

Friday, May 14, 2021
To: New York Community Banks

FROM ICBA

IRS reporting plan would impose new burdens: ICBA

A Biden administration proposal that would require financial institutions to report information on account flows to the IRS would impose costly burdens on banks, ICBA's Paul Merski [told Politico](#) this week.

Background: The American Families Plan proposes that financial institutions report to the IRS on bank account flows of customers related to investments and business activity, according to statements from the White House and Treasury Department.

Making News: Merski told Politico that banks are in the business of extending credit, not acting as the police force for the IRS. "The IRS wants to police and audit people? They should be collecting that information directly," he said.

Hearing: In a [statement](#) and [joint letter](#) this week for a Senate Finance subcommittee hearing, ICBA said the plan would create complex new reporting burdens, expose banks to penalties for inadvertent errors, and channel more information into the IRS than it can process.

Fed updates coin order caps

The Federal Reserve updated its [coin order caps](#) for orders placed today, May 14, for pick-up on Monday, May 17.

Updates: The Fed said it will begin allocating orders for nickels, lowered weekly order limits for dimes and quarters, and continued allowing unlimited orders of pennies.

Orders: The Fed asked institutions to order only what they need to meet near-term demand, assess coin inventories, and deposit excess coin with the Fed or exchange or sell to other entities.

Contact: Questions can be directed to local FedCash Services customer support representatives or Federal Reserve account executives, with more information on the [Fed's Contact page](#).

Task Force: The [U.S. Coin Task Force](#), on which ICBA serves, continues working to identify solutions to coin circulation supply chain challenges brought on by the pandemic.

Treasury distributes \$742M in homeowner assistance funds

The Treasury Department [said](#) it has distributed \$742 million to 42 states and three territories through the Homeowner Assistance Fund. Passed as part of the American Rescue Plan, the fund is designed to prevent mortgage delinquencies, foreclosures, and other displacement due to COVID-19.

Producer prices show largest recorded annual gain

The Producer Price Index [increased](#) 0.6 percent in April and was up 6.2 percent from a year ago, the Labor Department reported. It was the largest year-over-year advance since 12-month data were first calculated in November 2010.

FROM OTHER SOURCES

- The Centers for Disease Control and Prevention announced that vaccinated Americans no longer need to wear masks outdoors in crowds and in most indoor settings. ([The Associated Press](#)). In the White House, [masks are off](#), with staffers and journalists allowed to remove face coverings after the CDC's guidance on Thursday. President Biden strolled out of the White House with a triumphant demeanor — without wearing a mask — and declared the country on the precipice of defeating a pandemic that has killed more than 580,000 Americans, damaged the economy and been the single-most dominant issue of his young presidency.
https://www.washingtonpost.com/politics/better-days-are-ahead-maskless-biden-marks-milestone-in-virus-battle/2021/05/13/9ec59392-b429-11eb-a980-a60af976ed44_story.html
- House Speaker Nancy Pelosi [told CNN's Manu Raju](#). Mask mandates will still be in place on the House floor; about 75% of House members have been vaccinated, according to the Capitol

physician. Senate Minority Leader McConnell and two other Senate Republicans pulled off their masks and yelled “freedom!” as they left an elevator, per [The Hill’s Alex Bolton](#).)

