

Wednesday, October 13, 2021  
To: New York Community Banks

## FROM ICBA

### **N.Y. Times spotlights IRS plan as Congress continues efforts**

With Congress continuing efforts to advance a proposal requiring banks to report customer account information to the IRS, The New York Times covered the [ICBA-led campaign](#) against it.

**Coverage:** The [Times article](#) cites community banker efforts to inform their customers of the proposal, which has led to more than 700,000 consumer messages to members of Congress in opposition.

**Latest:** Meanwhile, House Speaker Nancy Pelosi (D-Calif.) [confirmed](#) in a press conference Tuesday that Congress will continue working to include the IRS reporting plan in its budget-reconciliation package.

**ICBA Campaign:** ICBA is calling on community bankers to use its customizable [email and social media content](#) to urge consumers to [contact Congress in opposition](#) to the plan.

**Call Alert:** Meanwhile, community bankers can call their lawmakers using an ICBA [call alert and customizable script](#) on the proposal.

**Press Hits:** The Times article—which was picked up by the [Boston Globe](#), [Seattle Times](#), and others—is the latest coverage of the ICBA-led campaign, which has also been featured by the [Wall Street Journal](#), [Glenn Beck Program](#), [Bloomberg](#), [Newsweek](#), and more.

## **CUSTOM RESOURCES**

### **SEC officials debate digital asset oversight**

Securities and Exchange Commission officials continued the debate over regulating digital assets in recent remarks.

**Cost-Benefit:** On Friday, Commissioner [Hester Peirce](#) said stablecoins are a convenient payment tool that facilitate the exchange of cryptocurrencies. She warned against overly strict and broad stablecoin oversight that does more harm than good.

**Safe Harbors:** In a separate speech Tuesday, Commissioner [Caroline Crenshaw](#) expressed opposition to providing cryptocurrency firms with temporary waivers from securities regulations, a proposal first introduced by Peirce. Crenshaw said the exemption would create an unlevel playing field with traditional startups.

**Background:** The contrasting remarks reflect the broader debate over crypto regulation. The President's Working Group on Financial Markets is expected to issue recommendations on regulating stablecoins as soon as this month, while the Federal Reserve is developing a paper on a U.S. central bank digital currency.

**More:** Recent ICBA blog posts detail [growing stablecoin risks](#) to consumers and the financial system, [how policymakers are responding](#), and what decentralized finance [means for community banks](#)

### **Chopra sworn in as CFPB director**

Rohit Chopra was sworn in as Consumer Financial Protection Bureau director. In a publicly released [message](#) to CFPB staff, Chopra said recent Acting Director Dave Uejio will continue to serve the bureau until he is confirmed as HUD's assistant secretary for fair housing and equal opportunity.

### **Clarida: Tapering could conclude next year**

Federal Reserve officials have discussed gradually tapering its asset purchases by the middle of next year, Fed Vice Chair Richard Clarida said. In webcast [remarks](#), Clarida said the Fed would begin rolling back its \$120 billion in monthly securities purchases if economic progress continues as expected.

## Bank compensation survey results now available

The [2021 Crowe Compensation and Benefits Survey](#) is now available for purchase. With responses from 437 banks, the report provides key information on salary and benefit trends, turnover, and director compensation.

Findings from this year's survey include:

- Turnover continued to fall to the lowest level in three years.
- Remote work adoption continues to lag other industries outside the financial services sector. [Learn more.](#)

## Small-biz index dips in September

The NFIB Small Business Optimism Index [decreased](#) one point in September to 99.1. Owners expecting better business conditions over the next six months decreased five points, while a record-high 51% of owners reported job openings that could not be filled.

