

Friday, April 23, 2021  
To: New York Community Banks

## FROM ICBA

### IRS issues 2M more EIPs

The [IRS said](#) it is disbursing nearly 2 million Economic Impact Payments in the sixth batch under the American Rescue Plan.

**New Batch:** The latest batch—which has a total value of nearly \$3.4 billion—began processing April 16 with an official payment date of April 21. It included roughly 900,000 direct deposits and nearly 1.1 million paper checks.

**Recipients:** Nearly 700,000 payments went to individuals who recently filed tax returns, providing the IRS with their information. Another 600,000 payments went to Social Security beneficiaries and Supplemental Security Income recipients.

**Total:** The new batch brings the current round of EIPs to approximately 161 million payments worth more than \$379 billion.

**Resources:** More EIP information is available in FAQs from the [IRS](#) and [ICBA](#) and in the federal [Get My Payment portal](#).

### FDIC proposes rule on deposit insurance misrepresentations

The FDIC [proposed a rule](#) to bar individuals and organizations from misrepresenting FDIC deposit insurance and misusing the agency's name or logo.

**Proposed Rule:** The proposal describes processes for identifying and investigating potential violations and enforcing statutory prohibitions. Comments are due within 60 days of publication in the Federal Register.

**Background:** The FDIC said it has noticed an increase in deposit insurance misrepresentations, issuing 165 letters to responsible parties between Jan. 1, 2019, and Dec. 31, 2020.

### Agencies propose rule on tax allocation agreements

Federal regulators [issued a proposed rule](#) to update and codify guidance on income tax allocation agreements involving depository institutions and their affiliates.

**Details:** The proposed rule:

- Would require banks that file tax returns as part of a consolidated tax filing group to enter into tax allocation agreements with their holding companies and other members of their consolidated group.
- Describes the provisions to be included in such agreements and regulatory reporting treatment.
- Is open for a 60-day comment period following publication in the Federal Register.

### PPP funding down to \$30B, SBA says

The SBA said the Paycheck Protection Program has \$30.47 billion in remaining funds with more than a month left for borrowers to apply, according to reports.

**Funding:** The current pace of loan approvals indicates the \$292 billion appropriated for the current round of lending may expire before the May 31 application deadline.

**Outlook:** Congressional support for another round of funding for the PPP remains an open question following some \$750 billion in PPP total lending.

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

### **Grassroots plan set for 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 event. In addition to three days of grassroots outreach, the event will feature remarks from Sen. Joe Manchin (D-W.Va.), Senate Banking Committee Chairman Sherrod Brown (D-Ohio), and other top policymakers. [Learn more and register.](#)

### **Biden nominates Easterly for CISA director**

President Joe Biden formally [nominated](#) Jen Easterly to be director of the Cybersecurity and Infrastructure Security Agency. Easterly, the head of firm resilience and the Fusion Resilience Center at Morgan Stanley, would replace Christopher Krebs as CISA director.

## **FROM OTHER SOURCES**

**IBANYS received the following two notices from the Small Business Administration:**

- **SBA Notice 5000-810037 Extension of Temporary Changes to 4506 Tax Transcript Verification through June 30, 2021**

The purpose of this Notice is to extend the temporary procedural guidance relating to the verification of financial information for SBA Lenders (including 7(a) Lenders and Certified Development Companies (CDCs)) set forth in [Procedural Notice 5000-20016](#) through **June 30, 2021**.

Due to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic, the Internal Revenue Service (IRS) continues to experience delays in some of its services. SBA recognizes that delays in receipt of tax transcripts will affect the ability of SBA Lenders to comply with the Loan Program Requirements to verify financial information of the Borrower prior to the first disbursement of loan proceeds (for a 7(a) loan) and prior to submitting the closing documents to SBA Counsel (for 504 loan

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- **PRESS OFFICE**

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**SBA Announces First-of-Its-Kind Technology Initiative for Restaurant Revitalization Fund**  
**Point-of-sale service providers will support eligible restaurant owners with innovative technology solutions**

WASHINGTON -The [U.S. Small Business Administration](#) announced today the first round of technology partners participating in a new initiative for the Restaurant Revitalization Fund (RRF) - a program that will allow eligible restaurants and other food establishments to access the RRF application or data they need to fill out the application through their trusted point-of-sale (POS) service providers. SBA is proud to announce partnerships with Clover ®, NCR Corporation, Square, and Toast in this groundbreaking effort to provide a customer-centric approach to the delivery of relief funds.

“The SBA is partnering with point-of-sale providers to leverage technology to better reach the smallest businesses that need our help the most. This collaboration is just one example of the many innovative and creative ways we’re connecting with entrepreneurs in the hardest-hit and underserved communities,” said [Administrator Isabella Casillas Guzman](#), the head of the U.S. Small Business Administration. “The SBA must be as entrepreneurial as the entrepreneurs we serve. These partnerships enable us to meet small businesses where they are, instead of waiting for them to come to us.”

Under Administrator Guzman’s leadership, the SBA is prioritizing inclusion and equity in its programs as outlined by Congress. As small business entrepreneurs have been asked to pivot and adapt to the new COVID-19 marketplace, the SBA is doing the same and ensuring it provides equitable distribution of funds and easier access to disaster relief programs.

