

Thursday, April 22, 2021
To: New York Community Banks

FROM ICBA

Three days of grassroots at next week's Capital Summit

Community bankers who can't participate in next week's virtual [ICBA Capital Summit](#) will still be able to join in the grassroots outreach.

Grassroots: During the summit, ICBA will lead community bankers in sending grassroots messages to lawmakers on Monday, making phone calls Tuesday, and posting social media messages Wednesday. More information and links will be available next week.

Event: Meanwhile, community bankers can still register for next week's virtual summit, which will feature remarks from Sen. Joe Manchin (D-W.Va.), Senate Banking Committee Chairman Sherrod Brown (D-Ohio), and other top policymakers.

[REGISTER HERE](#)

ICBA opposes Calif. public banking bill

ICBA and other groups expressed opposition to a bill in the California legislature that would establish a government banking system in the state.

The Bill: Assembly Bill 1177 would establish the BankCal program within the state treasurer's office and require employers with five or more employees to provide direct deposit into the fund.

Opposition: In a [joint letter](#), ICBA, the California Community Banking Network, and others said BankCal would put Californians at risk without remedying the use of high-cost payday lenders.

Alternatives: The groups urged California policymakers to instead join the BankOn movement encouraging expanded use of existing depository institutions and to help capitalize Community Development Financial Institutions.

ICBA Position: ICBA opposes the formation of any new public banks—whether owned by states, municipalities, or the U.S. Postal Service—which would create undue taxpayer risk and divert deposits from local communities.

FHFA announces plans for ending loan flexibilities

The [Federal Housing Finance Agency](#) said Fannie Mae and Freddie Mac will extend certain loan-origination flexibilities from April 30 to May 31 while allowing others to expire on schedule.

Extension: Alternative appraisals on purchase and rate-term refinance loans are among the flexibilities that will be extended to May 31.

Expiration: Flexibilities related to employment verification, condominium project reviews, and expanded power of attorney will expire as scheduled on April 30.

Next: The FHFA said it will retire all remaining flexibilities on May 31 due to low usage.

Taxpayer group urges credit union reforms

Congress should examine how the tax code is contributing to acquisitions of taxpaying community banks by tax-exempt credit unions, the National Taxpayers Union wrote in a new op-ed.

NTU Op-ed: On [Townhall](#), NTU Director of Federal Affairs Thomas Aiello said the recent VyStar Credit Union acquisition is the latest indicator that credit unions have strayed from the mission justifying their tax exemption.

ICBA Op-ed: The op-ed follows last week's [American Banker op-ed](#) from ICBA President and CEO Rebeca Romero Rainey urging Congress to hold hearings and request a GAO study on the evolution of the credit union industry.

Grassroots: Community bankers can use ICBA's [Be Heard grassroots center](#) to urge Congress to hold hearings on credit union acquisitions and National Credit Union Administration oversight.

Small-biz tax credits for employee vaccines

The Treasury Department and IRS [released details](#) of small-business tax credits under the American Rescue Plan. Eligible employers with fewer than 500 employees can receive a credit for providing paid time off for employees receiving and recovering from COVID-19 vaccines.

USDA issues FAQs on loan payoffs

The USDA recently released [frequently asked questions](#) on American Rescue Plan Act relief, including for socially disadvantaged farmers and ranchers.

Background: Section 1005 of the law requires the USDA to pay off direct and guaranteed farm loans held by these producers as of Jan. 1, 2021. The USDA is establishing a process for these loan payments.

Details: The FAQs include details on eligible producers, eligible loans, debt payments and more, though it doesn't explain how payments will be made.

ICBA Position: ICBA recently [urged the USDA](#) to ensure lenders are compensated for any lost income from the loan payoffs.

Ag panel marking up carbon credit bill today

The Senate Agriculture Committee [is scheduled](#) to meet at 9:30 a.m. (Eastern time) today to mark up legislation designed to spur agricultural carbon markets.

