

Thursday, October 28, 2021  
To: New York Community Banks

Good morning,

**IBANYS has selected our new officers and directors for the coming 2021-22 fiscal year which begins November 1.** Our newly elected officers, who also form our Executive Committee, include:

- Chairman: Mario Martinez, Chairman & CEO, Catskill Hudson Bank
- Vice Chairman: Anders Tomson, President & CEO, Chemung Canal Trust
- Treasurer: Steve Woodard, President & CEO, Alden State Bank
- Immediate Past Chairman: Mike Wimer, President & CEO, Cattaraugus County Bank

**In addition, the following new board members were elected:**

- Tim Dickey, President & CEO, Bank of Holland
- Steve Gobel, President & CEO, First National Bank of Groton
- Mark Lavarney, President & CEO, Watertown Savings Bank
- Carlos Naudon, President & CEO, Ponce Bank.

. . .IBANYS thanks Chairman Mike Wimer for his two years of outstanding service and leadership of IBANYS, as well as outgoing Vice Chairman Tom Carr, Immediate Past Chair, Tom Amell and outgoing Directors, John Buhmaster (1st National Bank of Scotia) and Paul Mello (Solvay Bank).

**A few other notes to share up top:**

- Governor Hochul signed S.191, which permits credit unions to participate in the Excelsior Linked Deposit Program as chapter 495. The legislation was passed by the legislature during the 2021 session. <https://www.governor.ny.gov/news/governor-hochul-signs-legislation-authorizing-credit-unions-participate-excelsior-linked>
- IBANYS is preparing to send a comment letter to Governor Hochul's Counsel, Liuz Fine, in support of the Governor signing A. 6247A (Peoples-Stokes) that would extend the state's Community Reinvestment Act \*(CRA) coverage to include mortgage bankers licensed by the State Department of Financial Services (DFS). [Read the letter.](#)
- New Assembly Banks Chair Patricia Fahy (D-Albany) recently introduced a number of bills in preparation for the 2022 legislative session. The bills include establishing a public/state bank, and allowing credit unions to accept municipal deposits. [Read the newly introduced legislation](#)
- **The NYS Department of Financial Services (DFS) published guidance on Section 500.02 of its Cybersecurity Regulation**, 23 NYCRR Part 500, regarding an organization's use of the cybersecurity program of an affiliated entity. Pursuant to Section 500.2(c), a DFS-regulated entity is permitted to adopt all or part of the cybersecurity program maintained by an affiliate, including parent corporations, head offices, and foreign banks. The guidance addresses a licensed entity's responsibilities under such an adoption. **Read the guidance below:** [https://www.dfs.ny.gov/industry\\_guidance/industry\\_letters/il20211022\\_affiliates\\_cybersecurity\\_program](https://www.dfs.ny.gov/industry_guidance/industry_letters/il20211022_affiliates_cybersecurity_program).



### ICBA talks IRS on Fox News as House Dem coalition pushes back

ICBA leaders appeared on Fox News to continue raising awareness of the widely opposed [IRS reporting proposal](#).

**Interview:** On [America's Newsroom with Bill Hemmer](#), ICBA Chairman Robert Fisher and ICBA President and CEO Rebeca Romero Rainey said proposed tweaks to the plan don't address its privacy, due process, and data security concerns.

**Growing Opposition:** Meanwhile, a group of House Democrats [called on congressional leaders](#) to exclude the IRS plan from the reconciliation package—noting they have heard from hundreds of thousands of constituents in recent weeks. Their joint letter followed comments by Sen. Joe Manchin (D-W.Va.) that he opposes the proposal no matter the reporting threshold.

**Grassroots:** With Congress working to slip the updated IRS plan into the reconciliation package, ICBA is encouraging community bankers to continue [calling their members of Congress](#) in opposition and using [customizable ICBA resources](#) to urge consumers to call lawmakers.

### **WATCH THE CLIP**

#### ICBA, state groups continue push against IRS plan

ICBA and 44 state community banking associations reiterated their opposition to the IRS reporting proposal.

**Letter:** In a [joint letter](#) to key committee leaders, the groups said proposed tweaks to the plan—such as adjusting reporting thresholds—would benefit hardly any taxpayers while making the policy even more complex.