“As restaurant sellers prepare for reopening, we’re working with the SBA to provide them with the tools and services they need to rebuild,” said **Bruce Bell, head of Square for Restaurants**. “We’re honored to partner with the SBA in this important initiative, as we continue to support our sellers on the challenging road ahead.”

"The restaurant industry has been hit hard by the pandemic, and we are pleased to work with the SBA to help our customers easily access and navigate the Restaurant Revitalization Fund application process," said **Nick DeLeonardis SVP & GM, Payments, Lending, and Payroll at Toast**. "As the Biden Administration continues to roll out new programs, this partnership will serve as an example of ways in which the public and private sectors can work together to serve the greater good."

Once the SBA announces when applications will be accepted, qualifying restaurants will be able to work directly with their point-of-sale service providers to help them apply for the RRF. Each point-of-sale partner is helping in different ways - from providing a fully integrated application experience, to building pre-packaged point-of-sale documentation, to holding interactive webinars. In all cases, these partnerships allow for thousands of restaurant owners to accelerate their application submission process.

“Restaurants have been scrambling to survive the downturn caused by the pandemic,” said **Dirk Izzo, President and General Manager, NCR Hospitality**. “We are committed and honored to do our part to facilitate access to much-needed financial support for our customers so they can keep their businesses running.”

“By working alongside the SBA we are expediting the Restaurant Revitalization Fund application process for restaurants using Clover or Fiserv technology, facilitating faster access to much-needed capital so they can continue to serve customers and their communities,” said **Jeff Dickerson, Head of Clover from Fiserv**. “We are proud to do our part to support a critical initiative that will aid restaurant reopening and do so with a focus on revitalizing women-owned, veteran-owned, and minority-owned restaurants.

While SBA encourages applicants to use the POS ecosystem, applicants without access to point-of-sale service providers can submit their applications electronically at <https://restaurants.sba.gov/>.

SBA is in ongoing conversations with other interested parties to continue to widely and equitably deliver an experience that is centered around who it is serving – owners of restaurants, bars, breweries, bakeries, etc. Point-of-sale service providers who are interested in participating in this program should email [restaurants@sba.gov](mailto:restaurants@sba.gov). A full list of official point-of-sale service providers will be continually updated and can be found at <https://restaurants.sba.gov/>.

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### About the U.S. Small Business Administration

The U.S. Small Business Administration makes the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start and grow their businesses. It delivers services to people through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit [www.sba.gov](http://www.sba.gov).

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- The Advisory Committee on Immunization Practices is expected to give federal regulators a decision today on whether to continue the pause in distribution of Johnson & Johnson's COVID-19 vaccine. The meeting follows the decision by European regulators to greenlight the shot, but with a warning label about rare side effects. ([The Wall Street Journal](#))
- Federal health officials are leaning toward lifting their recommended pause on the use of Johnson & Johnson's coronavirus vaccine after finding only a limited number of additional cases of a rare blood clotting disorder among recipients, [The New York Times reports](#).
- The Biden administration has stood by Johnson & Johnson as the vaccine maker struggled to deliver promised doses of its Covid-19 vaccine - but privately, frustrated senior health officials have largely written off the shot, according to seven people with knowledge of the matter. [https://www.politico.com/news/2021/04/22/biden-officials-johnson-vaccine-484356?mkt\\_tok=ODUwLVRBQS01MTEAAAF8nbRWZ9Ltg\\_dFl3ogRJp1rrWNr4Cy07iuE9aTFkwJkNYVZbX2imCFk6iGLMA0opx6NWP63-1pbb-Nn1oSrRRUEG-Xj6vsyDncMjrjXJOurqFu](https://www.politico.com/news/2021/04/22/biden-officials-johnson-vaccine-484356?mkt_tok=ODUwLVRBQS01MTEAAAF8nbRWZ9Ltg_dFl3ogRJp1rrWNr4Cy07iuE9aTFkwJkNYVZbX2imCFk6iGLMA0opx6NWP63-1pbb-Nn1oSrRRUEG-Xj6vsyDncMjrjXJOurqFu)
- Incentives for competitors to today's COVID vaccines won't be nearly as strong as the flood of Operation Warp Speed cash that coaxed in a slew of biotech companies, [Axios Vitals](#) author Caitlin Owens [reports](#). Much of the remaining need will be in poorer countries. "If you're trying to get another vaccine developed at a lower price, that's probably not a good incentive" for drug companies, said a Northwestern University management professor. What's next: Pfizer is researching whether its vaccine can be stored at warmer temperatures, which would make it more accessible worldwide. [Share this story](#).
- President Biden is reportedly set to propose almost doubling the capital gains tax for people earning more than \$1 million a year and raising the top marginal income tax rate from 37 percent to 39.6 percent to help pay for his forthcoming "American Family Plan." Biden will detail the sweeping social spending package next week. It's expected to include \$1.5 trillion in new spending and tax credits to fight poverty and reduce childcare and educational costs, though a proposal to expand health care spending by up to \$700 billion will reportedly be pursued on a separate track. ([The New York Times](#))
- Worker filings for jobless benefits declined to 547,000 last week, a new pandemic low that adds to evidence of a strengthening labor market and overall economic recovery. Initial unemployment claims, a proxy for layoffs, fell 39,000 last week from an upwardly revised 586,000 the prior week, the Labor Department said on Thursday. [https://www.wsj.com/articles/weekly-jobless-claims-coronavirus-04-22-2021-11619041467?mkt\\_tok=ODUwLVRBQS01MTEAAAF8nZ7bq1RpRSn7H8V1-SvQV3DfvvOBnVzX1713eP8yJcvjq72AmKAwVsL0xQ0M8tfhtsMop5fPDz35C6MCUyYCYTKnQnqk2drXqjhgebk5-Gs](https://www.wsj.com/articles/weekly-jobless-claims-coronavirus-04-22-2021-11619041467?mkt_tok=ODUwLVRBQS01MTEAAAF8nZ7bq1RpRSn7H8V1-SvQV3DfvvOBnVzX1713eP8yJcvjq72AmKAwVsL0xQ0M8tfhtsMop5fPDz35C6MCUyYCYTKnQnqk2drXqjhgebk5-Gs)
- About three-quarters of U.S. workers and retirees believe they will have enough money for retirement, an increase from a year ago, according to a survey released Thursday. The survey from the Employee Benefit Research Institute provides a snapshot of how Americans feel about their retirement prospects. [https://www.wsj.com/articles/americans-are-more-optimistic-about-their-retirement-savings-11619110800?mkt\\_tok=ODUwLVRBQS01MTEAAAF8nZ7bq82k86smWsjYFOxfLq\\_RI\\_ROW](https://www.wsj.com/articles/americans-are-more-optimistic-about-their-retirement-savings-11619110800?mkt_tok=ODUwLVRBQS01MTEAAAF8nZ7bq82k86smWsjYFOxfLq_RI_ROW)

