

Monday, May 17, 2021
To: New York Community Banks

FROM ICBA

ICBA, CBA of Georgia urge FDIC to reject credit union merger plan

ICBA and the Community Bankers Association of Georgia [urged the FDIC](#) to reject a proposed credit union-community bank merger that would cut regulatory safeguards for low- and moderate-income consumers.

Details: In a [joint letter](#), the groups said the acquisition of Georgia's Heritage Southeast Bank by Florida's VyStar Credit Union would roll back Community Reinvestment Act safeguards in affected communities and exacerbate branch consolidation.

More: ICBA and CBA said VyStar closed half the branches it gained from a previous community bank acquisition, has less incentive to serve low- and moderate-income areas, and will be less stable due to the premium it paid for the acquisition.

Next: Community bankers can use ICBA's [Be Heard grassroots action center](#) to continue urging Congress to hold a hearing on credit unions acquiring community banks and to request a GAO study on credit unions and the NCUA.

CONTACT CONGRESS

ICBA issues custom op-ed opposing public banking

ICBA released a [customizable op-ed](#) that community bankers can use to spread the word about the risks posed by proposals to establish taxpayer-funded public banks.

The Problem: As ICBA's Aaron Stetter writes in a new [Main Street Matters post](#), public banking would displace community banks and shift risks to states and taxpayers.

Taking Action: ICBA's [custom op-ed](#) encourages policymakers to instead support the 5,000 community banks already meeting the needs of consumers, small businesses, and agriculture borrowers.

More: Additional customizable media resources are available on ICBA's [Tell Your Story](#) marketing and communications toolkit. [Download the op-ed.](#)

Fed again extends rule allowing PPP loans to directors

The Federal Reserve Board for the third time [extended its rule](#) allowing certain bank directors and shareholders to apply to their banks for Paycheck Protection Program loans for their small businesses.

Background: The SBA clarified last year that lenders may make PPP loans to businesses owned by their directors and certain shareholders.

Fed Rule: The rule extension is effective immediately and applies to PPP loans made since March 31, consistent with SBA's rules and restrictions.

More: Additional PPP information is available on ICBA's [PPP Resources page](#).

Remote notary bill introduced in Senate

ICBA-supported legislation to allow nationwide use of Remote Online Notarization was introduced in the Senate by Sens. Kevin Cramer (R-N.D.) and Mark Warner (D-Va.).

Details: The SECURE Notarization Act (S. 1625) would allow businesses and consumers to execute critical documents using two-way audiovisual communication without being physically in the presence of a notary.

Joint Letter: ICBA and other SECURE Act supporters [said](#) current notary requirements are often impractical and sometimes impossible due to social distancing and other barriers, including military service or work travel.

CFPB updates TRID rule FAQs

The Consumer Financial Protection Bureau issued additional [frequently asked questions](#) on its TILA-RESPA integrated disclosure rule. The FAQs address housing assistance loans and how the BUILD Act affects TRID rule requirements for certain housing assistance loans.

ICBA urges funding increase for CDFI Fund

ICBA and other groups [encouraged](#) congressional appropriators to support \$1 billion for the Community Development Financial Institutions Fund, including \$100 million for the Bank Enterprise Award Program.

Joint Letter: The groups said the increase for fiscal 2022 is needed due to significant demand and over subscription of the programs and to support the COVID-19 economic recovery.

Background: The Biden administration's budget proposes \$330 million for the CDFI Fund, a modest increase that does not meet the needs of the underserved communities it supports, the groups said.

Key economic indicators mixed

Consumer Sentiment: Decreased [6.2 percent](#) in May from the previous month but remained up 14.5 percent from a year ago.

Retail Sales: Were [unchanged](#) in April from March's upwardly revised 10.7 percent increase and were up 51.2 percent from a year ago.

Industrial Production: Increased [0.7 percent](#) in April from the previous month, with many factories affected by severe winter weather in the South returning to operation.

Business Inventories: Rose [0.3 percent](#) in March and were virtually unchanged from a year ago.

FROM OTHER SOURCES

- A summary in "Axios Vitals" https://www.axios.com/newsletters/axios-vitals-46c5fbb8-d090-4834-84dd-80a30ae19bf8.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top notes the CDC's surprise guidance [last week](#) freeing the fully vaccinated to go maskless indoors sowed [plenty of confusion](#) across the country. With plenty of Americans still unvaccinated — and without any good way to confirm who has been vaccinated — some experts worry this could put many at increased risk. CDC director Rochelle Walensky said the CDC is following the science, pointing specifically to new evidence the vaccinated [rarely transmit the virus](#). "This is not permission for widespread removal of masks," Walensky [told ABC News' Martha Raddatz](#). "These decisions have to be made at the jurisdictional level."
- Leana Wen, visiting professor at the George Washington University Milken Institute School of Public Health, warned the course reversal on masks "could end up increasing confusion, removing incentives for those yet to be inoculated and delaying the eventual goal of herd immunity that would get society truly back to normal," she [wrote in the Washington Post](#).
- Plenty of Americans haven't had a chance to get fully vaccinated yet, or can't get shots, [including children younger than 12](#). The CDC clarified Saturday that schools should continue to follow guidance [recommending masks indoors](#) for the rest of this school year.
- In new vaccination push, Biden leans on his 'Community Corps', by NYT's Noah Weiland: <https://nyti.ms/3eQDCH6>
- Several major companies, including Walmart, Costco, Trader Joe's and Publix [announced](#) they would no longer require masks for vaccinated customers. Home Depot and Target are among those who've told customers [to keep masks on for now](#).
- An alarming amount of vaccine-hesitant people who list side effects as a top concern falsely believe the vaccines cause death, DNA alteration, infertility or birth defects according to recent Harris polling. A survey suggests that misinformation or a skewed understanding of risk may be behind a sizable portion of vaccine hesitancy, Axios' Caitlin Owens reports. [Share this story](#).
- The judge who threw out a national moratorium on evictions agreed to keep the protection in place to avoid further spread of Covid-19 while the Biden administration appeals the ruling, even though she said the government isn't likely to win. U.S. District Judge Dabney Friedrich in Washington said the U.S. Department of HHS raised legitimate concerns that up to 433,000 additional cases of Covid-19 and thousands of deaths could be attributed to the lifting of the moratorium. <https://www.bloomberg.com/news/articles/2021-05-14/eviction-halt-remains-in-u-s-as-judge-cites-health->

