

Wednesday, March 3, 2021

To: New York Community Banks

FROM ICBA

Romero Rainey: ICBA pressing PPP reforms

While Congress is fast-tracking the next stimulus package, problems with existing recovery programs remain unaddressed, ICBA President and CEO Rebeca Romero Rainey writes in a [new op-ed](#).

Background: Due to the use of the budget reconciliation process to expeditiously pass the Biden administration's \$1.9 trillion stimulus plan unaltered, needed updates to the Paycheck Protection Program will need to be addressed separately.

ICBA Advocacy: In her [op-ed on Medium](#), Romero Rainey writes that Congress needs to address PPP issues related to first-draw increase eligibility, second-draw use of proceeds, farm partnerships, and the Save Our Stages Program.

READ THE OP-ED

Brainard: Outlook, inflation expected to gain

Increasing COVID-19 vaccinations, expected fiscal measures, and accommodative monetary policy point to a strong modal outlook for 2021, though considerable uncertainty remains, Fed Governor Lael Brainard said.

Inflation: In webcast [remarks](#), Brainard also said inflation is likely to temporarily rise above 2 percent on a 12-month basis when last year's low March and April price readings fall out of the Fed's 12-month personal consumption expenditures price index.

FROM OTHER SOURCES

- [President Joe Biden has once again](#) moved up the timeline for when the United States will have enough COVID-19 vaccine supply for every adult in America, saying Tuesday he believes that goal will be achieved by the end of May -- two months earlier than anticipated — and pushed states to get at least one shot into the arms of teachers by the end of March to hasten school reopenings. He also announced drugmaker Merck will help produce rival Johnson & Johnson's newly approved vaccine, likening the partnership between the two drug companies to the spirit of national cooperation during World War II. https://apnews.com/article/joe-biden-coronavirus-pandemic-25738fbba2ff638be1a1253d96199578?utm_source=Sailthru&utm_medium=email&utm_campaign=March03_Morning_Wire&utm_term=Morning%20Wire%20Subscribers
- Senate Majority Leader Schumer said the Senate will move forward as soon as Wednesday on President Biden's \$1.9 trillion coronavirus relief bill, and said: "We'll have the votes we need to pass the bill."
- A new Morning Consult/Politico survey found President Biden's \$1.9 trillion stimulus package is really popular: 76% of voters, including 60% of Republicans, [backed the plan](#). Half of the respondents were told in the question that it's "the Democrats' plan," while the other half were not given that partisan framing. Support didn't change much, even among Republicans informed the package is a Democratic plan. This [latest look](#) at attitudes on the stimulus bill "belies the typically polarized policy positions that pollsters saw for years, seemingly speaking to consistent support for the measure despite party affiliation."
- The Senate confirmed former Rhode Island Gov. Gina Raimondo as commerce secretary and Princeton economist Dr. Cecilia Rouse as chair of the White House Council of Economic advisors. Rouse, who will be the first black chair of the economic council, has said some of the top priorities of her position include promoting racial and gender equity in the economy. ([The New York Times](#))
- The White House is withdrawing the nomination of Neera Tanden as head of the Office of Management and Budget after opposition from Senate Republicans and Senator Manchin (D-

W.Va.). President Biden indicated he will find a different position for Tanden in the administratio. A top contender to lead the agency now is the current nominee for Deputy OMB Director, longtime congressional staffer Shalanda Young. ([The Wall Street Journal](#))

- In a confirmation hearing before the Senate Banking Committee, Rohit Chopra -- the nominee to head the CFPB -- said he would focus on making sure Americans hindered by debt and other economic setbacks caused by the pandemic are able to receive relief, at least partially through policing abuses committed by mortgage and student loan servicers, as well as credit bureaus. In the same hearing Gary Gensler -- the nominee to lead the SEC -- said the agency could move to require companies to disclose more about political spending, climate risks and workforce diversity. ([The Washington Post](#))

FROM NEW YORK

- Governor Cuomo updated New Yorkers on the state's progress during the ongoing COVID-19 pandemic. There were 5,369 patient hospitalizations statewide. 1,076 patients were in the ICU; 747 intubated. The statewide positivity rate was 4.53%. There were 82 COVID-19 deaths in New York State.
- White House Chief Medical Advisor Dr. Fauci said the Biden administration [is taking the emergence of a new coronavirus strain](#) in New York 'very seriously.' The new strain ('B.1.526') is rapidly spreading in New York City and reportedly carries a mutation that could weaken the effectiveness of vaccines. The variant first appeared in November and now accounts for about 1-in-4 viral sequences.
- The state Legislature has [reached an agreement](#) to "sort of" strip Governor Cuomo of his expansive emergency powers, one of the first moves against the governor by his fellow Democrats as he remains under siege from twin scandals. [The deal announced](#) by Senate Majority Leader Stewart-Cousins and Assembly Speaker Heastie, both Democrats, could be voted on as soon as Friday. Momentum to repeal the Governor's extraordinary executive authority has grown as he is deluged by accusations of sexual harassment and a coverup of Covid-19 nursing home deaths that have led to calls for his resignation or impeachment. His emergency ability to usurp jurisdiction in matters typically governed by the Legislature or local governments will be revoked. Existing executive orders, like the statewide mask mandate, will remain in effect, and Cuomo will be allowed to modify them with notice to the Legislature. That leaves him in control of matters like capacity limits on indoor dining, and what groups are prioritized for Covid-19 vaccination. [Read More](#)
- Cuomo's popularity is sinking amid sexual harassment and nursing home scandals, with a NewsNation/WPIX 11/Emerson College poll putting his approval rating at 38%, [the New York Post reports](#).
- Now that it's been a year since New York's first coronavirus case, allowing for a full accounting of the [battering the state's hospitals took during the pandemic](#). Thankfully, fears that the state's hospital infrastructure – and even its financing – might collapse never panned out.
- In a report on the state budget released Tuesday by State Comptroller DiNapoli, better-than-expected tax revenue and "found" federal aid could lead to modest budget surpluses for New York as the state's finances begin to recover amid the economic crisis created by the COVID-19 pandemic. [Read More](#)

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