

Wednesday, October 6, 2021
To: New York Community Banks

The U.S. Postal Service has launched a pilot program in several locations, including the Bronx, to test ICBA-and IBANYS-opposed postal banking. According to [NBC News](#) and [The American Prospect](#), the pilot offers check cashing, bill paying, ATM access, and expanded money orders and wire transfers. Customers may reportedly cash payroll or business checks to buy single-use gift cards worth up to \$500 for a flat fee of \$5.95. IBANYS joins with ICBA in strongly opposing postal banking and supports alternatives for reaching the unbanked. (See ICBA's congressional testimony earlier this year in a hearing [statement](#), a three-part series of [issue briefs](#), and a [letter](#) opposing a postal banking pilot project under fiscal 2022 spending legislation.) The pilot program is being promoted as a way to offer some financial services to unbanked and underbanked Americans. (See attached and in this link. <https://dingo.telicon.com/NY/library/2021/2021100471.PDF>.) Senator Gillibrand has praised the programs, and has long pushed her legislation, the [Postal Banking Act](#), to create a postal bank.

In this morning's Update, you can read about ICBA's response in the press on behalf of community banks.

FROM ICBA

WSJ editorial targets IRS reporting plan

ICBA's campaign against the reconciliation package's IRS reporting proposal picked up additional steam with a [Wall Street Journal](#) editorial opposing the measure.

Details: The editorial reiterates concerns ICBA has repeatedly raised over the proposal's impact on privacy and data security while raising questions over the estimated size of the "tax gap."

More Press: ICBA's campaign against the IRS plan has generated a growing number of headlines, including recent coverage by [The Glenn Beck Program](#), [Bloomberg](#), [Newsweek](#), the [Daily Mail](#), and more.

Campaign: ICBA continues calling on community bankers to use its customizable [email and social media content](#) to urge consumers to [contact Congress in opposition](#) to the plan, which an ICBA poll found 67% of voters oppose.

Call Alert: In addition to the consumer campaign, community bankers can call their lawmakers using an ICBA [call alert and customizable script](#).

CUSTOM RESOURCES

ICBA takes on postal banking pilot in press

ICBA continued its pushback against the U.S. Postal Service's quiet launch of a financial services pilot program to test postal banking.

Coverage: On [NBC News](#) and in [The Washington Post](#), ICBA's Paul Merski said the postal service isn't equipped to provide complex financial services. ICBA's Aaron Stetter told the [Washington Examiner](#) that community banks can more effectively reach the unbanked population.

Pilot: The USPS pilot reportedly offers check cashing, bill paying, ATM access, and expanded money orders and wire transfers. Customers may cash payroll or business checks to buy single-use gift cards worth up to \$500 for a flat fee of \$5.95.

Locations: The pilot launched Sept. 13 in Washington, D.C.; Falls Church, Va.; Baltimore; and the Bronx, New York.

ICBA Position: ICBA strongly opposes postal banking and has offered alternatives for reaching the unbanked, as it told Congress this year in a hearing [statement](#), a three-part series of [issue briefs](#), and a [letter](#) opposing a postal banking pilot project under fiscal 2022 spending legislation.

Quarles: LIBOR definitely expiring at year-end

Market participants should act now to accelerate their transition away from LIBOR, Federal Reserve Vice Chair for Supervision Randal Quarles said.

Remarks: Speaking in Las Vegas, [Quarles said](#) the Dec. 31 end of LIBOR is “definitive and immovable” and will not be extended.

Quote: “To be ready for year-end, lenders will have to pick up the pace, and our examiners expect to see supervised institutions accelerate their use of alternative rates,” Quarles said.

More: An [ICBA blog post](#) details the end of LIBOR and the impact of the pending transition on community banks.

OCC’s Hsu: Diversity promotes trust

Diversity and inclusion help banks build trust and promote safety and soundness, Acting Comptroller of the Currency Michael Hsu said.