[concerns?mkt_tok=ODUwLVRBQS01MTEAAAF9GSvcT7ShCTezC0TJxaBIECmcy3N6PVNr0uZD9RGzDJzIT_hdPbWOQIIR_DQ4Yemz2GgUnniUsNoqObPs6aUjhQ0K7xxleYTaX9t3St9c4ggg](https://www.foxnews.com/economy/banks-lose-200000-jobs-10-percent-employees-next-decade-wells-fargo-co-analyst-report)

- Banks could lose 200,000 jobs, or 10 percent of employees, in the next decade, according to a Wells Fargo & Co. analyst report. Most of the jobs would be in branches and call centers, intensified by the last year when technology companies and nonbank lenders took larger shares of the payments and lending businesses. [Financial Times](#)
- The Biden administration is taking pains to explain to Americans where the country is headed as the economy spits out anxiety-inducing data on prices and jobs. But it's struggling to find a clear message. https://www.politico.com/news/2021/05/16/biden-economy-clear-message-488522?mkt_tok=ODUwLVRBQS01MTEAAAF9GSvcT3uJ2qIrCvUM0xGJXeeIygXvvy6hB8Y9-ZgAIKVDzmvdk0J5tFWVejsish3Ifzzf9_PPQ-WXLIPB-Se6jMmPA6-WFcQa8GsQuMvDgDA

FROM NEW YORK

- Governor Cuomo yesterday announced the statewide COVID-19 positivity rate had dropped to 1.00%, the lowest since October 10. The individual 7-day average positivity of all three downstate regions -- Long Island, New York City, and the Mid-Hudson -- fell below 1.0% yesterday for the first time since September 3, 2020. Test Results Reported -156,380; Total Positive -1,561; Percent Positive -1.00%; 7-Day Average Percent Positive -1.13%; Patient Hospitalization -1,583 (-105); Net Change Patient Hospitalization Past Week --441; Patients Newly Admitted -178; Number in ICU -392 (-15); Number ICU with Intubation -225 (-21); Deaths -33; Total Deaths -42,473. 50% of all New Yorkers have received at least one dose of the COVID-19 vaccine.. <https://www.governor.ny.gov/news/governor-cuomo-announces-lowest-single-day-positivity-rate-october-10th>
- State officials in New York are facing bipartisan calls to ease mask wearing rules for people who have completed their vaccination cycle for COVID-19 as recommended by the federal Centers for Disease Control and Prevention. [Read More.](#)

A bipartisan group of six county executives publicly urged Gov. Andrew Cuomo to adopt the CDC's guidance allowing vaccinated people to ditch their mask in most circumstances, [the New York Post reports.](#)

- Businesses are awaiting guidance on new mask-wearing rules for New York as some lawmakers are calling on Gov. Andrew Cuomo to back the federal government's new recommendations. [Read More](#)
- State lawmakers are calling for an expedited process for tenants and landlords to again access in rental assistance approved earlier this year by the state and federal governments. [Read More](#)
- New York City Mayor Bill de Blasio has promised that all students who want to be back in classrooms will have full-time, normal schooling this September, but actually making that happen presents the mayor with one of his biggest post-vaccine challenges, [the Times reports.](#)
- It is an appropriate requirement for students in the 64-campus State University of New York system that they receive COVID-19 vaccinations before being allowed on campus, but it gets a little dubious when it comes to exempting faculty and staff, [The Buffalo News writes.](#)
- The city [is encouraging more primary care doctors](#) to administer the Covid-19 vaccine.
- Some lawmakers are pushing legislation [to aid small landlords.](#)
- New York City will continue to administer COVID-19 jabs at four MTA train stations, even though the pilot program has doled out less than 50% of the shots it could have, [the Post reports.](#)
- Some 65% of Hamilton County residents upstate are fully vaccinated against the coronavirus, a markedly better rate than the 36% of people nationwide and 41.6% across the Empire State, [the Post reports.](#)

- Masks have been a political flash point for more than a year. But now, the backlash is directed at people who don't plan to take them off. <https://www.nytimes.com/2021/05/17/nyregion/vaccinated-masks-cdc.html>
- New York City is easing back into a pre-pandemic routine as the subways are returning to full service. The MTA will resume 24/7 subway service starting Monday for the first time since last May when the agency suspended overnight rides due to the coronavirus pandemic. [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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