## FROM OTHER SOURCES

- The Labor Department took the next step Tuesday to implement President Biden's plan to require private-sector workers to be vaccinated against Covid-19 or be regularly tested, a move that has drawn a mixed reaction from larger and smaller companies. [Biden's Covid-19 Vaccine Mandate Moves Closer to Approval](#)
- More Americans are getting a booster dose of coronavirus vaccine than are getting their first shot. While some will undoubtedly benefit from a booster shot, some experts say the most important goal for the U.S. right now should be convincing vaccine holdouts to get their initial round of shots. [Share this story.](#) 77% of the eligible population has gotten at least one dose of a COVID-19 vaccine, [according to the CDC](#). About 12% of people 65 and older have received a booster. [https://www.axios.com/newsletters/axios-vitals-bc819b03-2f94-42c2-82d4-5af96707f602.html?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter\\_axiosvitals&stream=top](https://www.axios.com/newsletters/axios-vitals-bc819b03-2f94-42c2-82d4-5af96707f602.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top);
- The White House told governors to start preparing to vaccinate children as young as 5 by early next month in anticipation of clearance of Pfizer's Covid vaccine for the age group in the coming weeks, a White House official said. [White House tells states to prepare for Covid vaccinations in young children](#)
- The Fed's banking regulation committee won't have a designated chairman after the four-year term of Randal Quarles, the Fed's vice chairman for bank supervision, expires on Wednesday. The committee will instead decide together what issues are brought before it until a new chair is appointed, a Fed spokesperson said, with Quarles maintaining a spot on the board. It may mark the beginning of a potential leadership reshuffle atop the central bank. [Politico](#); [https://www.wsj.com/articles/feds-bank-supervision-committee-will-have-no-chairman-after-quarles-term-ends-wednesday-11634082069?mod=politics\\_lead\\_pos6&mkt\\_tok=ODUwLVRBQS01MTEAAAGAGJg0Mp-WCLM6-J10t56XXhF43ifgbitnoukNPMqbQz11giiT3ZjaDQ2EnelFDok3DelPjcgtpg84F-jtWvqeYSv5gZD41oKXmwcG8vD52t\\_3](https://www.wsj.com/articles/feds-bank-supervision-committee-will-have-no-chairman-after-quarles-term-ends-wednesday-11634082069?mod=politics_lead_pos6&mkt_tok=ODUwLVRBQS01MTEAAAGAGJg0Mp-WCLM6-J10t56XXhF43ifgbitnoukNPMqbQz11giiT3ZjaDQ2EnelFDok3DelPjcgtpg84F-jtWvqeYSv5gZD41oKXmwcG8vD52t_3)
- Despite a pandemic, a recession and a slew of tax cuts, federal tax receipts are booming. Revenues jumped 18 percent in the fiscal year that just ended, analysts say — the biggest one-year increase since 1977. [https://www.politico.com/news/2021/10/12/tax-revenue-surge-pandemic-515792?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvoPLXFBz4gp-](https://www.politico.com/news/2021/10/12/tax-revenue-surge-pandemic-515792?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvoPLXFBz4gp-)

[DFFlvWwi2QGNwxNtQfegP\\_W\\_-6NaXPzDGDdE6A91AoYI15jluqp8RJ-UbiLj\\_Jna89Ud5TKxuhYZmXT59yyEBZCjVp6O](https://www.wsj.com/articles/us-inflation-consumer-price-index-september-2021-11634074529?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvn6b8XfiaAKgAk9rwwgR9fFQTVZo-PEPJk7a1xMnDEMwqamPEgDbEsQo-rLR0k3THNnIpMuu71_xcNs3tsoRt8KNWxKdwZYZ1EEed3FqBL0)