Remarks: [Speaking](#) to Women in Housing and Finance, Hsu said diversity and inclusion speak to values such as what is fair and unfair while mitigating blind spots that can pose risks.

Webinars: ICBA is hosting a complimentary [three-part webinar series](#) this month on diversity, equity, and inclusion.

FDIC updates brokered deposit Q&A

The FDIC updated its [question-and-answer document](#) on brokered deposits. The Q&As—which are available on the agency’s [brokered deposit webpage](#)—provide comprehensive information about regulatory changes that took effect April 1.

Blog examines global CBDC developments

A [new ICBA blog post](#) spotlights where the United States and other nations stack up in developing central bank digital currencies.

Details: On [Main Street Matters](#), ICBA’s Nasreen Quibria says CBDCs could address the heightened risk from stablecoins and other digital assets.

More: A recent [ICBA blog post](#) discusses why a U.S. CBDC must account for the vital role played by community banks. ICBA also offers community bank primers on [crypto](#) and [central bank digital currency](#).

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.](#)

FROM OTHER SOURCES

- A vocal contingent of prominent doctors and scientists is reportedly pressing the Biden administration to scrap its plans to provide booster shots to all previously vaccinated adults. https://www.politico.com/news/2021/10/06/biden-covid-experts-boosters-515175?mkt_tok=ODUwLVRBOS01MTEAAAF_9JxLAY6zpiKfutjA8-zC-bYZXDHMB8_KnpFki9ysEsFSpWkZc1WWZhcrYldPGvPBotsz2B1slOkiYLkYvmFTa6ojfJWjXV85j6QWb5AJvEiT
- The CDC [tracks](#) anxiety and depression, as reported in continual census surveys, Axios' Marisa Fernandez [reports](#). Symptoms have declined since last winter — but are still higher than before the pandemic. [Share this graphic.](#)

- Rent prices are rising rapidly across the country, and the number of people seeking rental apartments has returned to pre-pandemic levels or higher, Axios' Jennifer A. Kingson [writes](#) from home-search websites. As COVID restrictions expire — including moratoriums on evictions — and available housing dwindles, once-desperate landlords are back in the catbird seat. In a reversal of last year's trends, tenants are "facing sticker shock," The Wall Street Journal [reports](#). [Share this story](#).
- Across the board, banks and their trade groups, the American Bankers Association and the Independent Community Bankers of America, have been sounding alarms about Saule Omarova, President Biden's choice to lead the Office of the Comptroller of the Currency. Opposition is focused on some of her academic writings, including such ideas as having the federal government provide banking services to consumers through the Fed. https://www.nytimes.com/2021/10/05/business/banks-occ-omarova.html?mkt_tok=ODUwLVRBQS01MTEAAAF_9IWD46MND0_b58oSKGMHlpqSpwJr-s7vpPXADMUpMMkP6oGre3qdHQ1LpUcu4ax-NqeBlgNnL4Vlam20AsTFcyQeo8FQIqBKu7swJCZ1V93
- President Biden has reportedly invited Bank of America Corp. CEO Brian Moynihan, JP Morgan Chase & Co. CEO Jamie Dimon and other financial leaders to the White House today to discuss the consequences of not lifting the debt ceiling. Treasury Secretary Yellen, Commerce Secretary Raimondo and White House senior adviser Richmond are expected to attend the meeting. [The Washington Post](#)
- Continuing her criticism of Federal Reserve Chairman Powell, Sen. Warren (D-MA) said on the Senate floor that the Fed's trading controversy showed Powell has "failed as a leader." Powell currently being considered for a second term. President Biden said he "thus far" has confidence in Powell, although he said he's "just catching up" on the trading controversy. [The Wall Street Journal](#)
- Federal Reserve Chairman Powell, whose four-year term as chair expires early next year, reportedly continues to have a good chance of being reappointed because he has earned respect within the White House for his aggressive use of the Fed's tools in the wake of the pandemic recession. The administration is under pressure to make a prompt decision. The Fed's seven-person Board of Governors in Washington will soon face a spate of openings. https://www.nytimes.com/2021/10/05/business/economy/federal-reserve-jerome-powell-warren.html?mkt_tok=ODUwLVRBQS01MTEAAAF_9IWD5btLnJbRnnGq4Ep1zvHDDuvbcnr3QZgMV-DQCERLjg2azWfoO-8KeyRX9Qw9m-zFrFshYvF3sGR_mv6sUKgGOrYYDoSIV9pwO6NdDasE
- Generation X, the oft-overlooked demographic group squeezed between the Baby Boomers and Millennials, has experienced a wealth boom in the U.S. since Covid-19 was declared a national emergency. https://www.bloomberg.com/news/articles/2021-10-05/gen-x-leaves-boomers-trailing-with-50-wealth-jump-in-pandemic?mkt_tok=ODUwLVRBQS01MTEAAAF_9IWD5TyuiJVuGB7_ZZJcSMW7UDxfENQj6OiaaiRtNoQHR4qlmuc0ovShx_2qOr9worY-aVL9m3TV1NhxtTOLjfD5ZCr6kDmgE2cRzg8CZaaL