**Grassroots:** ICBA is encouraging community bankers to [call their members of Congress](#) in opposition and to continue using customizable [email and social media content](#) to urge consumers to call lawmakers.

**Calls Critical:** ICBA Director of Advocacy Jack Coleman notes in a [recent blog post](#) that phone calls to congressional offices are four times more effective than emails—making them particularly vital in the grassroots effort.

#### CFPB director: Relationship banking must be preserved

Consumer Financial Protection Bureau Director Rohit Chopra [testified](#) before Congress on the importance of preserving relationship banking.

**Testimony:** Delivering his first semi-annual report to the House Financial Services Committee, Chopra said banks that have relationships with their customers are more responsive to their customers' needs.

**More:** Also in his testimony, Chopra:

- Expressed concerns with Big Tech's entry into banking and payments.
- Said the CFPB should focus on the largest firms that pose nationwide harm.
- Stressed the importance of robust competition and choice.

### **CFTC head makes push to be primary crypto regulator**

The acting head of the Commodity Futures Trading Commission urged Congress to consider granting his agency the authority to be the primary federal regulator for digital assets.

**Testimony:** At a Senate Agriculture Committee [hearing](#) on his nomination to chair the CFTC, Acting Chairman Rostin Behnam said his agency has jurisdiction over most cryptocurrency activity and has pursued enforcement cases in the digital asset marketplace for years.

**Oversight:** The federal government is debating how the crypto sector will be regulated. While Securities and Exchange Commission Chair Gary Gensler has called for expanded regulatory authority, the CFTC this month fined Tether—the largest stablecoin issuer—\$41 million for misleading claims about its U.S. dollar token.

**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](#).

### **FHFA proposes GSE capital disclosures**

The Federal Housing Finance Agency [proposed](#) additional public disclosure requirements for Fannie Mae and Freddie Mac's Enterprise Regulatory Capital Framework.

**Details:** The proposed rule would implement quarterly quantitative and qualitative disclosure requirements for the enterprises related to regulatory capital instruments, risk-weighted assets, and risk management policies and procedures.

**Deadline:** The GSEs would have to comply within six months. Comments on the proposal are due within 60 days.

### **Webinars feature RTP, FedNow updates**

ICBA and ICBA Bancard next week are kicking off a [complimentary webinar series](#) on how community banks can plan for their instant payments journey.

**Details:** The series features the [following webinars](#):

- 3 p.m. (Eastern time) Tuesday, Nov. 2: Updates on The Clearing House's RTP network.
- Noon (Eastern time) Wednesday, Nov. 17: Updates on the Federal Reserve's FedNow instant payments service.

### **New Fed video walks through FedNow planning**

The Federal Reserve released a [new video](#) to help organizations prepare for the launch of the FedNow instant payments service in 2023. The video—available on the new [FedNowExplorer.org](#) resource center—discusses how the service can help financial institutions meet customer demand.

### **Daily COVID-19 update from FS-ISAC**

The daily coronavirus update distributed by the Financial Services Information Sharing and Analysis Center is available on ICBA's [Pandemic Response resource center](#).

