

Thursday, March 25, 2021

To: New York Community Banks

FROM ICBA

PPP, credit union grassroots key this week

With several key issues coming to a head in Washington this week, ICBA continues calling on community bankers to use its Be Heard grassroots action center to contact policymakers.

- **PPP Extension:** With the Senate taking up a House-passed PPP extension as soon as today, ICBA is urging community bankers to [contact their senators in support](#).
- **CUSOs:** Community bankers have until March 29 to [submit comment letters](#) opposing an NCUA proposal to expand the powers of credit union service organizations.
- **CU Hearing:** Community bankers can continue [calling on Congress](#) to hold a hearing on the credit union tax exemption.

IRS disburses another 37M EIPs

The IRS and Treasury Department [said](#) they disbursed another 37 million Economic Impact Payments, bringing the third-round EIP total to 127 million payments worth roughly \$325 billion.

Details: The second batch includes approximately 37 million payments, with a total value of nearly \$83 billion. It includes 17 million direct deposit payments worth \$38 billion, 15 million paper checks worth \$34 billion, and 5 million prepaid debit cards worth \$11 billion.

More: Additional batches of payments will be sent in the coming weeks, most through direct deposit.

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

SBA increasing max EIDL amounts

The [SBA said](#) it is increasing maximum Economic Injury Disaster Loan amounts for small businesses from \$150,000 over six months to \$500,000 over 24 months.

More: The SBA said it will contact existing borrowers on how to request a loan increase under the new standards, which will be implemented April 6.

Background: As advocated by ICBA, the end-of-year stimulus package fully forgave EIDL advances to ensure they are not deducted from PPP loan forgiveness amounts.

USDA announces new producer assistance

The USDA [announced](#) a new four-part initiative to provide financial assistance to agriculture producers affected by COVID-19.

Details: The initiative will dedicate at least \$6 billion in payments targeting small and socially disadvantaged producers, specialty crop and organic producers, timber harvesters, the food supply chain, and renewable fuel producers.

More: Existing programs, such as CFAP, will fall within the overall amount of \$12 billion available. The USDA will reopen CFAP 2 registration for at least 60 days beginning April 5, but those already registered are not expected to need to register.

Pandemic boosts consumer complaints: CFPB

The Consumer Financial Protection Bureau [said](#) the COVID-19 pandemic contributed to a 54 percent increase in consumer complaints to the bureau in 2020. The CFPB handled approximately 542,300 complaints last year, up from roughly 352,400 in 2019.

ICBA thanks senators for cannabis banking bill

ICBA [thanked](#) Sens. Jeff Merkley (D-Ore.) and Steve Daines (R-Mont.) for introducing the Secure and Fair Enforcement (SAFE) Banking Act in the Senate. The bill would establish a cannabis-banking safe harbor in states where cannabis is legal. The House version was [introduced](#) last week.

Illinois applies CRA to credit unions

Illinois this week [enacted](#) state-level Community Reinvestment Act standards to credit unions and nonbank mortgage lenders, unlike federal law. The new law makes Illinois the fourth state—after Connecticut, Massachusetts, and New York—to apply state CRA standards to credit unions. ICBA supports applying CRA requirements to credit unions comparable to banks and thrifts without increasing the burden on banks already subject to federal CRA regulations, in addition to ending the credit union tax subsidy and investigating the National Credit Union Administration’s regulatory failures.