FROM NEW YORK

- Gov. Hochul's vaccination mandate for health care workers will include state-run psychiatric hospitals and "specialty" hospitals, though group home employees will remain outside its requirements – at least for now, [the Times Union reports](#).
- Vaccination mandates on workers, supplying vaccine booster shots and bringing back mass testing sites to some areas of the state and putting in place stronger communication were among

the issues raised Tuesday by county government leaders in Albany to meet with Gov. Kathy Hochul [Read more.](#)

- Gov. Hochul said Tuesday that more vaccine mandates could be in the cards as the state seeks to boost immunizations against COVID. [N.Y. Gov. Hochul: more COVID vaccine mandates could be in the works.](#)
- [Why Some Health Care Workers Are Vaccine Hesitant Despite Their Medical Training](#)
- New York City's school vaccine mandate [survived another court challenge.](#)
- The state Office of Cannabis Management sought to make up for delays in the drug's rollout by approving a chief equity officer and making immediate changes to the medical cannabis program during its inaugural meeting, [Gannett Albany reports.](#) [The state's new Cannabis Control Board](#) appointed its top agency staffers.
- Home sales surged in Manhattan last quarter with more than 4,500 residences changing hands as listings dwindled and prices held steady – easily the most deals in any one quarter since tracking began in 1989, [The Real Deal reports.](#)
- President Biden's nominees for the U.S. Attorney positions in Manhattan and Brooklyn were confirmed by the U.S. Senate Tuesday, setting the stage for a new era for New York federal law enforcement in which both offices will be led by Black prosecutors for the first time. Damian Williams will be U.S. Attorney for the Southern District, which covers Manhattan, and Breon Peace for the Eastern District, which covers Brooklyn.
https://www.bloomberg.com/news/articles/2021-10-06/senate-confirms-new-u-s-attorneys-for-manhattan-brooklyn?mkt_tok=ODUwLVRBQS01MTEAAAF_9IWD5GP_UuuGtEFGKBCMFH5b2IF8407hi-EjSLaXGG2DgXWsGJT3kNLsoc26GCBdaglYc0OgIxBbPZXOo30dOkLJxPsNPhu73hIFzFbtWc
- Outgoing NYC Mayor Bill de Blasio has reportedly begun to tell people privately that he plans to run for Governor of New York next year. He has made it clear he wants to remain in public life. “There’s a number of things I want to keep working on in this city, in this state,” Mr. de Blasio [said last week.](#) https://www.nytimes.com/2021/10/06/nyregion/bill-deblasio-governor.html?mkt_tok=ODUwLVRBQS01MTEAAAF_9JxLAtE2c6_HQKwOlPKzcb8871pei9cY6gcBLFWYO4CU8j2Qgq0Ax8c7lcNIUV0ZDn9CWd3Ay5aBwTouSkDmcOqjYq3DUuKyV15bvL-jhnnC

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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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