- U.S. inflation likely remained high in September, as pandemic-related shortages of labor and materials continued to push up prices. Economists surveyed by The Wall Street Journal estimate the Labor Department will report the consumer-price index—which measures what consumers pay for goods and services—rose a seasonally adjusted 0.3% in September from August. [https://www.wsj.com/articles/us-inflation-consumer-price-index-september-2021-11634074529?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvn6b8XfiaAKgAk9rwwgR9fFQTVZo-PEPJk7a1xMnDEMwqamPEgDbEsQo-rLR0k3THNnIpMuu71\\_xcNs3tsoRt8KNWxKdwZYZ1EEed3FqBL0](https://www.wsj.com/articles/us-inflation-consumer-price-index-september-2021-11634074529?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvn6b8XfiaAKgAk9rwwgR9fFQTVZo-PEPJk7a1xMnDEMwqamPEgDbEsQo-rLR0k3THNnIpMuu71_xcNs3tsoRt8KNWxKdwZYZ1EEed3FqBL0)
- Speaker Pelosi defended a proposal to increase the amount of information financial institutions report to the IRS about bank accounts and indicated it would be a part of Democrats' social-spending package. The Biden administration has proposed requiring banks to report aggregate inflows and outflows of bank accounts in annual forms to the IRS, in instances where accounts have flows exceeding \$600. Democratic lawmakers have a tentative deal to raise that threshold to \$10,000, and to exempt regular wage payments. [https://thehill.com/policy/finance/576362-pelosi-defends-irs-bank-reporting-proposal?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvoAw1z9Ra04eMIFoTfwP3Zt4gNu6m6Mg5i9aqQ4E1emlaXEM2fXy\\_fReIEd\\_b3BJdrtdoOmr0HVLOtEaeX8zMuzabAtH9YDWM7K3xKqEw](https://thehill.com/policy/finance/576362-pelosi-defends-irs-bank-reporting-proposal?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvoAw1z9Ra04eMIFoTfwP3Zt4gNu6m6Mg5i9aqQ4E1emlaXEM2fXy_fReIEd_b3BJdrtdoOmr0HVLOtEaeX8zMuzabAtH9YDWM7K3xKqEw)
- [Republican lawmakers](#) and banking groups have increased their criticism of the IRS proposal, arguing it raises privacy concerns. Banks say their advocacy efforts resulted in an inundation of customer complaints about the idea, [The New York Times reported](#). The administration says it would strengthen the IRS's ability to crack down on wealthy tax cheats. Treasury estimates it would raise about \$460 billion over 10 years that could be used to help offset the cost of new spending aimed at strengthening the social safety net. [https://thehill.com/policy/finance/576362-pelosi-defends-irs-bank-reporting-proposal?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvoAw1z9Ra04eMIFoTfwP3Zt4gNu6m6Mg5i9aqQ4E1emlaXEM2fXy\\_fReIEd\\_b3BJdrtdoOmr0HVLOtEaeX8zMuzabAtH9YDWM7K3xKqEw](https://thehill.com/policy/finance/576362-pelosi-defends-irs-bank-reporting-proposal?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvoAw1z9Ra04eMIFoTfwP3Zt4gNu6m6Mg5i9aqQ4E1emlaXEM2fXy_fReIEd_b3BJdrtdoOmr0HVLOtEaeX8zMuzabAtH9YDWM7K3xKqEw)
- Covid made things much harder for a lot of workers, but it has been financially devastating for many older women. One of the most defining and troubling aspects of the pandemic is how badly it has affected women. A [new report](#) from AARP finds the financial fallout from the pandemic has been more pronounced for mid-career and older workers. Since the beginning of 2020, a large percentage of female workers 40 to 65 lost their jobs (14%), saw their work hours reduced (13%), were furloughed (9%) or had their salary or hours cut (4%). [https://www.washingtonpost.com/business/2021/10/12/aarp-pandemic-working-women-over-40/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvn9umk\\_I8KhtjwuQZMQpy-plPaHSbMOSzYni7roMCjTKbNI3nKbL6N-T0MGkQAxgyHtFz7CIME7IxtSt6vzQreLmdztQm4Vhx3hAgp4R](https://www.washingtonpost.com/business/2021/10/12/aarp-pandemic-working-women-over-40/?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvn9umk_I8KhtjwuQZMQpy-plPaHSbMOSzYni7roMCjTKbNI3nKbL6N-T0MGkQAxgyHtFz7CIME7IxtSt6vzQreLmdztQm4Vhx3hAgp4R)
- Job losses for Black and Hispanic women were higher than for White and Asian women — 20% for Black women and 23% for Hispanic women, compared with 13% for White women and 14% for Asian women. While unemployment has dropped significantly since the beginning of the pandemic, nearly 70 percent of women over 40 who are still unemployed have been out of work for six months or more. [https://www.washingtonpost.com/business/2021/10/12/aarp-pandemic-working-women-over-40/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvn9umk\\_I8KhtjwuQZMQpy-plPaHSbMOSzYni7roMCjTKbNI3nKbL6N-T0MGkQAxgyHtFz7CIME7IxtSt6vzQreLmdztQm4Vhx3hAgp4R](https://www.washingtonpost.com/business/2021/10/12/aarp-pandemic-working-women-over-40/?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvn9umk_I8KhtjwuQZMQpy-plPaHSbMOSzYni7roMCjTKbNI3nKbL6N-T0MGkQAxgyHtFz7CIME7IxtSt6vzQreLmdztQm4Vhx3hAgp4R)

