

Thursday, June 24, 2021  
To: New York Community Banks

## FROM ICBA

### **Supreme Court: President can fire FHFA head, profit sweep OK**

The U.S. Supreme Court ruled that the Federal Housing Finance Agency's leadership structure is unconstitutional, allowing the president to remove the agency's director.

**Ruling:** In a [7-2 decision](#), the high court ruled that Congress overstepped in restricting the president's ability to remove agency heads with different policy views and those who come from competing political parties.

**Director Switch:** The decision in *Collins v. Yellen* cleared the way for President Joe Biden to replace FHFA Director Mark Calabria, who [said](#) he respects the court's opinion. Biden [named](#) Sandra L. Thompson acting director, effective immediately.

**CFPB:** The decision cites a ruling last year that found the Consumer Financial Protection Bureau's single-director governance structure is unconstitutional and that the president must have the authority to remove the bureau head.

**Profit Sweep:** The court also dismissed an investor challenge to the constitutionality of the "net-worth sweep" of more than \$300 billion in Fannie Mae and Freddie Mac dividends into government coffers, which enterprise shareholders said included \$124 billion in excess revenues.

**More to Come:** The court nevertheless remanded the shareholders' case to the lower courts, where they may attempt to show they were harmed by the lack of presidential control over FHFA directors who implemented the net-worth sweep.

### **ICBA leading grassroots against IRS reporting plan**

ICBA continues calling on community bankers to [urge congressional opposition](#) to the Biden administration's plan that would require banks to report customer account information to the IRS.

**Grassroots:** ICBA's [Be Heard grassroots action center](#) features a customizable message to lawmakers that community bankers can use to express opposition to new data-reporting requirements.

**Background:** The American Families Plan proposes requiring financial institutions to report to the IRS on account flows, including bank loans, on accounts over \$600.

**ICBA Position:** ICBA has strongly opposed the proposal since it was issued in April, including in:

- A [joint letter](#) this week with 44 state community banking associations to key congressional committees.
- A recent [LinkedIn article](#) by ICBA Chairman Robert Fisher.

### **IRS, community groups partner on Child Tax Credit access**

The IRS [announced](#) partnerships with community groups in 12 cities to help eligible families use the agency's tool for accessing monthly Advance Child Tax Credit payments.

**Cities:** The groups will host events June 25-26 and July 9-10 in Atlanta, New York, Detroit, Houston, Los Angeles, Las Vegas, Miami, Milwaukee, Philadelphia, Phoenix, St. Louis, and Washington, D.C.

**Sign-up:** The [Non-filer Sign-up Tool](#) is designed to help families who normally aren't required to file an income tax return register for the credit.

**Background:** The American Rescue Plan increased the tax credit and made it advanceable. The IRS is scheduled to begin monthly payments July 15.

**More:** Additional information is available on ICBA's [frequently asked questions](#) on the payments and via the [IRS website](#).

### **Bowman: PPP depended on community banks**

Community banks were instrumental in helping small businesses navigate the Paycheck Protection Program, Fed Governor Michelle Bowman [said](#). Bowman said that while some small businesses struggled with the PPP application process—especially those without existing banking relationships—community banks and Community Development Financial Institutions made a concerted effort to meet small-business needs.

### **House Ag Republican leader: disaster programs must complement crop insurance**

Federal disaster programs must complement rather than compete with crop insurance, House Agriculture Committee Ranking Member Glenn “GT” Thompson (R-Pa.) said. At a subcommittee [hearing](#) on the efficacy of the farm safety net, Thompson said the federal disaster program should also be easy to implement and respond quickly to disaster events.

### **New-home sales drop on record prices**

New-home sales [decreased](#) 5.9 percent in May but remained up 9.2 percent from a year ago, the Commerce Department reported. Prices were at a record high of \$374,400. The estimate of new houses for sale at the end of May was 330,000, the most since July 2019.

### **Fed to continue Fed Listens events**

The Federal Reserve [said](#) it will continue its Fed Listens initiative in 2021 to learn from a broad range of individuals, households, and communities about the economic recovery from the COVID-19 pandemic. Details on Fed Listens events will be released as they are scheduled.