The Bill: The bipartisan Growing Climate Solutions Act would authorize a USDA program to certify credit verification services and technical assistance providers for selling carbon credits.

Banking Hearing: Separately, the Senate Banking Committee has a [virtual hearing](#) this morning on capitalizing on the clean energy economy.

ICBA's Fisher, Wilcox talk advocacy on new podcast

ICBA Chairman Robert Fisher and Immediate Past Chairman Noah Wilcox discuss the importance of grassroots advocacy in the latest [Main Street Banking podcast](#) from the Barret School of Banking.

Details: Ahead of next week's virtual [ICBA Capital Summit](#), Fisher and Wilcox discuss how they got involved in advocacy and the positive community bank impact on financial services policy.

FROM OTHER SOURCES

- Daily coronavirus vaccinations have slowed significantly for the first time since February, a sign that demand is slipping even though every American adult is now eligible for the shots, [The Washington Post reports](#). About 3 million Americans are getting vaccinated daily, an 11% decrease in the seven-day average of daily shots administered over the past week.
- Despite the U.S. administering vaccines by the millions, the coronavirus isn't slowing down. Even with the surge in vaccinations, there has been almost no change in the coronavirus' spread. In the last week of February, the U.S. was averaging 65,686 new coronavirus cases per day. Eight weeks later, we're averaging 64,814. Over that same period, more than 65 million vaccine doses were administered — roughly doubling the number of Americans who have gotten

at least one shot. [More contagious variants](#) of COVID-19 — particularly the variant first discovered in the U.K. — [have become the dominant strains](#) within the U.S. over the spring. Deaths have fallen significantly, to an average of about [700 per day](#), down from a peak of nearly 3,500 per day.

- How long does protection from COVID-19 vaccines last? Experts don't know yet because they're still studying vaccinated people to see when protection might wear off...[Read More](#)
- Federal regulators have found serious flaws at the Baltimore plant that had to throw out up to 15 million possibly contaminated doses of Johnson & Johnson's coronavirus vaccine - casting doubt on further production in the United States of a vaccine that the government once viewed as essential in fighting the pandemic. https://www.nytimes.com/2021/04/21/us/politics/emergent-johnson-johnson-covid-vaccine.html?mkt_tok=ODUwLVRBQS01MTEAAAF8mI9McYB4ucdQ_7XC0GRT9Ook3Pcgb9zu-D_z5BCx12i6sjWVkOtU7_OjCYp39e6Xc-JZHL1q2JYVVovUdkO8IXXpBkmEt8DZMUu6j5E9Hagy

- JPMorgan CEO Jamie Dimon expects the bank's employees will back in the office 'within weeks' and going maskless by October. https://www.businessinsider.com/jpmorgans-ceo-jamie-dimon-return-to-office-instagram-face-masks-2021-4?mkt_tok=ODUwLVRBQS01MTEAAAF8mHVhECzLyNt788X3O_1eFsMIy3tbpgAUVREKJByttmiiRktskSyJGdnL5nLHMxn4tG5wF5itPxKx3NTEfYpkE9qQiX0s170xC1HfHzOXAhAV

JPMorgan Chase & Co. is also adding almost 190 workers to its investment-banking ranks as Wall Street firms seek to ease the burden for junior bankers inundated with work during the pandemic.

