
- President Biden told House Democrats he would consider targeting fewer people with the direct stimulus checks that are a part of his economic relief package but wouldn't lower the \$1,400 amount. White House press secretary Psaki noted Biden isn't expecting the final package to be identical to what he originally proposed. ([The Wall Street Journal](#))
- The latest proposal Democrats are reportedly considering would send \$1,400 payments to individuals earning \$50,000 or less and \$2,800 to married couples earning \$100,000 or less. Here are details on the latest plan, which has not been publicly released yet and could still change. [https://www.washingtonpost.com/business/2021/02/03/biden-stimulus-checks-what-you-need-to-know/?wpmk=1&wpisrc=al\\_trending\\_now\\_alert-economy--alert-politics--alert-national&utm\\_campaign=wp\\_news\\_alert\\_revere\\_trending\\_now&utm\\_medium=email&utm\\_source=alert&location=alert&pwapi\\_token=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJjb29raWVuYW1lIjoid3BfY3J0aWQiLCJpc3MiOiJkYXJ0YSIsImNvb2tpZXZhbHVlIjoiNjAxOTc5NjdZTdl0GEzMWJhMWFjNDdjIiwidGFnIjoid3BfbmV3c19hbGVydF9yZXZlcmVfdHJlbnRpbmd](https://www.washingtonpost.com/business/2021/02/03/biden-stimulus-checks-what-you-need-to-know/?wpmk=1&wpisrc=al_trending_now_alert-economy--alert-politics--alert-national&utm_campaign=wp_news_alert_revere_trending_now&utm_medium=email&utm_source=alert&location=alert&pwapi_token=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJjb29raWVuYW1lIjoid3BfY3J0aWQiLCJpc3MiOiJkYXJ0YSIsImNvb2tpZXZhbHVlIjoiNjAxOTc5NjdZTdl0GEzMWJhMWFjNDdjIiwidGFnIjoid3BfbmV3c19hbGVydF9yZXZlcmVfdHJlbnRpbmd)

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- Nearly 7 in 10 Americans in a [Quinnipiac University poll](#) released Wednesday said they support President Biden's \$1.9 trillion coronavirus relief plan.
- A group of 120 House and Senate Democrats urged congressional leaders to have the next coronavirus relief package undo tax breaks related to the treatment of business losses. In a letter Tuesday, they called on House Speaker Pelosi and Senate Majority Leader Schumer to use the revenue raised by undoing those tax provisions "to provide relief for families struggling though this challenging time." [https://thehill.com/policy/finance/537163-democrats-urge-repeal-of-business-loss-tax-breaks-in-relief-package?mkt\\_tok=eyJpIjoiT0RSalkySTFNv1kwT1RReSIsInQiOiJzM1h2dVhuNzJBU1Rjd3hiSVFucTZnMUdlYU5EcGoydjAxc3ZnczIRTTQ5VnJxMjdMUEhGdDFNR2pkdnBaY0hWamxEVmpYc3VwMmRHcndQVlVDTEFSTXRIRIYwSXkwSVdRREZmNUt2bzE1ZHorcWVOMzE3cFIyeW0wTFpZVnd0eCJ9](https://thehill.com/policy/finance/537163-democrats-urge-repeal-of-business-loss-tax-breaks-in-relief-package?mkt_tok=eyJpIjoiT0RSalkySTFNv1kwT1RReSIsInQiOiJzM1h2dVhuNzJBU1Rjd3hiSVFucTZnMUdlYU5EcGoydjAxc3ZnczIRTTQ5VnJxMjdMUEhGdDFNR2pkdnBaY0hWamxEVmpYc3VwMmRHcndQVlVDTEFSTXRIRIYwSXkwSVdRREZmNUt2bzE1ZHorcWVOMzE3cFIyeW0wTFpZVnd0eCJ9)
- The coronavirus crisis delivered a severe shock to the U.S. financial system. So how did it do? Did the reforms enacted after the 2008 financial crisis succeed in ensuring stability this time around? [The Financial Lessons of the Covid-19 Pandemic](#)
- A new report from the Federal Reserve's 12 regional banks found that America's small businesses remain under stress from coronavirus pandemic disruptions, and many of them say continued government support is crucial to their survival. Just under 90% of the companies said business had not returned to pre-pandemic levels almost a year after the crisis began, and of those that lost ground, 30% said without more government aid, their companies might not survive. [https://www.wsj.com/articles/most-small-firms-below-pre-pandemic-levels-fed-survey-finds-11612371600?mkt\\_tok=eyJpIjoiT0RSalkySTFNv1kwT1RReSIsInQiOiJzM1h2dVhuNzJBU1Rjd3hiSVFucTZnMUdlYU5EcGoydjAxc3ZnczIRTTQ5VnJxMjdMUEhGdDFNR2pkdnBaY0hWamxEVmpYc3VwMmRHcndQVlVDTEFSTXRIRIYwSXkwSVdRREZmNUt2bzE1ZHorcWVOMzE3cFIyeW0wTFpZVnd0eCJ9](https://www.wsj.com/articles/most-small-firms-below-pre-pandemic-levels-fed-survey-finds-11612371600?mkt_tok=eyJpIjoiT0RSalkySTFNv1kwT1RReSIsInQiOiJzM1h2dVhuNzJBU1Rjd3hiSVFucTZnMUdlYU5EcGoydjAxc3ZnczIRTTQ5VnJxMjdMUEhGdDFNR2pkdnBaY0hWamxEVmpYc3VwMmRHcndQVlVDTEFSTXRIRIYwSXkwSVdRREZmNUt2bzE1ZHorcWVOMzE3cFIyeW0wTFpZVnd0eCJ9)
- According to a report by the payroll processing firm ADP, a month after reporting the first loss since April the employment picture bounced back in January. Private companies added 174,000 new jobs, beating the 50,000 estimated by economists surveyed by Dow Jones. That improved on the 78,000 December decline (revised from the initially reported drop of 123,000.) The ADP report comes two days ahead of the more closely watched U.S. Labor Department report on nonfarm payrolls. The Dow Jones survey estimate for that count is also 50,000, with the unemployment rate projected to hold steady at 6.7%. <https://www.cnbc.com/2021/02/03/private-companies-added-174000-jobs-in-january-vs-50000-estimate-adp-says.html>