## FROM OTHER SOURCES

- The number of new COVID-19 cases continues to plummet all across the U.S. The U.S. is now averaging roughly 70,000 new cases per day, a 20% drop over the past two weeks. Deaths fell 15% over the same period, to an average of 1,400 per day. While that's still equivalent to a 9/11 roughly every two days, that number has been steadily coming down throughout the fall, and likely will continue to drop. Although localized outbreaks will crop up throughout the fall and winter, the pace of new infections has fallen over the past two weeks in 45 states. [https://www.axios.com/newsletters/axios-vitals-01233bca-fad0-415f-b7af-04ae2391fb61.html?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter\\_axiosvitals&stream=top](https://www.axios.com/newsletters/axios-vitals-01233bca-fad0-415f-b7af-04ae2391fb61.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top) . . . [Share this story.](#)
- **President Biden this morning announced a "framework" for \$1.85 trillion in social program and climate change spending.** It is unclear if progressives will support a plan that left out many of their key priorities. [Here's what's in the \\$1.85 trillion framework Biden is set to layout to lawmakers.](#) Officials insist the total cost of the program would be offset by new revenue on corporations and wealthy individuals, without raising taxes on families making less than \$400,000. Corporations will face a 15% minimum tax as well as new international rates. Individual who make more than \$10 million will be subject to a new surcharge. [https://www.axios.com/biden-framework-before-europe-departure-44601d00-fe9b-474f-9b6b-85e597f5ff1f.html?stream=top&utm\\_source=alert&utm\\_medium=email&utm\\_campaign=alerts\\_all](https://www.axios.com/biden-framework-before-europe-departure-44601d00-fe9b-474f-9b6b-85e597f5ff1f.html?stream=top&utm_source=alert&utm_medium=email&utm_campaign=alerts_all). President Biden delayed his departure for key European summits to address House Democrats in person. He plans to speak about his plan to the general public at 11:30 a.m. .from the White House. <https://www.nytimes.com/live/2021/10/28/us/biden-spending-bill-deal?referringSource=articleShare> . . . [https://www.axios.com/biden-framework-before-europe-departure-44601d00-fe9b-474f-9b6b-85e597f5ff1f.html?stream=top&utm\\_source=alert&utm\\_medium=email&utm\\_campaign=alerts\\_all](https://www.axios.com/biden-framework-before-europe-departure-44601d00-fe9b-474f-9b6b-85e597f5ff1f.html?stream=top&utm_source=alert&utm_medium=email&utm_campaign=alerts_all)
- The Biden administration is reportedly still working to include a version of its IRS bank-reporting proposal in Democrats' social spending package, following criticism of the proposal from Sen. Manchin (W.Va.) and several other Democratic lawmakers. There are efforts to adjust the proposal so that it focuses on taxpayers making more than \$400,000, and negotiators are looking at whether a carveout could be created for those with income under that threshold. [https://thehill.com/policy/finance/578764-biden-administration-still-pushing-to-include-irs-proposal-in-spending-bill?mkt\\_tok=ODUwLVRBQS01MTEAAAGAZcUjeOrVUVB-C3k2vYEkMBFwl\\_2OVomyRZmjIhRVnR8nE95hsoCfrksgS9PT338frjE4evGzhw90aQY5\\_ugK4i\\_5k7EPrAI3-GiFM7V9uBob](https://thehill.com/policy/finance/578764-biden-administration-still-pushing-to-include-irs-proposal-in-spending-bill?mkt_tok=ODUwLVRBQS01MTEAAAGAZcUjeOrVUVB-C3k2vYEkMBFwl_2OVomyRZmjIhRVnR8nE95hsoCfrksgS9PT338frjE4evGzhw90aQY5_ugK4i_5k7EPrAI3-GiFM7V9uBob)
- The U.S. economy grew at an annual rate of 2% in the third quarter, in the latest sign of how the recent delta variant of the [coronavirus](#) held back the economic recovery. The GDP figures for the July-through-September period, released Thursday by the Bureau of Economic Analysis, came in far lower than the booming 6.7% growth in the previous quarter, reflecting an economy struggling anew amid the delta variant surge, which tore through unvaccinated communities in August and September and is only easing now. The third quarter was the economy's worst since the pandemic devastated the economy in the first half of 2020, as [global supply chain backlogs](#), [higher prices](#) and [labor shortages](#) continue to bedevil the recovery.
- U.S. consumer confidence increased in October following three months of declines, as the wave of Covid-19 cases due to the Delta variant started to ease. The consumer confidence index increased to 113.8 in October from a revised 109.8 in September, according to data from the Conference Board released Tuesday. [https://www.wsj.com/articles/u-s-consumer-confidence-rose-as-delta-covid-19-wave-eased-11635263487?mkt\\_tok=ODUwLVRBQS01MTEAAAGAZcUjeDpdENa4ZgkvtuU\\_1DS2ASz8ji\\_3\\_yu25NYhY74ezRSkXZUIpXPHFGq\\_JCzk8UWeOq\\_7Ub2FJ1ZT1XELbZnDaM3qPNwzyT4\\_QccBQjyZvY](https://www.wsj.com/articles/u-s-consumer-confidence-rose-as-delta-covid-19-wave-eased-11635263487?mkt_tok=ODUwLVRBQS01MTEAAAGAZcUjeDpdENa4ZgkvtuU_1DS2ASz8ji_3_yu25NYhY74ezRSkXZUIpXPHFGq_JCzk8UWeOq_7Ub2FJ1ZT1XELbZnDaM3qPNwzyT4_QccBQjyZvY)