- The U.S. jobs market recovery accelerated its pace last week as fewer Americans headed to the unemployment line, the Labor Department reported Thursday First-time claims for unemployment insurance totaled 547,000, which was below the Dow Jones estimate for 603,000 and a new low for the Covid-19 pandemic era. Continuing claims fell by 34,000 to 3.67 million. Still, there remain about 8 million fewer Americans at work than prior to the pandemic outbreak. <https://www.cnbc.com/2021/04/22/us-jobless-claims.html>
- Total employment, despite March's jump, is still down 8.4 million from its pre-pandemic peak, on a par with the worst point of the 2007-09 recession and its aftermath. While the unemployment rate at 6% is lower than in 2009, it is above 9% when people not counted as unemployed because they dropped out of the labor force or were misclassified are added back, according to the Federal Reserve. https://www.wsj.com/articles/the-job-market-is-tighter-than-you-think-11619006400?mkt_tok=ODUwLVRBQS01MTEAAAF8mHVhEH8Z24uHSIjXXKRYu-aXAXtqvapHIjTAlD2u80FGNKyOFR6Zn_5jpreF23s6scKnpFE2JlqBRjVLL-Fj-ISDd2g_HH5epzWCMNesvm9k
- The pandemic [wiped out](#) 2.5 million restaurant jobs and forced more than 100,000 eateries to shutter. And now the ones that made it through 2020 can't find staffers. [Share this story](#).
- Democrats are making another push for the Biden administration to include a repeal of the \$10,000 cap on state and local tax (SALT) deductions in its long-term economic program, a move that would give the write-off a White House seal of approval. Representative Josh Gottheimer (D-NJ) wrote to Treasury Secretary Yellen making a plea to include repeal of the cap in the administration's proposals to pump trillions of dollars into the economy with spending initiatives in part funded by tax hikes. https://www.bloomberg.com/news/articles/2021-04-21/democrats-push-yellen-to-back-salt-cap-repeal-in-biden-plan?mkt_tok=ODUwLVRBQS01MTEAAAF8mHVhEB441VkI71gOkpQdEOgE0M-hkJSgGhQRorYzWk8_I7J0EQ-jJxh7u-HEsUf9rWjH8flavbxBFasSDEY1ST0GBAKPM4wDAuycMLTkxWgY

- Amazon.com Inc said it is rolling out biometric technology at its Whole Foods stores around Seattle starting on Wednesday, letting shoppers pay for items with a scan of their palm. https://www.reuters.com/technology/amazon-let-whole-foods-shoppers-pay-with-swipe-their-palm-2021-04-21/?mkt_tok=ODUwLVRBQS01MTEAAAF8mHVhEBR03ckSJ5PYSMWGF0qwjci41Hs_PywVGhFcD5EzUTnUUV474rlmEzVIT_XZ-WTqDBOPUJ3hLPLmHCsw3ITydBOS7_aQ2WTPzVD6M5kE

FROM NEW YORK

- Governor Cuomo reported yesterday that COVID hospitalizations dropped to 3,757. Of the 202,400 tests reported yesterday, 4,326, or 2.14%, were positive. The 7-day average positivity rate was 2.69%. There were 817 patients in ICU yesterday, down six from the previous day. Of them, 505 were intubated. Sadly, 53 New Yorkers lost their lives to the virus. <https://www.governor.ny.gov>. New York had administered 13,852,715 total doses. 29.2% of New Yorkers had completed their vaccine series, while 42.6% had completed at least one vaccine dose. Over the past 24 hours, 169,746 total doses have been administered. See data by region and county on the State's Vaccine Tracker: [ny.gov/vaccinetracker](https://www.governor.ny.gov/vaccinetracker).
- **New York is taking another step** toward getting the COVID-19 vaccine to people. Beginning Friday, state-run mass vaccine sites will accept walk-ins for those 60 years old and older.
- COVID-19 numbers in New York City are still not where they need to be to lift all remaining business restrictions like [Connecticut plans to do next month](#), Mayor Bill de Blasio says, but he hinted outdoor mask rules may not be so stringent come summer. "Continue to wear their masks and I'll keep saying it, at least through June," the mayor said as he talked about the city's vaccine efforts. "Stick with the mask, stick with the social distancing, people are still being smart and cautious and that's helping us."
- Advocates and lawmakers who backed a measure that would require safety protocols in the workplace to prevent the spread of COVID-19 urged Gov. Andrew Cuomo on Wednesday to give it final approval once it reaches his desk. [Read More](#)
- The New York state Assembly impeachment investigation into the numerous scandals facing Gov. Andrew Cuomo is now well underway. The Assembly Judiciary Committee has been tasked with leading the impeachment investigation and gave a very brief update Wednesday on where things stand. [Read More](#)

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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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