## **FROM OTHER SOURCES**

- The Biden administration is expected to extend the federal eviction ban that was set to expire at the end of June by a month, according to officials familiar with the matter. It would be the fourth time the deadline for lifting the ban has been pushed back. The CDC's order first went into effect last September and initially was set to expire at the end of 2020.  
[https://www.cnn.com/2021/06/23/homes/cdc-eviction-order-expected-to-be-extended/index.html?mkt\\_tok=ODUwLVRBQS01MTEAAAF93QPUtJpfrqAe5WA\\_oC1aGmE0yaCWPR9lrSrOebVMD\\_A-ID1LTDXtg7vXDOT0rKMHBG-73pkUQhqWYFJ5dQ\\_hrn371d5B\\_YyUiWx\\_vl9Txf2](https://www.cnn.com/2021/06/23/homes/cdc-eviction-order-expected-to-be-extended/index.html?mkt_tok=ODUwLVRBQS01MTEAAAF93QPUtJpfrqAe5WA_oC1aGmE0yaCWPR9lrSrOebVMD_A-ID1LTDXtg7vXDOT0rKMHBG-73pkUQhqWYFJ5dQ_hrn371d5B_YyUiWx_vl9Txf2)
- Black and other minority farmers were dealt a new legal blow on Wednesday when a Florida federal court issued a preliminary injunction halting a key part of the Biden administration's federal stimulus relief package that forgave agricultural debts to farmers of color. The court ruling halted loan forgiveness payments and debt relief for disadvantaged farmers anywhere in the United States. [https://www.washingtonpost.com/business/2021/06/23/black-farmers-debt-relief-preliminary-injunction/?mkt\\_tok=ODUwLVRBQS01MTEAAAF93OJ9ekkdJw8MMVVQZH1mX9xNTy6PsIRpzshr71uXBzp7dX255DfcNFgvBWntH3K6vpcrLYxReeIeA6-L3flEbTt7wX4in9XpKAcY6mC0WQ\\_3](https://www.washingtonpost.com/business/2021/06/23/black-farmers-debt-relief-preliminary-injunction/?mkt_tok=ODUwLVRBQS01MTEAAAF93OJ9ekkdJw8MMVVQZH1mX9xNTy6PsIRpzshr71uXBzp7dX255DfcNFgvBWntH3K6vpcrLYxReeIeA6-L3flEbTt7wX4in9XpKAcY6mC0WQ_3)
- A bipartisan group of senators tentatively reached an agreement with the White House on hundreds of billions of dollars in new spending for the nation's infrastructure system, giving a significant boost toward one of Biden's biggest domestic policy ambitions, [The Washington Post reports](#).
- Economic growth could stay hot for longer than expected, as shortages extend demand, according to a report by [Axios Markets](#). Economists tell Axios that while growth may slow, it'll still be

unusually strong because so many people and businesses are holding off on purchases — "since stuff isn't available, or prices are too high." Bank of America economist Ethan Harris says the U.S. economy is like "a coiled spring."

- Companies are beefing up HR departments to navigate the return to work, Erica Pandey [writes](#) for [Axios What's Next](#). Human resources job postings are up 53% from their pre-pandemic level — far outpacing the average job posting bump of 31%, according to data from the jobs site Indeed. Firms face two massive HR challenges in the next year or so: They need to figure out what balance of remote and in-person work functions best for their workforce, and they need to fill open roles as droves of workers quit in "[the great resignation](#)". . . [Share this story](#).
- As an example of how the pandemic's recovery is fleeting and fragile in the face of widespread vaccine resistance, Missouri is [leading the country in new Covid cases](#) . After an explosion in Covid cases and hospitalizations this month in Southwest Missouri, [Freeman Health System in Joplin](#), Mo., announced today it was reopening its Covid ward, which it had closed in March.

### FROM NEW YORK

- [The state of emergency declared in New York](#) at the outset of the COVID-19 pandemic expires Thursday and will not be renewed, Gov. Andrew Cuomo announced Wednesday. The decision marks the latest loosening of restrictions and orders caused by the pandemic that killed about 53,630 people in New York, second only in the nation to California. The governor said there is no longer a need for day-to-day COVID-19 updates. 'The emergency is over,' Cuomo said. 'It's time for a new chapter.' He noted CDC guidance would remain in effect <https://www.democratandchronicle.com/story/news/politics/albany/2021/06/23/covid-19-state-emergency-ending-new-york/5321385001/>
- In the latest update to *Morning Consult's* "Return to Normal" tracking data, the share of adults who say they would be "very comfortable" or "somewhat comfortable" returning to their normal routine hit a new high of 68 percent since Morning Consult began tracking the question in May 2020. [Read more](#).
- [There are rare cases of heart inflammation](#) that have been linked COVID-19 vaccines, the CDC says.
- Governor Cuomo's office will soon require state employees to work in the office on a more regular basis, with state agencies required to return their in-person workforce to pre-pandemic levels by Sept. 7, [Gannett Albany reports](#).
- [Leaders in New York's North Country](#) are calling for more to be done in reopening the border.

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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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