FROM OTHER SOURCES

- More than three months into the U.S. vaccination drive, many numbers paint an increasingly encouraging picture: 70% of Americans 65 and older have received at least one dose of the vaccine. COVID-19 deaths have dipped below 1,000 a day on average for the first time since November. Dozens of states have thrown open vaccinations to all adults or plan to do so. https://apnews.com/article/us-vaccination-rise-coronavirus-deaths-fall-00fc8be959230a05fafaff6452c2f0d5?mkt_tok=ODUwLVRBQS01MTEAAAF8CFevibgbKs1CU2W_Pm2oRxU0cCISLcTJ2wrB3s0rG3ADoQoOVIZ4kf69haY8ok7_yquhw9dQqQal1tqGv2ZlRtiHGnwc7Xye0PXwcJkGdaT5
- The push to get Americans vaccinated has picked up momentum in recent days. Governors and public health officials in more than 40 states have said they will meet or beat [President Biden’s goal of making every adult eligible for a vaccine by May 1](#), and at least 30 states plan to start universal eligibility in March or April. https://www.nytimes.com/2021/03/24/us/covid-vaccine-eligibility.html?mkt_tok=ODUwLVRBQS01MTEAAAF8CFevi1jQtAPo35hIxQRR110d8zFmi6bP48Cin-YP115D0bra_mN-oVgxCbteI9ASAJpk2krbbe94ylFRVgGl3FuP7cLbS0OYKPi3U2btgy2
- AstraZeneca, which was criticized for using outdated data in a filing to American regulators, said a new analysis showed that its COVID-19 vaccine was 76% effective against the virus, only slightly lower than it had previously reported. The updated information could put the vaccine back on track for gaining emergency use authorization from the FDA, which it plans to seek in the coming weeks. ([Reuters](#))
- The White House announced it will direct \$10 billion, largely drawn from the recently enacted American Rescue Plan, to expand vaccination access for low-income, rural and minority communities that have been hit hardest by the pandemic. Much of the money (\$6 billion) will go out next month to 1,400 federally funded community health centers that serve patients at high risk of infection and death from the coronavirus. https://www.nbcnews.com/politics/white-house/white-house-announces-10-billion-vaccine-access-effort-aimed-hard-n1262014?mkt_tok=ODUwLVRBQS01MTEAAAF8CFevihaqIY3n_6ZtvGOZnDXgXihF0VUsYceeUWrFWQil7yeoxxmAMpV2XJtnGxTuoydR9tv0E6dmJWIo9Y4sVzjvnWcMbdBQLdXmNroFGKoU
- New jobless claims fell to the lowest levels of the pandemic era, with 684,000 being filed last week. Initial unemployment claims fell by 97,000, another sign that the economic impact of the [coronavirus](#) pandemic is easing. An additional 241,745 filed claims for Pandemic Unemployment Assistance, for gig and self-employed workers. The total number of claims for all types of unemployment benefits was 18.95 million for the week ending March 6, according to U.S. Department of Labor [data](#).
- Fed Chairman Powell indicated Wednesday in a hearing before the Senate Banking Committee that he isn't concerned about a recent rise in long-term bond yields, saying they appear to reflect growing optimism about the economy's prospects, noting: "It seems that rates have responded to news about vaccination and ultimately about growth." https://www.wsj.com/articles/powell-yellen-to-testify-in-second-day-of-hearings-11616578202?mkt_tok=ODUwLVRBQS01MTEAAAF8CEE8flcA_m5RQI9nqDmK2rcKto_46