- Some states (mostly governed by Democrats) responded to the new guidelines. Some states (mostly governed by Democrats) lifted mask mandates. The governors of Massachusetts, New York, New Jersey, North Carolina, and Virginia, and the mayors of New York City and Washington, D.C. are taking the new CDC guidance from the Centers for Disease Control and Prevention under advisement before adopting it. Connecticut, Illinois, Kentucky, Minnesota, Nevada, Oregon, and Pennsylvania began to adjust their mask wearing guidance. Half of the country’s governors — most of them Republicans — had already lifted mask mandates in some form.
- Across the board, vaccinated adults are less likely than the unvaccinated to say they feel comfortable doing activities like going on a cruise, going to the gym or attending a sporting event, according to new Morning Consult data. Read more [here](#).
- The U.S. economy is "going gangbusters," but the Federal Reserve needs to see several more months of data on jobs and inflation before determining when to begin scaling back its easy-money policies, Fed governor Christopher Waller said Thursday. He noted over the past week, official data have shown April job creation falling far short of economists' forecasts, evidence of a shortage of available workers, and consumer prices rising much faster than expected. https://www.wsj.com/articles/feds-waller-says-inflation-jump-likely-temporary-urges-patience-11620925660?mkt_tok=ODUwLVRBQS01MTEAAAF9Ca-HdRuRWGcq9xLavpGRveME4CdS_xwdSWt9WEiIjCDB6WMDi0v6j5WT50-9VAmrqP7qWfgCn3zRADsEbEf4Y4sC0SxGv5gOdFVCINiM0IDT
- More than 1.9 million people in 16 Republican-led states could see their unemployment checks decrease significantly in June as GOP governors look to curb jobless assistance. Arizona and Ohio yesterday became the most recent states to announce they intend to scale back the extra unemployment insurance people have received during the coronavirus pandemic. ([The Washington Post](#))
- Three-quarters of people between the ages of 18-29 say vaccination should be required to return to campus or work, according to new Generation Lab/Axios [polling](#). 37% would refuse to come back unless those conditions are in place. Young workers have [pressured](#) CEOs to take action on social and political issues, and have plenty of capital to exert on reopening policy, Axios' Neal Rothschild [writes](#). [Keep reading](#).
- In the past whipsaw pandemic year, the U.S. real-estate market went from essentially shut down to an unprecedented rally. Today, increased demand has dwarfed the supply of homes coming on the market in many areas. https://www.wsj.com/articles/why-homes-for-sale-in-these-housing-markets-nearly-disappeared-during-covid-11620925226?mkt_tok=ODUwLVRBQS01MTEAAAF9Ca-HdWxjBZXUsJsZiM_Skhwjim77HJo3cqhLA7dGCrKzeAnPVz9zqmiPqipuUlnEWxI42prnUdKSb8msyE_G6C3dsEtgpWtCuWP-qmQmOW3QZ
- U.S. mortgage rates fell for a second straight week, dropping closer to the lowest on record. The average for a 30-year loan was 2.94%, down from 2.96% last week and the lowest since Feb. 18, Freddie Mac data showed Thursday.
- Biden administration officials confirmed that the White House will release its budget request for the upcoming fiscal year on May 27, which will provide an in-depth look at the administration's priorities and plans to address taxes and spending in the coming years. The release of the proposal will also signal a measurable time frame for bipartisan talks over an infrastructure funding package. ([Roll Call](#))

FROM NEW YORK

- Governor Cuomo reported Thursday that COVID hospitalizations in New York State dropped to 1,852. Of 204,531 tests reported, 2,216, or 1.08%, were positive. The 7-day average percent

positivity was 1.25%. There were 433 patients in ICU yesterday, down 30 from the previous day. Of them, 258 are intubated. 22 New Yorkers lost their lives to the virus. <https://www.governor.ny.gov>. New York had administered 17,166,220 total vaccine doses: 50.4% of adult New Yorkers had completed their vaccine series, and 60.9% had completed at least one dose. See additional data on the State's [Vaccine Tracker](#)

- New York State officials will not ease the state's mask rules for vaccinated people just yet. Governor Cuomo pledged a review of the recommendations made by the Centers for Disease Control and Prevention, [State of Politics reports](#). "In New York, we have always relied on the facts and the science to guide us throughout the worst of this pandemic and in our successful reopening." The Governor's office is reviewing revised CDC guidance in consultation with state Health Commissioner Zucker "and our partners and health experts in surrounding states." <https://www.lohud.com/story/news/coronavirus/2021/05/13/cdc-guidance-mask-mandate-new-york-cuomo/5081053001/>
- [Vaccination rates in the Bronx](#) are still the lowest anywhere in the city.
- The city [began vaccinating](#) kids age 12 to 15.
- New York has now started administering the Pfizer COVID-19 vaccine for 12-to-15-year olds. The FDA authorized emergency use of the vaccine on Monday and the New York-based vaccine review panel approved the rollout on Wednesday night, but will the vaccine now be required for school-age students returning in the fall? [Read More](#)
- [The Excelsior Pass app remains](#) a difficult to access, despite some New Yorkers being fully vaccinated for weeks or even months.
- New York saw a record number of identity theft claims in 2020 as the coronavirus pandemic helped cause financial stress across the state and nation, according to a new report from state Comptroller Tom DiNapoli, [Gannett Albany reports](#).
- House Republicans voted 134-46 in a secret ballot this morning to appoint New York Rep. Elise Stefanik (R-North Country) as the chair of the GOP conference, replacing Rep. Liz Cheney (R-WY) as the number three House GOP leader. Stefanik's appointment underscores how important loyalty to former President Trump remains to the Republican Party. Her election comes after Cheney [was ousted](#) earlier this week over her condemnation of Trump. She has pledged to continue the fight to shape the GOP and stop the former president from ever holding office again. https://www.axios.com/elise-stefanik-liz-cheney-house-republicans-ce507ca8-09e6-43d8-96ff-973d8ff52c59.html?stream=politics&utm_source=alert&utm_medium=email&utm_campaign=alerts_politics
- U.S. Rep. Elise Stefanik's (R-North Country) rise in Congress "could mean big things" for her district back home and have an impact on the congressional elections next year. [Read More](#)
- A new state law approved Thursday by Gov. Andrew Cuomo will bar debt collectors from accessing stimulus funds in bank accounts, a measure that had been sought by consumer groups. [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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