

Friday, March 19, 2021

To: New York Community Banks

IBANYS received the following information this morning from the OCC, and we wanted to share it with you.

-- John

From: Portell, Ryan <Ryan.Portell@occ.treas.gov>
Sent: Friday, March 19, 2021, 9:21 AM
Cc: DeLeon, Ralph
Subject: OCC: SLR Changes to Expire as Scheduled on March 31, 2021

Good morning,

The OCC issued a News Release announcing the temporary Supplementary Leverage Ratio changes that were put in place due to COVID-19, will expire as scheduled on March 31, 2021.

<https://www.occ.gov/news-issuances/news-releases/2021/nr-ia-2021-35.html>
[Temporary Supplementary Leverage Ratio Changes to Expire as Scheduled | OCC](#)

The federal bank regulatory agencies today announced that the temporary change to the supplementary leverage ratio, or SLR, for depository institutions issued on May 15, 2020, will expire as scheduled on March 31, 2021.

www.occ.gov

Should you have any questions, please contact myself and Ralph DeLeon.

Thank you,

Ryan J. Portell
Banking Relations
Office of the Comptroller of the Currency
Mobile: (202) 716-2295

FROM ICBA

SBA issues interim rule on PPP changes

The SBA issued a new [interim final rule](#) implementing American Rescue Plan Act changes to the Paycheck Protection Program.

Details: The rule:

- Authorizes Shuttered Venue Grant applicants for PPP loans. If they receive a PPP loan, the amount of the loan will be deducted from the grant. If they've already been approved for a shuttered venue grant, they are ineligible for a PPP loan.
- Makes 501(c) organizations with 300 or fewer employees—other than 501(c)(4) organizations—eligible for PPP loans, with some limitations.
- Clarifies eligibility of NAICS code 72 businesses and internet-only news businesses.
- Clarifies that payroll costs not eligible for forgiveness include payroll, wages, and premiums subject to Employee Retention Credits, disaster credits, or COBRA continuation credits.

ICBA Advocacy: ICBA [supports](#) bipartisan legislation to extend the PPP by allowing borrowers to apply for loans through May 31 and giving the SBA until June 30 to consider applications. While the bill passed the House this week, its Senate outlook is unclear.

Grassroots Advocacy: Meanwhile, ICBA is calling on community bankers to [urge their members of Congress](#) to make needed changes to the PPP if it is extended to ensure applicants are not left stranded.

More: More PPP information and resources are available on the [SBA](#) and [Treasury](#) sites and ICBA's [PPP and EIP News](#) page.

The OCC named [seven new members](#) to its Minority Depository Institutions Advisory Committee and [five new members](#) to its Mutual Savings Association Advisory Committee. The committees advise the OCC on issues affecting MDIs and mutuals, respectively. Among those named to the Office of the Mutual Savings Association Advisory Committee (MSAAC) is Thomas Rudzewick, President and CEO, Maspeth Federal Savings and Loan Association, Maspeth, N.Y.

FROM OTHER SOURCES

- [President Joe Biden announced](#) the U.S. will hit 100 million shots well ahead of schedule and will likely reach the target today. The U.S. is injecting an average of about 2.2 million doses each day, and the pace is likely to dramatically rise later this month in conjunction with an expected surge in supply of the vaccines. The White House said the nation is now in position to help supply neighbors Canada and Mexico with millions of lifesaving shots. https://apnews.com/article/joe-biden-coronavirus-vaccine-mexico-coronavirus-pandemic-united-nations-e1b5b520b4dd255dbc10807989a0f062?mkt_tok=ODUwLVRBQS01MTEAAAF76X1WCRiY2sM3X-8XhQY-TkF9vDzu81V7hwUfhTKSGfz84Hb5rJ3Tbd7dX61_7P4R0eDIZjuwObC59blNvx9ktJeQQgGHvDVMvqVIUHKwQeM8
- This week's initial jobless claims report marked a sobering milestone, Dion Rabouin writes in [Axios Markets](#). Despite more than \$5 trillion in government spending and \$3 trillion added to the Fed's balance sheet, at least 1 million people have submitted applications for traditional or pandemic-based unemployment benefits every single week for a full calendar year. Including the global financial crisis, the 1973 oil crisis, the dot-com bubble burst and every other recession since 1967, only one week prior to the pandemic — the week ending Jan. 9, 1982 — now registers on the list of top 50 worst weeks for U.S. job losses, and it ranks 49th.
- Republicans on the Senate Banking Committee sent a letter to Federal Reserve Chair Jerome Powell raising concerns that the central bank might be using its oversight of the U.S. banking system to "further environmental policy objectives," something the lawmakers felt would "be beyond the scope" of the Fed's mandate. [The Washington Post](#)
- Payments to U.S. states, municipalities, territories and tribal governments under President Joe Biden's stimulus act will take about 60 days to go out as the U.S. Treasury writes rules on how the funds can be used, Treasury officials said on Thursday. One Treasury official said the department would consult with state and local governments in coming weeks on the program, which provides up to \$350 billion to close budget gaps opened up by the coronavirus pandemic. https://www.reuters.com/article/us-usa-biden-stimulus-states/u-s-treasury-says-to-finalize-rules-on-state-local-stimulus-payments-within-60-days-idUSKBN2BA2U4?mkt_tok=ODUwLVRBQS01MTEAAAF76Vlynyqnbmf5ccMMSVGZAEogwCzpmIU-AOksmI3ReyjED4bFBsqOvbiRM4EEMwQyGW7jzbBs1-N5ILxBZ9mJY59-2IRsIOYxxMLwG8f0PFg2
- The number of Americans seeking unemployment benefits rose last week to 770,000, a sign that layoffs remain high even as much of the U.S. economy is steadily recovering from the coronavirus recession. https://apnews.com/article/us-unemployment-claims-rise-770k-layoffs-still-high-40a5f3197afc864c29072506f8857faa?mkt_tok=ODUwLVRBQS01MTEAAAF76Vlyn7nzcXpO2MiwtuBIDwi7MhZgQQ_F5zCkalnRFfxtu8cFD6sieUHvTlsRtV5RXVtOzf94FtAn00hm4HXDcDY8jbGmwWuuu6TxwGIP3_GK
- HUD Secretary Fudge called on Congress to add up to \$100 billion to her agency's budget and said most of the housing measures that lawmakers have passed to address the pandemic crisis should continue. https://www.politico.com/news/2021/03/18/marcia-fudge-hud-funding-477018?mkt_tok=ODUwLVRBQS01MTEAAAF76Vlyn0kKO91D15y3RZGaQWpOrDXNHDI

