

Monday, September 27, 2021
To: New York Community Banks

FROM ICBA

IRS proposal tweaks don't stop pushback

While policymakers are looking to narrow the ICBA-opposed IRS reporting proposal, ICBA is continuing its campaign urging consumers to [speak out](#) against the plan.

Threshold: To narrow its implementation, House Ways and Means Committee Chairman Richard Neal (D-Mass.) last week [said](#) lawmakers are planning to raise the \$600 de minimis threshold on their proposal to require banks to report customer account information to the IRS.

Response: In a [national news release](#), ICBA President and CEO Rebeca Romero Rainey said adjusting the reporting threshold or making other tweaks will not salvage the plan, which ICBA, community bankers, and consumers will continue to oppose.

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, which an ICBA poll found 67% of voters oppose.

Call Alert: In addition to the consumer campaign—which has resulted in more than 400,000 consumer messages to lawmakers—community bankers can call their lawmakers using an ICBA [call alert and customizable script](#) on the proposal.

Press: Meanwhile, pushback continues in the press. Mississippi Bankers Association President and CEO Gordon Fellows published a Mississippi Business Journal [op-ed](#) on the proposal's privacy concerns, while ICBA's Paul Merski told [S&P Global](#) that it would harm the bank-customer dynamic.

More: A [recent blog post](#) from ICBA President and CEO Rebeca Romero Rainey details ICBA's consumer-facing campaign against the proposal.

CUSTOM RESOURCES

SBA: PPP portal tops 1M submissions

The [SBA said](#) its Paycheck Protection Program Direct Borrower Forgiveness Portal has topped 1 million applications for \$17 billion in relief since it launched Aug. 4.

Portal: The portal allows borrowers with PPP loans of \$150,000 or less to directly apply for forgiveness. Lenders may opt in, but they still must review borrower-submitted information on the PPP platform and make a forgiveness decision.

Participation: The SBA said more than 1,400 PPP lenders have opted in, while 65% of all loans eligible for direct forgiveness have been submitted.

Advocacy: In [congressional testimony](#) earlier this month, ICBA said the SBA must respect lenders that choose not to use the portal, which led the agency to [withdraw its threat](#) to audit PPP lenders that don't participate.

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

FHFA extends multifamily forbearance

Fannie Mae and Freddie Mac will continue offering COVID-19 forbearance to qualifying multifamily property owners as needed, the Federal Housing Finance Agency [said](#). This is the fourth extension of the programs, which were set to expire Sept. 30.

\$2.3B in emergency rental assistance in August

State and local governments distributed more than \$2.3 billion in Emergency Rental Assistance Program funds to 420,000 households in August, the Treasury Department [reported](#). Through Aug. 31, state and local programs have distributed more than 1.4 million payments worth \$7.7 billion.

USDA announces Equity Commission

The [USDA said](#) it will establish an Equity Commission and is requesting nominations for membership on the commission's Advisory Committee and Subcommittee on Agriculture. The commission will advise the Agriculture secretary on identifying USDA programs and practices that contribute to systemic discrimination.

Treasury names U.S. Mint acting director

The Treasury Department [announced](#) Alison Doone as the new acting director of the U.S. Mint, effective this Friday, Oct. 1. Doone—who previously served as chief administrative officer at the Mint—will replace departing Director David J. Ryder.

FDIC: Technology key for community banks during pandemic

Community banks that invested more in technology before the pandemic generally made more loans and took in more deposits during the pandemic than others, according to an FDIC report.

Report: Published in the [FDIC Quarterly](#), the agency's report says:

- Community banks that invested more in technology generally reported faster loan and deposit growth in 2020 than did banks with less technology investment.
- Differences in loan and deposit growth grew in 2020 compared to before the pandemic.
- Faster loan growth for community banks with greater technology investment largely stemmed from Paycheck Protection Program participation.
- Community banks with greater technology investment generally originated a greater share of PPP loans.
- Deposit growth was generally due to increases in deposit balances of existing customers rather than from new depositors.

ThinkTECH: ICBA and The Venture Center recently launched the application period for the [2022 ICBA ThinkTECH Accelerator](#) program, which will feature virtual and in-person visits to support community bank-fintech collaborations.

New-home sales improve in August

New-home sales increased 1.5% in August from the previous month but were down 24.3% from the same time last year, the Commerce Department [reported](#). Monthly gains in the Northeast, South, and West more than offset declines in the Midwest, while all four regions experienced year-over-year decreases.

FROM OTHER SOURCES

- With more than half of the world — and a substantial portion of the U.S. — still unvaccinated, getting these rates up could mean the difference between the virus becoming a back-burner nuisance or something that continues to define our lives for years to come. The future will be determined by three main variables: vaccination rates, variants and the duration of immunity. Read the latest Axios Deep Dive: [COVID forever](#)
- With more than 40 million doses of coronavirus vaccines available, U.S. health authorities said they're confident there will be enough for both qualified older Americans seeking booster shots

and the young children for whom initial vaccines are expected to be approved in the not-too-distant future. https://apnews.com/article/coronavirus-pandemic-vaccine-boosters-children-demand-us-ca6d151522986900211f467740211994?mkt_tok=ODUwLVRBQS01MTEAAAF_xjgc3kVrY4iLVBCKrZgPkOHNZhq7YlnWL8g1z7k3occunXhZOMGjeggadR7gLO-Y-cErYSbvSpzrc6pLiApFSUwonikZeRCbv66U9qJVKLDU