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- Companies harmed by the coronavirus pandemic can soon borrow up to \$500,000 through the Small Business Administration's emergency lending program, raising a cap that has frustrated many applicants. "The pandemic has lasted longer than expected," noted SBA administrator Isabella Casillas Guzman. https://www.nytimes.com/2021/03/24/business/smallbusiness/eidl-loans.html?mkt_tok=ODUwLVRBQS01MTEAAAF8CEE8fdH6feqrZ3cTTdhUPbkY2YxPL4jF-IuIxguA9RTnm4UuVn2llW5x-EavV5w-MaC3RnH-UDee1ovnbd8v1znttXfVRhg27V-Cnv9KvzI
- Seven Republicans have signed on to a Senate bill to extend the PPP for two months, putting Democrats closer to the 60 votes needed to pass the legislation Majority Leader Schumer said must pass this week. Republican Senators Tillis of North Carolina, Moore Capito of West Virginia and Portman of Ohio joined as co-sponsors, joining GOP Senators Marshall of Kansas, Murkowski and Sullivan of Alaska and Collins of Maine. https://www.rollcall.com/2021/03/24/as-deadline-nears-senate-democrats-pick-up-gop-support-to-extend-ppp/?mkt_tok=ODUwLVRBQS01MTEAAAF8CEE8fVcf9Zu_ZqK1QgP7apenoTvOwq6Yf4p2e7mcGGtCc1DuREkUWiXDdUh2s9QraDTWIHpydME8dPW37S00dCVLmJ3ry0f5ZuRxEyg2qAxP
- Treasury Secretary Yellen told the Senate Banking Committee the Department has "a host of thorny questions" to work through before it can give states guidance on a provision in the \$1.9 trillion Covid relief package that prohibits them from using federal aid to subsidize tax cuts. Two issues she singled out: How to treat tax exemptions that states may provide for unemployment benefits, like the federal government is doing, and exactly how to determine whether a state is using federal money for a tax cut. https://www.politico.com/news/2021/03/24/yellen-treasury-state-tax-restriction-477851?mkt_tok=ODUwLVRBQS01MTEAAAF8CEE8fR7ds_34-eMJK-6Jicp6HzedA64-f3R3TC_pFnSbOLdZJi2UZzb4-BqxKApVqZPWYJ10qckX7EQjhIUTLJW7ADvQiyaZdpUodqDb7cA9

FROM NEW YORK

- Governor Cuomo reported COVID hospitalizations dropped to 4,641. Of the 207,496 tests reported yesterday, 7,278, or 3.51%, were positive. The 7-day average percent positivity is 3.34%. There were 918 patients in ICU yesterday, down seven from the previous day, and of them, 596 were intubated. 71 New Yorkers lost their lives to the virus. <https://www.governor.ny.gov>. 26.9% of New Yorkers have completed at least one vaccine dose. New York has administered 8,029,749 total doses with 14.1% of New Yorkers completing their vaccine series. See data by region and county on the State's Vaccine Tracker: ny.gov/vaccinetracker.
- Those with connections to Governor Cuomo, including his family members and state government officials, had access to COVID testing when it was scarce in the early days of the pandemic, [The Times Union](#) and [The Washington Post](#) reported. State resources were set aside to help administer the tests. The revelations are the latest to rock the Cuomo administration, already under attack for sexual harassment allegations and an effort to conceal data on coronavirus nursing home deaths. [Read more.](#)
- State lawmakers unanimously passed legislation that repeals COVID-19 legal liability protections granted to nursing homes and hospitals amid growing scandals encircling Cuomo, [Gannett Albany reports.](#)
- Governor Cuomo said New York is launching "a state-of-the-art public health training program" so that more residents can help respond to the COVID-19 health emergency and possibly constitute a volunteer corps for future health crises, [Newsday reports.](#)

- NYC Mayor de Blasio [cast doubt on the Cuomo administration's coronavirus data](#), saying “political considerations” may be influencing the state’s numbers. New York City and New York state have reported significantly different numbers throughout the pandemic, providing different counts on everything from the number of Covid-19 deaths to the positive test rate.
- Two New York City elected officials [are calling on Governor Andrew Cuomo to pause](#) the state’s continued reopening because they fear a surge in coronavirus cases due to the variants.
- 75 percent of restaurants and bars [reported that their 2020 revenue dropped](#) by more than half compared to the previous year.
- At this point, Governor Cuomo should be able to provide a schedule that shows how and when the state plans to open vaccine eligibility to other categories – just as other states have widened their criteria successfully, New York should be able to do the same, [Newsday writes](#).
- [The pandemic has continued](#) to impact New York's dairy industry.
- [COVID cases are plateauing](#) in New York, and residents are being urged to not let their guard down.
- NYS Financial Services Superintendent Linda Lacewell is one of Governor Cuomo’s top aides accused of changing a state report to conceal the number of nursing home residents who died during the height of the COVID-19 pandemic in New York City. <https://nyunews.com/news/2021/03/24/nyu-law-cuomo-nursing-home-deaths/>
- After years of false starts, New York state lawmakers said Wednesday that they had [reached an agreement to legalize the sale of marijuana](#) for recreational use by adults starting next year.

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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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