

Friday, May 28, 2021
To: New York Community Banks

FROM ICBA

ICBA updates data privacy guide

ICBA this week released an updated [guide for community banks](#) on data privacy laws and regulations.

Guide: The guide walks community bankers through some of the more prominent state, federal, and international data privacy laws and will be updated as new laws and regulations are passed.

More: The guide is available in the [Cyber and Data Security Mitigation](#) section of ICBA's [Operational Risk](#) resource center.

Remove GSE product restrictions: ICBA, minority bank council

ICBA and its Minority Bank Advisory Council [this week urged](#) the Treasury Department and Federal Housing Finance Agency to reopen negotiations over the Preferred Stock Purchase Agreements for Fannie Mae and Freddie Mac.

Amendments: The changes would:

- Limit Fannie and Freddie purchases of single-family loans with at least two “high-risk” characteristics.
- Limit the percentage of investor properties and second homes to 7% of total purchases

Impact: In a [joint letter](#), the groups said the restrictions will:

- Harm low- and moderate-income and minority borrowers.
- Undermine closing the homeownership gap among borrowers of color.
- Constrain Minority Depository Institutions and smaller lenders.
- Counter Fannie and Freddie's affordable housing obligations.

Recommendations: The groups urged the agencies to:

- Delay implementation of the agreements' product and program restrictions and restart negotiations to remove them.
- Clarify how the restrictions will be tracked and enforced at the lender level.

CFPB: Manufactured housing borrowers have higher interest rates

Roughly 42 percent of loans for manufactured homes are secured by “chattel” loans secured by the home but not the land, which have higher interest rates and fewer consumer protections than mortgages, according to a [report](#) from the Consumer Financial Protection Bureau.

Findings: Based on Home Mortgage Disclosure Act data, the report also found:

- Less than 30 percent of manufactured home loan applications are approved compared with 70 percent for loans on site-built homes.
- The top five lenders account for more than 40 percent of manufactured housing purchase loans and nearly 75 percent of chattel lending.
- Minority and elderly borrowers are more likely than other consumers to take out chattel loans, even after controlling for land ownership.

Home sales, durable goods dip on supply

Pending Home Sales: Declined [4.4 percent](#) in April from the prior month, partly due to record-low inventories, and remained up 51.7 percent from a year ago.

Durable Orders: Decreased [1.3 percent](#) in April following 11 consecutive monthly increases due to a global shortage in computer chips for new cars and trucks.

GDP: Rose at an annual rate of [6.4 percent](#) in the first quarter, unrevised from last month's initial estimate.

GSE delinquent-loan sales top 130K

Fannie Mae and Freddie Mac have sold 130,808 non-performing loans with a total unpaid principal balance of \$24.5 billion through the second half of 2020, the Federal Housing Finance Agency [reported](#). The sales reduce the number of delinquent loans in the enterprises' portfolios and transfer credit risk to the private sector.

FROM OTHER SOURCES

- Over the last six weeks of tracking, vaccine hesitancy has dropped by an average of 4 points in the 15 countries Morning Consult tracks, including an average of .5 over the last week. [Read more](#).
- Commercial vaccine incentives began this spring with free donuts [from Krispy Kreme](#) and as vaccination rates have begun to dip, more companies and states are upping the ante, Axios [writes](#). CVS Health's prizes include giveaways of \$5,000 for family reunions, one-week cruises, dates from dating app Hinge and more. United Airlines is offering MileagePlus members who upload their vaccination cards by June 22 a chance [to win free flights for a year](#).
- Since Ohio Gov. Mike DeWine announced a \$1 million lottery and chances for college scholarships on May 12, nearly 2.8 million Ohioans registered for the lottery by getting a shot. [Keep reading](#). California announced plans to pay \$116.5 million in gifts and cash to those who get COVID shots, [the Los Angeles Times reports](#). New York will raffle off 50 four-year scholarships to teens, [Axios' Jacob Knutson writes](#). Maryland [will hold 40 daily drawings](#) for \$40,000 each and a \$400,000 Fourth of July jackpot. Giveaways can be effective among those people who don't have any deep-seated reason not to be vaccinated, said Emily Largent, a medical ethicist at the University of Pennsylvania. Perks from companies can "make the vaccine more appealing in the here and now," Largent told Axios.
- As it turns out the CDC's announcement that vaccinated people could take off their masks may have been a big incentive, making online interest in vaccines spike, according to new CDC data [reported by CNN](#). "This shows incentives matter," Jonathan Reiner, professor of medicine and surgery at George Washington University School of Medicine told CNN
- As more Canadians are vaccinated the pressure is now coming from within Prime Minister Trudeau's own Liberal caucus wants his government to lay out a border reopening plan — and soon. Canada-U.S. land crossings have been shuttered to nonessential travel since March 2020. The neighbors agreed last week to keep the restrictions in place through June 21. But as vaccination numbers rise, June 22 "could be a different story."
- One of biggest factors to convince many holdouts to get a shot could simply be full FDA approval, according to [the latest KFF COVID-19 Vaccine Monitor](#). Nearly a third (32%) of unvaccinated adults polled by KFF -- including 44% of those identified as being in the "wait and see" group -- said they'd be more likely to get a shot if they received full approval. Smaller numbers of people said they'd be motivated by various financial incentives. 15% said they'd be more likely to get a shot if they were offered \$100 from their state government while 11% said free tickets to a sporting event or concert would make them more likely to get a vaccine. Financial incentives were most attractive to Black, Hispanic and low-income respondents. Among those who identified themselves as vaccinated and not ready to get the vaccine, 41% said they have felt "unfairly pressured" from the government (36%), the media (19%), society in general (14%) and their friends, family, or coworkers (12%).