- COVID's hidden toll: 1 million children who lost parents ([Wall Street Journal](#))
- Pfizer CEO: Company will submit data for children's vaccine to FDA in "days" ([Axios](#))
- The amount of emergency rental assistance reaching landlords and tenants was up slightly from July to August, but local and federal governments continue to struggle to get aid to households facing eviction during the coronavirus pandemic. Last month, roughly \$2.3 billion was spent on rent, utilities and missed payments, and some 420,000 households were reached. https://www.washingtonpost.com/us-policy/2021/09/24/august-emergency-rental-assistance/?mkt_tok=ODUwLVRBQS01MTEAAAF_xhKBe9PMBU7FTTUQoZi6HcDkEuNsg8Ho9_J7p8TTucRAnVFokP1RkUSvPIUIVd6tNPFWQulfwbZErp7vCIImzWMQOAIOrX4GCE8E3U2SK6nXO
- Business economists have cut nearly a point off their GDP forecast since earlier this year, Axios' Dan Primack [writes](#) from a survey out today. The National Association for Business Economists outlook reflects increased concerns over the pandemic's impact on the economy, particularly due to the spread of Delta and other variants. Only a small percentage of panelists felt that federal action or inaction on a large spending bill would have a significant impact on short-term growth. Most expect sharp inflation growth in 2021 and moderate inflation growth in 2022. [Share this story.](#)
- It's a consequential week for President Joe Biden's agenda, as Democratic leaders delicately trim back his \$3.5 trillion "Build Back Better" package to win over remaining lawmakers, and more. [Read More.](#) House Speaker Pelosi scheduled a vote on the \$1 trillion bipartisan infrastructure bill for Thursday, but hasn't yet set a date for the larger \$3.5 trillion spending package that would strengthen the country's social safety net. [Reuters https://www.politico.com/newsletters/huddle/2021/09/27/crunch-time-kicks-off-for-dems-494482?nname=huddle&nid=0000014f-1646-d88f-a1cf-5f46b4be0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630309.](https://www.politico.com/newsletters/huddle/2021/09/27/crunch-time-kicks-off-for-dems-494482?nname=huddle&nid=0000014f-1646-d88f-a1cf-5f46b4be0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630309)
- Poverty rates have dropped to their lowest level in more than a decade, workers' wages are rising, children's hunger rates are falling, bankruptcy filings have plummeted and more people had health insurance in 2020 than the year before. Key aspects of the economy are doing better than before the pandemic, which supporters say shows how government spending can help. https://www.politico.com/news/2021/09/27/covid-relief-government-spending-lessons-514278?mkt_tok=ODUwLVRBQS01MTEAAAF_xhKBfFZMSjykAhmFMffY6vefBi_wIs-cOJ-RVSWAAkwPCtrYOpuzZwygtqEURdBacOifdc2zQAZ-9JLlkcR3UWXIIFJisibTaJICFIURy7U0Q

FROM NEW YORK

- Governor Hochul announced that 4,314 new cases and 31 new COVID-19 deaths across the state on Sunday. Statewide, 2,299 patients are hospitalized with COVID-19, with 548 patients in the ICU and 317 in ICU with intubation. The statewide seven-day average positivity rate stood at 2.71%, with the state reporting a 2.39% daily positivity rate. According to the CDC, 83.5% of all New Yorkers age 18 and older have received at least one vaccine dose, and 74.9% have completed their vaccine series. For New Yorkers of all ages, 70.7% have received at least one dose and 63.2% have completed their

vaccine series. [Read more here.](#)

<https://spectrumlocalnews.com/nys/watertown/coronavirus/2021/09/25/hochul--5-200--new-covid-cases-reported-statewide-saturday>

- As of Sunday, the North Country's seven-day average positivity rate of 5.31% is the highest in the state, followed by Central New York at 4.74% and the Mohawk Valley at 4.73%. The region of the state with the lowest seven-day average positivity rate is currently New York City, with a reported 1.61% rate.
<https://spectrumlocalnews.com/nys/watertown/coronavirus/2021/09/25/hochul--5-200--new-covid-cases-reported-statewide-saturday>
- New York is prepared to bring in medically-trained National Guard members and federal disaster teams to combat a looming staffing shortage at hospitals and nursing homes if workers don't meet Monday's COVID-19 vaccination deadline -- <https://www.npr.org/2021/09/26/1040780961/new-york-health-care-worker-vaccine-mandate-staffing-shortages-national-guard>. She announced the contingency plans and is ready to sign an executive order declaring a state of emergency allowing qualified out-of-state workers to be able to practice in New York as well as recent grads and retirees.
- State and local programs continue to struggle to get money out the door, and [cash-strapped small and medium-sized landlords and property owners](#) have had enough. In New York, a landlord advocacy group is aiming to block the state's ongoing freeze on evictions for tenants facing financial hardships due to the pandemic. The Rent Stabilization Association (RSA) filed a motion this month with the Second Circuit Court of Appeals, challenging the recently extended moratorium.
- There are 30 local governments in New York that have some form of financial strain made all the harder by the COVID-19 pandemic, State Comptroller DiNapoli noted in a new report assessing municipal budgets in the state. The full report [can be found here.](#)
- [As the pandemic continues](#), and COVID-19 cases continue to rise, local school districts are facing challenges on every front
- [Gov. Hochul is planning to oust](#) several holdovers from former Gov. Andrew Cuomo's administration following a review period.
- Governor Hochul's administration is launching a massive new weekly coronavirus testing program for the thousands of state workers expected to refuse to get vaccinated by the Oct. 12 deadline, [the New York Post reports.](#)
- SUNY Chancellor Jim Malatras fired off a memo to the heads of state university-run hospitals warning them to notify their employees that refusing to get the coronavirus vaccine will result in suspension and termination, [the Post 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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