

Tuesday, March 23, 2021

To: New York Community Banks:

**Invitation to Join Meeting With NYS Senate Banks Committee Chairman Sanders**

IBANYS received the following invitation from the office of State Senate Banks Chairman Sanders:

“Senator Sanders, as Chair of Banks, monthly banks meeting: This meeting is scheduled for **Wednesday, March 24, 2021 – 11:00 a.m. via ZOOM.**

**To register and attend this meeting on Wednesday, March 24, 2021 please email or call Linda Gregware --- [lindag@ibanys.net](mailto:lindag@ibanys.net) or (518) 436-4646. IBANYS will provide you the link and passcode for the meeting.**

The agenda for this meeting includes:

- PPEs and vaccines for bank and credit union employees
- Federal/state bank proposal
- Cannabis
- Public Bank

Please contact me if you have any questions about this meeting. Member banks are welcome and encouraged to attend this and every monthly banks meeting. Thank you for your prompt attention to this invitation.

-- John

**FROM ICBA**

**Senate taking up PPP extension this week**

With the Senate expected to vote this week on House-passed legislation to extend the Paycheck Protection Program, ICBA is urging community bankers to [contact their senators](#) in support.

**The Bill:** The ICBA-backed bill—which the House passed last week on a 415-3 vote—would allow borrowers to apply for loans through May 31 and give the SBA until June 30 to consider applications.

**Taking Actions:** ICBA's [Be Heard grassroots action center](#) makes it easy for community bankers to urge their members of Congress to extend the PPP before it expires March 31.

**CONTACT CONGRESS**

**More Economic Impact Payments going out this week**

The [IRS said](#) the next batch of Economic Impact Payments will be issued this week, with additional payments going out on a weekly basis afterward.

**Second Batch:** For taxpayers receiving direct deposit, this second batch began processing Friday with an official pay date of tomorrow, March 24. "A large number" of payments will be mailed as a paper check or prepaid debit card.

**Garnishment:** Despite ICBA advocacy, the American Rescue Act does not exempt these payments from garnishment, unlike previous EIPs. Banks remain legally required to act on garnishment orders.

**Resources:** The IRS issued [updated FAQs](#) on the EIPs. More information is available from [ICBA](#), the [Federal Reserve](#), and the federal [Get My Payment portal](#).

### **SBA updates PPP forms to implement changes**

The SBA issued updated Paycheck Protection Program application forms that incorporate last week's [interim final rule](#) implementing American Rescue Plan Act changes.

**The Rule:** The IFR authorizes PPP loans for Shuttered Venue Grant applicants (though the PPP loan amount will be deducted from the grant); clarifies payroll costs not eligible for forgiveness; and clarifies eligibility for 501(c) organizations, NAICS code 72 businesses, and internet-only news businesses.

**Forms:** The SBA issued updated versions of the following:

- [Lender loan guaranty application form](#)
- [Second-draw lender application form](#)
- [Borrower first-draw PPP loan application form](#)
- [Borrower second-draw PPP loan application form](#)
- [First-draw Schedule C borrower application using gross income](#)
- [Second-draw Schedule C borrower application using gross income](#)

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

### **FROM OTHER SOURCES**

- The Data Safety and Monitoring Board, which is monitoring AstraZeneca's COVID-19 vaccine trial, notified the National Institute of Allergy and Infectious Diseases and other federal health agencies that the company may have included "outdated information" that could provide an "incomplete view of the efficacy data" for its vaccine. The claim imposes another hurdle on AstraZeneca's efforts to secure regulatory approval for its vaccine in the United States and raises questions about the effort to add a fourth vaccine to America's arsenal against the virus. ([NPR News](#)); ["U.S. health officials question results from AstraZeneca's vaccine trial, less than a day after they came out" ... NIAID statement](#)
- President Biden's advisers this week are expected to lay out a \$3 trillion spending proposal, split up into pieces, that addresses carbon emissions and economic inequality, beginning with an infrastructure plan. The spending plan would include free community college, universal pre-k and a national paid leave program. The infrastructure piece would invest in clean energy deployment and other "high-growth industries of the future," as well as about \$1 trillion in spending on the construction of roads, bridges, rail lines and improvements to the electric grid. ([The New York Times](#))
- Officials are reportedly considering higher corporate taxes, as well as tax increases on rich Americans, to fund the spending package. The infrastructure portion of the package would reportedly be funded mostly by taxes on businesses, including raising the corporate tax rate to 28% from 21% and increasing the global minimum tax paid to 21% from about 13%, while the part of the plan that includes free community college and universal pre-k would be funded by increasing the highest income tax rate to 39.76% from 37% and increasing taxes on wealthy investors, among other measures. ([The Washington Post](#))
- The House Financial Services Committee will have a virtual hearing on the Treasury Department and Federal Reserve's pandemic response, with Treasury Secretary Yellen and Federal Reserve

chair Powell testifying on the government's pandemic relief efforts. Powell is expected to say the country's economic recovery is "far from complete" and that the Fed will continue to support the economy. Yellen is expected to say the \$1.9 trillion stimulus package signed by President Biden could help the economy "see a return to full employment next year." [The Wall Street Journal](#) and <https://www.politico.com/newsletters/huddle/2021/03/23/boulder-shooting-looms-over-senate-guns-hearing-492208?nname=huddle&nid=0000014f-1646-d88f-a1cf-5f46b4be0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630309>

