

Friday, April 2, 2021

To: New York Community Banks

## FROM ICBA

### ICBA urges hearings following major credit union acquisition

Following the announcement of the largest-ever credit union purchase of a community bank, ICBA [renewed its call](#) for policymakers to investigate credit union acquisitions of community banks.

**New Acquisition:** VyStar Credit Union in Jacksonville, Fla., this week said it is crossing state lines to purchase a \$1.6 billion community bank in Jonesboro, Ga.

**ICBA Advocacy:** In a national news release, ICBA continued its call for Congress to [hold hearings](#) on this trend and [request](#) a GAO study on the evolution of the credit union industry and National Credit Union Administration supervision.

**More:** “The current rash of taxpayer-funded credit union acquisitions exacerbates industry consolidation, shrinks state and local tax revenues, limits the reach of the Community Reinvestment Act, and again shows that tax-exempt credit unions have become virtually indistinguishable from taxpaying commercial banks,” ICBA President and CEO Rebeca Romero Rainey said.

### [READ ICBA RELEASE](#)

### IRS announces 4M more EIPs

The IRS [announced](#) 4 million more Economic Impact Payments worth \$10 billion, bringing total EIP disbursements to more than 130 million payments worth approximately \$335 billion.

**Background:** The latest batch of EIPs began processing March 26 with an official payment date of March 31. It contains more than 2 million direct deposit payments and approximately 2 million paper check payments.

**Recipients:** The new batch includes the first of ongoing supplemental payments to recipients eligible for a new or larger payment and to recipients for whom the IRS recently received information to issue a payment. These payments will continue on a weekly basis.

**More:** The IRS today will begin issuing additional EIPs to federal beneficiaries who do not normally file a tax return, with a payment date of Wednesday, April 7. More information on these payments is available on [ICBA’s updated FAQs on EIPs](#).

### CFPB ‘warns’ mortgage servicers about foreclosure wave

The Consumer Financial Protection Bureau “warned” mortgage servicers to take all necessary steps to prevent a wave of foreclosures this fall.

**Foreclosure Wave:** In a [compliance bulletin](#), the CFPB said servicers should dedicate sufficient resources and staff now to prepare for a surge in borrowers needing help when federal emergency mortgage protections expire this summer and fall.

**Oversight:** The CFPB said it will closely monitor how servicers engage with borrowers and process loss-mitigation applications as it addresses compliance issues.

### SBA names new chief of staff

The SBA [said](#) Antwaun Griffin will serve as the agency’s new chief of staff. Griffin previously served as the Commerce secretary’s chief policy advisor on pandemic and economic recovery programs.