[w6dM9Luo5TpAgaX375RJwCwJU13mMqucUFAbDtS103rdzEEozsREO7MTlmXqdaBFanJS4Mb\\_AncIJG5](#)

- Wall Street got a front seat at President Biden's climate summit, [Axios Closer](#) author Courtenay Brown [writes](#). Banks, as financing gateways for other businesses, could help set the tone for the rest of corporate America. Financial giants this week signed on to the industry's broadest climate change effort, the Glasgow Financial Alliance for Net Zero ([GFANZ](#)). "This is a good business opportunity," a bank executive involved with the alliance tells Axios.
- Sales of U.S. homes fell in March for the second consecutive month because so few are on the market. For the listings that exist, fierce competition is pushing prices to new highs, [AP reports](#). Homes typically sold in 18 days — a record low. The U.S. median home price surged 17.2% from a year earlier to \$329,100, an all-time high.

#### FROM NEW YORK

- COVID hospitalizations dropped to 3,567. Of the 242,432 tests reported yesterday, 4,996, or 2.06%, were positive. The 7-day average positivity rate was 2.57%. There were 811 patients in ICU yesterday, down six from the previous day. Of them, 499 were intubated. 45 New Yorkers lost their lives to the virus. <https://www.governor.ny.gov>. New York had administered 13,929,970 total doses: with 29.7% of New Yorkers had completed their vaccine series; 43% had completed at least one vaccine dose. See data by region and county on the State's Vaccine Tracker: <ny.gov/vaccinetracker>.
- For weeks, New Yorkers have witnessed the alarming rise of a homegrown variant of the coronavirus that has kept the number of cases in the city stubbornly high. City officials have repeatedly warned that the variant may be more contagious and may dodge the immune response. On that second point, at least, they can now breathe easier: Both the Pfizer-BioNTech and Moderna vaccines [will effectively prevent serious illness and death](#) from the variant, two independent studies suggest.
- With Covid-19 continuing to sweep across Canada, the U.S. State Department this week offered Americans some blunt advice. [Don't go there](#). For the first time, the State Department added Canada to its 'do not travel' list, which names countries that Americans should avoid for safety reasons.
- A statewide eviction moratorium is set to expire May 1, with New York yet to allocate crucial rent relief through a new \$2.4 billion assistance program funded by the federal government, [the Queens Daily Eagle reports](#). State lawmakers instituted the latest moratorium in December 2020 for tenants who submit a 'hardship declaration form' freezing evictions until at least May 1. About 36,000 tenants have submitted the forms, according to the Office of Court Administration.
- President Biden's expected proposal of [almost doubling the capital gains tax rate](#) for wealthy individuals means that, for \$1 million earners in high-tax states, rates on capital gains could be above 50%. For New Yorkers, the combined state and federal capital gains rate could be as high as 52.22%.
- [The Buffalo Niagara Partnership](#) will host the second of a three-part webisode series Friday, helping employers to create a COVID-19 vaccine policy that works for them.
- [By the time September rolls around](#), most public school kids won't have seen the inside of a classroom for almost 18 months. That's because most parents opted for fully remote learning this year. But the results of our exclusive NY1/Ipsos poll suggest that's not entirely a reflection of concerns over safety.

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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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