## FROM NEW YORK

- Governor Cuomo updated New Yorkers Wednesday on the state's progress during the ongoing COVID-19 pandemic. There were 8,082 patient hospitalizations statewide; 1,522 patients were in the ICU; 1,003 were intubated; the statewide positivity rate was 4.68%; the 7-Day average positivity rate has declined for 26 Consecutive Days. There were 160 COVID-19 deaths in New York State. For further details, including regional breakouts of the data: <https://empirereportnewyork.com/governor-cuomo-updates-new-yorkers-on-states-progress-during-covid-19-pandemic-59/>

- The calls among state lawmakers for scaling back Governor Cuomo's pandemic powers are continuing to grow. State Senator Alessandra Biaggi is the latest lawmaker to support reconsidering the governor's power in the wake of a damaging week for the Cuomo Administration. "Just to put this into perspective as to why we need to limit and end the governor's outsize power, his broad emergency power, is because in just the first six months of the governor's expanded emergency powers, he used that power to issue 65 executive orders, and to suspend more than 250 laws," Biaggi said. [More here.](#)
- [Yankee Stadium will open](#) as a mega vaccination site on Friday for Bronx residents only, Mayor Bill de Blasio and Gov. Andrew Cuomo announced on Wednesday.
- Cuomo on Tuesday announced expanded eligibility for people seeking a COVID-19 vaccine, but some Hudson Valley counties are waiting for more information and help from the state before proceeding, [the Times Herald-Record reports.](#)
- State Comptroller DiNapoli reports the average unemployment rate for the State, excluding New York City, dropped to 5.9% as of December -- about a percentage point above pre-pandemic levels and below the national rate of 6.7%. (In New York City, the December rate was nearly twice the average elsewhere in the State.) The State, outside of New York City, also had a greater number of job gains since April and a lower number of net jobs lost since February 2020 than New York City. Excluding the City, the State has regained more than half of the jobs lost in February and March. (The City has regained just more than a third of its jobs lost since February 2020.) For details on the impact of the COVID-19 pandemic on the State's finances and economy, DiNapoli urged New Yorkers to "[visit our web page.](#)" Additional topics this week include: 2.4 million New Yorkers collecting unemployment, and an update on New York's budget and spending.
- On Wednesday when a judge [ordered the state Health Department to release records](#) detailing the full coronavirus death toll in nursing homes. The ruling follows a report from State Attorney General Tish James that found the state [undercounted nursing home deaths](#) by up to 50% by excluding residents who were sent to a hospital and died there. After that report, the State Health Department released new data estimating 12,743 New York nursing home residents [died from the virus](#), thousands higher than previously revealed.

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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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