## FROM OTHER SOURCES

- The White House is looking to governors to boost confidence in the Johnson & Johnson coronavirus vaccine as the company ramps up supply in the U.S. Several state leaders have taken the one-dose shot in recent weeks, and some have said it was an intentional decision to show the newest vaccine available to the public is safe and effective. [https://thehill.com/homenews/administration/546064-white-house-asks-governors-for-help-with-johnson-johnson-vaccine?mkt\\_tok=ODUwLVRBQS01MTEAAAF8MYknIo\\_HLruvcMqQuMMduT8x6o76FQ8Z8-sCPP4xUB6KGiUjkafSc2p84MKPzF7W5H-dnL1jquwVxxmvaFJwDfIVH4Wpt2HP7BzAT64myfgw](https://thehill.com/homenews/administration/546064-white-house-asks-governors-for-help-with-johnson-johnson-vaccine?mkt_tok=ODUwLVRBQS01MTEAAAF8MYknIo_HLruvcMqQuMMduT8x6o76FQ8Z8-sCPP4xUB6KGiUjkafSc2p84MKPzF7W5H-dnL1jquwVxxmvaFJwDfIVH4Wpt2HP7BzAT64myfgw)
- President Biden is reportedly unlikely to propose reinstating state and local tax deductions in his second tax-and-spending package despite pressure from several fellow Democrats. The SALT deduction is a top priority for a number of Democrats representing blue states. Its supporters include Senate Majority Leader Chuck Schumer, House Speaker Nancy Pelosi. [https://www.axios.com/biden-salt-tax-deduction-a8213dd1-7609-4fe8-bc5a-8ee0f9848187.html?mkt\\_tok=ODUwLVRBQS01MTEAAAF8MW-0P\\_9pa9kCbVpu7GBdoMu4vFBL\\_JXrPyQZioGNqVQIKxbd2ksXIAXLN3sFYe-On\\_exRLMtD\\_FpsxySPO5GHUeegCyZDo46e9A1HoLORdqi](https://www.axios.com/biden-salt-tax-deduction-a8213dd1-7609-4fe8-bc5a-8ee0f9848187.html?mkt_tok=ODUwLVRBQS01MTEAAAF8MW-0P_9pa9kCbVpu7GBdoMu4vFBL_JXrPyQZioGNqVQIKxbd2ksXIAXLN3sFYe-On_exRLMtD_FpsxySPO5GHUeegCyZDo46e9A1HoLORdqi)
- The U.S. economy "added a whopping 916,000 jobs last month" -- the highest level in months -- while the unemployment rate fell to 6% from 6.2%, [the government said](https://www.axios.com/newsletters/axios-thought-bubble-bd9b9f69-e606-43ab-bca6-f4317aa3276e.html?utm_source=newsletter&utm_medium=email&utm_campaign=thought-bubble-ampm&stream=top) on Friday. The major job gains show how vaccines and the economic reopening are juicing the battered labor market, and comes after the economy [added 379,000 jobs](https://www.axios.com/newsletters/axios-thought-bubble-bd9b9f69-e606-43ab-bca6-f4317aa3276e.html?utm_source=newsletter&utm_medium=email&utm_campaign=thought-bubble-ampm&stream=top) in February, far outpacing expectations. President Biden [signed](https://www.axios.com/newsletters/axios-thought-bubble-bd9b9f69-e606-43ab-bca6-f4317aa3276e.html?utm_source=newsletter&utm_medium=email&utm_campaign=thought-bubble-ampm&stream=top) a \$1.9 trillion COVID relief package on March 11, which is expected to add another boost to the recovery. The labor market recovered about 12 million of the 22 million jobs lost in the first two months of the pandemic by October, but until Friday's report, the pace of the recovery had slowed greatly. [https://www.axios.com/newsletters/axios-thought-bubble-bd9b9f69-e606-43ab-bca6-f4317aa3276e.html?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=thought-bubble-ampm&stream=top](https://www.axios.com/newsletters/axios-thought-bubble-bd9b9f69-e606-43ab-bca6-f4317aa3276e.html?utm_source=newsletter&utm_medium=email&utm_campaign=thought-bubble-ampm&stream=top)
- The number of Americans applying for unemployment benefits rose by 61,000 last week to 719,000 (up from 658,000 the previous week), signaling that many employers are still cutting jobs even as more businesses reopen, vaccines are increasingly administered and federal aid spreads through the economy. [https://apnews.com/article/jobless-claims-unemployment-health-coronavirus-pandemic-layoffs-3fd2ed2a7b3fc186a643fe671af6e9f4?mkt\\_tok=ODUwLVRBQS01MTEAAAF8MW-0P0HJJFL0YfmLbmTB5OUtg1d6Lvq2qMm3-AMCOE1b8SedMJaTvtFK6ZQGtUL6n9oAeC20ldlp1jDPxxWdyt1JQ\\_3YWXJ1N-hSV-Ij03z5](https://apnews.com/article/jobless-claims-unemployment-health-coronavirus-pandemic-layoffs-3fd2ed2a7b3fc186a643fe671af6e9f4?mkt_tok=ODUwLVRBQS01MTEAAAF8MW-0P0HJJFL0YfmLbmTB5OUtg1d6Lvq2qMm3-AMCOE1b8SedMJaTvtFK6ZQGtUL6n9oAeC20ldlp1jDPxxWdyt1JQ_3YWXJ1N-hSV-Ij03z5)
- A powerful recovery in the U.S., primed by massive government spending and a rapid vaccine rollout, is already rippling around the world, brightening the economic prospects for countries closely tied to the American economy. [https://www.wsj.com/articles/red-hot-u-s-economy-a-mixed-blessing-for-rest-of-world-11617355800?mkt\\_tok=ODUwLVRBQS01MTEAAAF8MW-0Szwdqw6YfBgAnOfmuop9UIpFQnwlPC791-S3Et4rycLxB76ICK-chVh0TQsuedJBun5uVfUXlrDaUe9HjHfHE1-aiw7sA\\_MCL9\\_qGO16](https://www.wsj.com/articles/red-hot-u-s-economy-a-mixed-blessing-for-rest-of-world-11617355800?mkt_tok=ODUwLVRBQS01MTEAAAF8MW-0Szwdqw6YfBgAnOfmuop9UIpFQnwlPC791-S3Et4rycLxB76ICK-chVh0TQsuedJBun5uVfUXlrDaUe9HjHfHE1-aiw7sA_MCL9_qGO16)
- President Biden's corporate tax plan would tear down much of the structure that Republicans built in their 2017 tax law, driving up rates on large U.S.-based companies and raising taxes on their foreign profits. Mr. Biden's plan would generate about \$2 trillion over 15 years to pay for the infrastructure spending he outlined Wednesday. [https://www.wsj.com/articles/bidens-2-trillion-corporate-tax-plan-tears-up-republicans-2017-blueprint-11617277669?mkt\\_tok=ODUwLVRBQS01MTEAAAF8MW-0TNmQ3zKn1HQe8cK6-](https://www.wsj.com/articles/bidens-2-trillion-corporate-tax-plan-tears-up-republicans-2017-blueprint-11617277669?mkt_tok=ODUwLVRBQS01MTEAAAF8MW-0TNmQ3zKn1HQe8cK6-)