FROM NEW YORK

- Neither the NYS Senate nor the NYS Assembly is in session today. Both are scheduled to reconvene June 1. Days left in the 2021 legislative session: 7.
- More than a dozen labor organizations and progressive groups urged Gov. Andrew Cuomo to reconsider the state's current guidance on mask-wearing for fully vaccinated people indoors over concerns it could put vulnerable workers at risk, [State of Politics reports](#).
- Schools will reopen for full in-person learning this September. Based on the current COVID trajectory, all New York State schools will reopen for full in-person learning for the 2021-2022 school year. There is no substitute for in-person learning and as things currently stand, there is no reason why our students should not get back to in-person learning as usual. <https://www.governor.ny.gov>
- Governor Cuomo reported yesterday that COVID hospitalizations in the state dropped to 1,223. Of the 162,450 tests reported yesterday, 1,055, or 0.65%, were positive. The 7-day average percent positivity was 0.81%. There were 300 patients in ICU yesterday, up three from the previous day. Of them, 177 are intubated. 10 New Yorkers lost their lives to the virus. <https://www.governor.ny.gov>. New York had administered 18,715,969 total doses: 55.8% of adult New Yorkers had completed their vaccine series, and 64.4% had completed at least one vaccine dose. See additional data on the State's [Vaccine Tracker](#).
- New Yorkers age 12 to 17 who get vaccinated (or already have gotten vaccinated) can enter for a chance to win a 4-year full-ride scholarship to any public college or university in New York State. Fifty total winners will be chosen at five random drawings. The scholarship includes full tuition, room and board, as well as an allowance for books and supplies. Parents can learn more here: <ny.gov/vaccinescholarship>.
- Governor Cuomo reiterated that New Yorkers are entitled to a paid sick day if they need a day to recover after getting the COVID-19 vaccine. The New York State Department of Labor is issuing guidance to all employers that any necessary recovery period from the COVID-19 vaccine is covered by New York's Paid Sick Leave Law. This builds on legislation granting public and private employees time off to receive the COVID-19 vaccine. <https://www.governor.ny.gov>
- The pop-up vaccination sites at Grand Central Terminal and Penn Station will be extended for another week. New Yorkers can get a free seven-day MetroCard or a free round-trip Long Island Rail Road or Metro-North ticket after receiving the vaccine at these pop-up sites. <https://www.governor.ny.gov>
- Saratoga Race Course will reopen to fans on July 15 at near full capacity when the 2021 summer meet begins. In addition, all fans who show proof of vaccination through [Excelsior Pass](#), or alternate forms of proof, will receive free grandstand general admission. <https://www.governor.ny.gov>
- The "Nourish New York" bill passed both the state Senate and Assembly with unanimous bipartisan support this week. This program helps connect upstate farmers with downstate food banks. [Read More](#)
- New York City continues to top the regional unemployment rate within the state last month more than a year after the COVID-19 pandemic initially closed businesses and public gathering spaces, Department of Labor numbers show. [State of Politics reports](#). [Read More](#)
- State lawmakers and government watchdogs expressed concern the Assembly's impeachment process is moving too slowly, allowing Governor Cuomo to endure the inquiry into claims he sexually harassed aides, covered up Covid nursing-home deaths, provided family members with virus testing before it was widely available, mishandled construction of the Mario Cuomo Bridge and misused public resources while writing a \$5 million leadership book. State Attorney General James and the FBI also are investigating some of the claims. <https://www.bloomberg.com/news/articles/2021-05-27/cuomo-s-impeachment-inquiry-accused-of-slow-walking-its-probe>

- The New York City Council voted overwhelmingly today to increase a housing subsidy in hopes of making thousands of apartments affordable to people who are homeless or facing eviction, [The New York Times reports](#).
- Four GOP lawmakers from the Empire State were included on a ‘no shame’ list that President Biden pulled out during a speech Thursday to ridicule Republicans who have touted the benefits of his \$1.9 trillion coronavirus rescue plan even though they voted against it. Biden did not call out any of the 13 Republicans by name, but photos of the list revealed it included New York GOP Reps. Stefanik (North Country), Zeldin (Suffolk County), Garbarino (Nassau/Suffolk Counties) and Malliotakis (Staten Island/Brooklyn). <https://www.nydailynews.com/coronavirus/ny-biden-covid-relief-ny-republicans-20210527-cledlbyk5jcunmqchfazrmbq4-story.html>
- Even as New York City has begun to come back to something approximating normal, the number of cabs has not: At the end of last summer, it crept back up to around 3,500 per day, where it remains, [Curbed reports](#).

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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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