- The number of people quitting their jobs has surged to record highs, pushed by a combination of factors. Americans sense ample opportunity and better pay elsewhere. Some 4.3 million people quit jobs in August — about 2.9% of the workforce, according to the Labor Department. [https://www.washingtonpost.com/business/2021/10/12/jolts-workers-quitting-august-pandemic/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpnv2gr-aAr39xYkyPkcXtbfq3d8newE3UpXGEtQRqRg4X7PMUXPjvmgabxqg6s6PAR24UfSDyeggbf8RXrhCZVpHwRCb4GCbyJmgW3sb](https://www.washingtonpost.com/business/2021/10/12/jolts-workers-quitting-august-pandemic/?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpnv2gr-aAr39xYkyPkcXtbfq3d8newE3UpXGEtQRqRg4X7PMUXPjvmgabxqg6s6PAR24UfSDyeggbf8RXrhCZVpHwRCb4GCbyJmgW3sb)
- House Speaker Pelosi on Tuesday sought to steel Democrats for coming cuts to their \$3.5 trillion tax-and-spending package, stressing the process to whittle down the party's landmark proposal would not "diminish the transformative nature of what it is." The renewed warning came as negotiations continued between Democratic lawmakers and the White House over the future of President Biden's economic agenda. [https://www.washingtonpost.com/us-policy/2021/10/12/pelosi-biden-democrats-spending/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvH3PGt0k\\_IbwwO4Z7p0J7L4Yxkpg5944OEHyEpxk9CGRIC5zqxHIxNKB0T2LoJ-rvIbBQyfGZUq2cG4bgrRx097VM34d-CrADFCti64](https://www.washingtonpost.com/us-policy/2021/10/12/pelosi-biden-democrats-spending/?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvH3PGt0k_IbwwO4Z7p0J7L4Yxkpg5944OEHyEpxk9CGRIC5zqxHIxNKB0T2LoJ-rvIbBQyfGZUq2cG4bgrRx097VM34d-CrADFCti64)
- In a 219-206 vote, the House adopted a rule lifting the debt ceiling to nearly \$28.9 trillion, sending the measure to President Joe Biden, who's expected to sign it this week. The investment advisory firm Wrightson ICAP believes the measure allows the Treasury Department to spend money through late December or early January, though the Biden administration has touted an early December date to keep pressure on lawmakers to keep away from the brink of default. [Roll Call; https://www.washingtonpost.com/us-policy/2021/10/12/pelosi-biden-democrats-spending/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvH3PGt0k\\_IbwwO4Z7p0J7L4Yxkpg5944OEHyEpxk9CGRIC5zqxHIxNKB0T2LoJ-rvIbBQyfGZUq2cG4bgrRx097VM34d-CrADFCti64](https://www.washingtonpost.com/us-policy/2021/10/12/pelosi-biden-democrats-spending/?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvH3PGt0k_IbwwO4Z7p0J7L4Yxkpg5944OEHyEpxk9CGRIC5zqxHIxNKB0T2LoJ-rvIbBQyfGZUq2cG4bgrRx097VM34d-CrADFCti64)
- Treasury Secretary Yellen reiterated her assessment that elevated U.S. inflation will prove "transitory," while acknowledging it will take longer for the pace of price gains to return to normal. [https://www.bloomberg.com/news/articles/2021-10-12/yellen-sticks-with-transitory-view-of-higher-u-s-inflation?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpnvzRIk2TMbYAZMnLt2XNF7HlyNz2zJNFYC4mcEV6q67II6QVucr3mXMmGXY0YCF6b0sLQoIcHEXndJGttMWKdG8j5IHDdXNk7eUdIusfC](https://www.bloomberg.com/news/articles/2021-10-12/yellen-sticks-with-transitory-view-of-higher-u-s-inflation?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpnvzRIk2TMbYAZMnLt2XNF7HlyNz2zJNFYC4mcEV6q67II6QVucr3mXMmGXY0YCF6b0sLQoIcHEXndJGttMWKdG8j5IHDdXNk7eUdIusfC)
- Seniors and other Americans receiving Social Security benefits in 2022 will likely see the largest increase in their payments in decades, reflecting surging inflation during the pandemic. The Social Security Administration is scheduled to release its annual cost-of-living adjustment for the benefits today-- analysts expect about a 6% boost. [https://www.wsj.com/articles/social-security-cola-increase-2022-11634067648?mkt\\_tok=ODUwLVRBQS01MTEAAAGAGIpvKba58jM1KnZdcV60FICWmEyJNssSKIQjnw4wfnk00UgvLkTsKx7OOgeUQ65OHoF\\_caWj3jcyntubnKTAcjyTA8JZiJ3sih8K1IU8VU](https://www.wsj.com/articles/social-security-cola-increase-2022-11634067648?mkt_tok=ODUwLVRBQS01MTEAAAGAGIpvKba58jM1KnZdcV60FICWmEyJNssSKIQjnw4wfnk00UgvLkTsKx7OOgeUQ65OHoF_caWj3jcyntubnKTAcjyTA8JZiJ3sih8K1IU8VU)