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- The Biden administration's \$1.9 trillion Covid-19 relief package enacted last month aimed to get the economy back on track fast. Now, officials are set on increasing the speed limit for the long term. The roughly \$2.3 trillion infrastructure spending proposal.  
[https://www.wsj.com/articles/biden-infrastructure-plan-aims-to-boost-economys-productivity-over-time-11617269403?mkt\\_tok=ODUwLVRBQS01MTEAAAF8MW-0P4gLtE6jPJdyre7KYThh59DWJSdHNedvv57VBvJ87r2mMHUcnC3PSvQTxncYA0ksR7J6k17JdRuZWv2qkudoVFWfYmvlzAgq3XsIsQyo](https://www.wsj.com/articles/biden-infrastructure-plan-aims-to-boost-economys-productivity-over-time-11617269403?mkt_tok=ODUwLVRBQS01MTEAAAF8MW-0P4gLtE6jPJdyre7KYThh59DWJSdHNedvv57VBvJ87r2mMHUcnC3PSvQTxncYA0ksR7J6k17JdRuZWv2qkudoVFWfYmvlzAgq3XsIsQyo)

### FROM NEW YORK

- Governor Cuomo reported COVID hospitalizations had dropped to 4,604. Of the latest 239,652 tests reported, 8,888, or 3.71%, were positive. The 7-day average positivity rate was 3.58%. There were 894 patients in ICU yesterday, down five from the previous day, and of them 545 were intubated. 56 New Yorkers lost their lives to the virus. <https://www.governor.ny.gov>. 31% of New Yorkers have completed at least one vaccine dose, and 18.5% had completed their vaccine series. See data by region and county on the State's Vaccine Tracker: [ny.gov/vaccinetracker](https://www.governor.ny.gov/vaccinetracker).
- **After a dramatic spike in infections**, cases and deaths around the start of the new year, New York City has seen its COVID-19 statistics slowly decline into the spring. The declines have not been as significant as many health experts had hoped, but rates of hospitalizations, new cases, infections and deaths are lower than they've been for several months. Governor Cuomo has been **steadily easing** restrictions on gatherings, restaurants, spectator events and travel, arguing that he is reopening the state's economy while sticking to sound public health precautions. What restrictions are still in place?
- **Out-of-state travelers** arriving in New York will no longer have to obey a mandatory quarantine starting Thursday.
- State officials are weighing how to distribute federal dollars that are to be used for an expansion of COVID-19 testing in public K-12 schools, but the consensus is that additional support from the state would be needed to create a statewide pooled testing program, [the Times Union reports](#).
- It's the time of year at the New York State Capitol when rumors are running rampant on the budget. The biggest reported sticking point: How to increase taxes on the wealthy. An added wrinkle: New York is flush with cash. The state received over \$12.5 billion in direct aid from the federal government in the latest stimulus deal, but legislators are still pushing for an increased tax rate on millionaires to establish a stable future funding stream. The longer negotiations last, other items believed settled can start to fall apart. The budget countdown is now enumerating [the number of days it is late](#). **Read More**
- State Comptroller Thomas DiNapoli warned that roughly 39,000 state workers, including those at health care and correctional facilities, could see a delay in their paychecks if lawmakers don't pass a budget soon, [the Daily News reports](#).
- Although legal in 16 states, New York included, marijuana remains a controlled substance under federal law. Experts say that means a past conviction, even if expunged, can still be used as the basis for deportation or detention under immigration law, [City Limits reports](#).

# # # #

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

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