FROM NEW YORK

- COVID hospitalizations dropped to 4,536. Of the 271,463 tests reported yesterday, 7,796, or 2.87 percent, were positive. There were 934 patients in ICU yesterday, down 20 from the previous day. Of them, 590 are intubated. Sadly, we lost 57 New Yorkers to the virus. 24 percent of New Yorkers have completed at least one vaccine dose. To date, New York administered 7,150,352 total doses with 12.4 percent of New Yorkers completing their vaccine series. See data by region and county on the State's Vaccine Tracker: ny.gov/vaccinetracker.
- NYS Comptroller DiNapoli reported that one year since the onset of the COVID-19 pandemic, New York's small businesses continue to suffer, even as the economy reopens gradually and employment growth resumes. 78% of small businesses (with less than 500 employees) reported an overall negative impact in their business in the first week of March 2021, according to the U.S. Census Bureau. The share has declined from 94% in April 2020 when data were first reported but has plateaued at approximately 80% since October 2020. The share of New York's small businesses reporting negative impacts has been consistently greater than the national average. https://www.osc.state.ny.us/reports/impact-covid-19-march-18-2021?utm_source=comptroller+message&utm_medium=email&utm_term=visit+web+page&utm_content=20210318&utm_campaign=fiscal+oversight
- A new Quinnipiac poll found that a majority of New York voters do not believe Cuomo should be impeached amid allegations of sexual harassment and inappropriate behavior leveled against him in recent weeks, but his favorability ratings have sunk to historic lows, [NY1 reports](#). Just 25% of voters currently support a 2022 reelection bid by Governor Cuomo for a fourth term, while 66% are opposed, [according to a new poll released by Quinnipiac](#) Thursday -- an 11-point drop from just two weeks ago. The Governor's job approval rating is at its lowest level since he first took office: 39% approve, while 48% do not. <https://outlook.office.com/mail/inbox/id/AAQkADk4NjAyMTcwLTdkN2MtNDY5Yy1iNzhjLWZkZTAxYjFiOTFjYgAQAA8ntbunLyBHmhjtSITNO8%3D>
- The NYS Assembly has launched its impeachment investigation into the numerous scandals facing Governor Andrew Cuomo, but the process itself is already drawing criticism. Some lawmakers who want to start right away on an impeachment trial and say the investigation is a stall tactic, while others, and the Governor himself, are focusing on due process and the need for a thorough investigation to "find out all the facts." [Read More](#)
- Starting in April, sports venues in New York will begin to reopen and allow fans back into stadiums and arenas. Governor Cuomo announced that indoor venues will be allowed to open at 10% capacity, while outdoor venues will be allowed to open at 20% capacity. Those in attendance must bring proof of a negative COVID-19 test or a COVID-19 vaccination.

#####

IBANYS will continue to provide updates as additional information becomes available. Thank you all for your continued participation and support.

- **John J. Witkowski, President & CEO** (Johnw@ibanys.net; 716.880.0518)
- **Stephen W. Rice, Director, Communications & Government Relations** (Stever@ibanys.net)