- Home-price growth held at a record high in August, as demand from home buyers remained robust despite skyrocketing prices. The S&P CoreLogic Case-Shiller National Home Price Index, which measures average home prices in major metropolitan areas across the nation, rose 19.8% in the year that ended in August, unchanged from the prior month.  
[https://www.wsj.com/articles/home-price-growth-holds-at-record-in-august-11635253603?mkt\\_tok=ODUwLVRBQS01MTEAAAGAZcUjeHJ2kIEiX05tVQ-j25qvoTCJhZdG9Q0b4kdpVU5Hw5tKyHPtBM3hE-zrsc2HUG6r8DrEKjCsFXGOAfB\\_kIEFjFXQh2\\_iWCMv4Hspi7T](https://www.wsj.com/articles/home-price-growth-holds-at-record-in-august-11635253603?mkt_tok=ODUwLVRBQS01MTEAAAGAZcUjeHJ2kIEiX05tVQ-j25qvoTCJhZdG9Q0b4kdpVU5Hw5tKyHPtBM3hE-zrsc2HUG6r8DrEKjCsFXGOAfB_kIEFjFXQh2_iWCMv4Hspi7T)
- Amazon, Google and other technology giants entering financial services should be subject to the same supervision banks are, CFPB Director Rohit Chopra said in his first congressional testimony as Director of the Bureau. He also said he wants to focus enforcement on large firms that harm many people rather than chasing small companies. [Read story →](#)

### FROM NEW YORK

- A new website launched by Gov. Hochul's administration is trying to dispel misinformation and conspiracy theories about the COVID-19 vaccine in an effort to encourage more people to get their jobs. [Read More](#)
- More Erie County residents have [died of Covid-19](#) in recent months than died during the same period last year.
- New York State Attorney General Letitia James is [running for governor](#), and, if elected, she would become the first Black woman ever elected as a governor in the U.S., but Gov. Kathy Hochul and a crowd of likely candidates will provide a stern test. James's expected announcement in the coming days won't surprise many in New York's political world — even those who weren't clued in on her plans to do so. How will James's expected run for governor changes the primary? <https://www.nytimes.com/2021/10/27/nyregion/letitia-james-governor-ny.html> . . . [Read More](#)
- In other gubernatorial political news, NYC Public Advocate [Jumaane Williams is officially running for governor](#). He filed paperwork yesterday, after having announced an exploratory effort in September.
- A state Supreme Court judge on Wednesday denied a request by the city's largest police union to temporarily halt the implementation of the mayor's COVID-19 vaccine mandate for city workers while the union's lawsuit works its way through the courts. City officials were ordered to appear in court Nov. 12 to defend the requirement against a union lawsuit seeking to have it declared illegal. [Read more here.](#)
- New York City home prices are rising fast in some of its most-prestigious neighborhoods. In the third quarter, Manhattan's Greenwich Village and Chelsea—expensive-to-live-in staples of downtown cool—each saw resale prices jump to a median of \$1.3 million.  
[https://www.bloomberg.com/graphics/property-prices/nyc/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAZcUjd-3jJOo7Tn2XPqqtK9C1o1y2HnvQBLmj6z8KiyhZVd5c88uzmCi7W\\_7xypYwJzAe21dpFnNe9yz\\_h\\_89oQKUx9P4wK-3rv27QO7RS\\_QMB](https://www.bloomberg.com/graphics/property-prices/nyc/?mkt_tok=ODUwLVRBQS01MTEAAAGAZcUjd-3jJOo7Tn2XPqqtK9C1o1y2HnvQBLmj6z8KiyhZVd5c88uzmCi7W_7xypYwJzAe21dpFnNe9yz_h_89oQKUx9P4wK-3rv27QO7RS_QMB)

###

**IBANYS will continue to provide updates as additional information becomes available. Thank you all for your continued participation and support.**

- **John J. Witkowski, President & CEO ([Johnw@ibanys.net](mailto:Johnw@ibanys.net); 716.880.0518)**
- **Stephen W. Rice, Director, Communications & Government Relations ([Stever@ibanys.net](mailto:Stever@ibanys.net))**