## FROM NEW YORK

- The U.S. side of the Canadian border will open to vaccinated Canadians starting in early November, signaling the end of a 19-month pandemic shutdown that separated families and shook U.S. businesses that counted on customers from north of the border, [The Buffalo News reports](#). Travelers entering the U.S. by vehicle, rail and ferry will be asked about their vaccination status as part of the standard admissions process. The U.S. will accept those fully vaccinated with any vaccine approved for emergency use by the W.H.O., including the AstraZeneca vaccine widely used in Canada. [Read More](#)

- Housing advocates fear a wave of evictions that could push hundreds of Capital Region residents from their homes when New York’s eviction moratorium ends in January, and data suggests the fear is well-founded, [the Times Union writes](#).
- New York's unemployment rate had been declining this year, but on Tuesday, the U.S. Bureau of Labor Statistics reported today that more than 4 million people quit their jobs in August - the most since last year. [Read More](#)
- A new Marist poll shows that after 50 days in office, Gov. Hochul is seen favorably by most New Yorkers and so far leads her potential Democratic primary opponents. Hochul has a double-digit lead over her potential 2022 Democratic primary candidates. Nearly three-quarters of Democrats say they don’t want former Gov. Cuomo to run for governor. At this time, Cuomo’s standing appears to have improved slightly from an August poll, but remains low at 42% approval and 53% disapproval ratings. <https://www.newsday.com/news/region-state/marist-poll-hochul-james-1.50387942>
- Gov. Hochul has made some serious progress toward inheriting the political network that helped former Gov. Cuomo win three terms in office, but that may not be enough to stave off the other [potential Democratic candidates for governor](#).
- The New York City Department of Education expects to shell out at least \$11 million – all federal aid dollars – to fill staffing shortfalls caused by its COVID-19 vaccine mandate, [the New York Post reports](#).
- A federal judge [shot down another challenge](#) to New York City’s school vaccine mandate.
- The vaccine mandate is causing some New Yorkers to [consider leaving the city](#).
- Expungements, licenses, and local opt-outs: [Here's what's next for NY's marijuana rollout](#)

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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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