- The Senate confirmed Boston Mayor Marty Walsh as Secretary of Labor in a 68-29 vote. Walsh had support from union groups, including the AFL-CIO, and from some Republicans, including Sen. Richard Burr (R-N.C.), the ranking Republican on the labor committee, who said Walsh "understands that conversations between labor and management must be balanced." ([Politico](#))
- Nearly 200 businesses asked Congress for paid and more expansive family leave, a sign of the shifting political momentum over U.S. labor policy after the overlapping crises of the coronavirus pandemic exposed workers' vulnerabilities. In a letter to be sent Tuesday, business executives urged congressional leaders to extend comprehensive paid family and medical leave to all working people. While Senate Majority Leader Schumer noted "Making paid leave a reality for all Americans is an economic necessity," the White House said the administration had not decided on its next step for future economic proposals beyond the "Build Back Better" agenda already announced. [https://www.washingtonpost.com/business/2021/03/23/paid-family-leave-business-leaders/?mkt\\_tok=ODUwLVRBQS01MTEAAAF7\\_e7Otqr8gEaI39Wf1OGwdbF6rgBgCWIGK7o1XjZDO6llfuRv4SRjtRZMmd-iwh9MXiiYF949skkT9vfv6vvUUxrso5cs40Snym-Ro4gtMHG](https://www.washingtonpost.com/business/2021/03/23/paid-family-leave-business-leaders/?mkt_tok=ODUwLVRBQS01MTEAAAF7_e7Otqr8gEaI39Wf1OGwdbF6rgBgCWIGK7o1XjZDO6llfuRv4SRjtRZMmd-iwh9MXiiYF949skkT9vfv6vvUUxrso5cs40Snym-Ro4gtMHG)

#### FROM NEW YORK

- New York State will expand vaccine eligibility to those 50 years of age and older as of today, making a total of 12.2 million residents eligible for the vaccine, [The Wall Street Journal reports](#). Those eligible can begin scheduling appointments today. The Governor also unveiled a new program to help create vaccine hubs within houses of worship across the Empire State. <https://www.amny.com/news/governor-holds-announcement-in-mount-vernon-without-press/>
- New York State [will expand vaccine eligibility to those 50 years of age and older](#) starting Tuesday. A total of 12.2 million residents will be eligible for the vaccine beginning today, according to the State Health Department. More than five million residents, or 25% of the state, have received at least one dose of Covid-19 vaccine, and over 13%, or 2.7 million individuals, have completed their vaccination. Statewide, the percentage of people testing positive for Covid-19 on average each week was at 3.3%, according to the latest state data, down from 4% in early February and nearly 8% in early January. In New York City, that seven-day average has plateaued, remaining between 6% and 7% for weeks now, worrying some epidemiologists."
- [Some pharmacists are concerned](#) with supply issues as the state expands who they can vaccinate.
- Governor Cuomo reported that COVID hospitalizations dropped to 4,470. Of the 152,328 tests reported yesterday, 6,361, or 4.18%, were positive. The 7-day average percent positivity is 3.29%. There were 885 patients in ICU yesterday, down 5 from the previous day. Of them, 576 are intubated. 46 New Yorkers to the virus. <https://www.governor.ny.gov>. 26.1% of New Yorkers have completed at least one vaccine dose. New York administered 7,737,230 total doses with

13.4% of New Yorkers completing their vaccine series. See data by region and county on the State's Vaccine Tracker: [ny.gov/vaccinetracker](https://ny.gov/vaccinetracker).

- As the coronavirus continues to circulate and more infectious mutations and variants of the disease emerge, health experts warn that if New York rushes to reopen, [it may undermine the progress that has been made](#).
- New York City high schools reopened yesterday for the first time since November, the last group of schools in the nation's largest system to welcome back students after a shutdown driven by high coronavirus infection rates, [Politico New York reports](#).
- On May 3, New York city [will compel its municipal office employees](#) to begin to report to work in person, according to internal planning documents shared with The New York Times. Workers will return in phases over several weeks.
- New York State Senator Hoylman is introducing a bill that would create a voluntary COVID-19 health registry, similar to one crafted in the wake of the 9/11 terror attack, that would be run by the state Department of Health to monitor the long-term effects of the virus, [the Daily News reports](#).
- There have been public calls from numerous prominent New York Democrats for Governor Cuomo to resign amid a wave of sexual harassment allegations. Yet in the NYS Assembly, while Speaker Heastie thinks the governor should consider resigning he has stopped short of calling for his ouster. Instead of saying the governor should be impeached, Heastie has launched a probe – even though State Attorney General Letitia James is already overseeing an investigation of the sexual harassment charges. Some think that may be giving the Governor valuable time. [Read more](#).
- Governor Cuomo is managing to escape direct questions on the accusations against him. On Monday he held yet another closed press vaccine event and then took a handful of questions from reporters chosen by his office via conference call, before which he [again declared](#) he wouldn't talk about the scandals.
- Better than expected revenues and additional federal aid will negate the need for cuts proposed as part of Governor Cuomo's budget plan — without the need for 'any significant' tax hikes, according to the governor's top fiscal planner. [State budget director Robert Mujica appeared to nix](#) the idea of hiking taxes on the wealthy, which legislative Democrats have supported as a way to cover spending increases linked to schools and health care.
- Senate Democrats said their position "remains the same: We need to ensure all New Yorkers are protected and we can pass a budget that doesn't rely on one-shots and austerity but creates long-term equity." "Business groups and fiscal hawks historically have been able to count on Gov. Andrew M. Cuomo to temper a progressive State Legislature's desire to raise taxes on corporations and the wealthy. But with the embattled governor fighting for his political life, they say there [may be no stopping New York from raising some tax rates](#) to levels not seen since the 1970s.

- A year after the coronavirus pandemic ground New York City's economy to a near standstill, most big companies and white-collar employees have emerged inconvenienced but intact, while many small businesses and [low-wage workers are still struggling to stay afloat](#) .

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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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