

Friday, November 12, 2021

To: New York Community Banks

FROM ICBA

Community bank PPP lending targeted at-risk industries, communities: blog

Community bank Paycheck Protection Program lending was instrumental to the industries and communities most in need of emergency assistance, according to a [new ICBA blog post](#).

Details: In the [new post](#), ICBA economist Noah Yosif breaks down data detailing how community banks prioritized at-risk workers and industries while meeting the needs of underserved communities.

Series: The final installment of a three-part series on PPP data follows previous posts on how community banks:

- [Drove lending in the PPP's earliest weeks.](#)
- [Led the financial services industry's response.](#)

READ MORE

Status update: IRS reporting and tax campaigns

A [new ICBA blog post](#) provides the state of play on the debate over the reconciliation package's IRS reporting proposal and tax provisions.

Details: ICBA President and CEO Rebeca Romero Rainey [writes](#) that while ICBA's months-long efforts are bearing fruit, the grassroots push must continue due to ongoing policy threats.

Grassroots: The post encourages community bankers to:

- Continue [calling their members of Congress](#) and [rallying consumers](#) in opposition to the IRS proposal.
- Use ICBA's [Be Heard resource center](#) to speak out against numerous tax increases included in the budget bill's draft framework. [Read more.](#)

Hearing on Omarova nomination next week

The Senate Banking Committee scheduled a [hearing](#) on the nomination of Cornell University law professor Saule Omarova for comptroller of the currency.

Schedule: The hearing is set for 9:30 a.m. (Eastern time) Thursday, Nov. 18.

Concerns: In a [news release](#) after President Joe Biden announced plans to nominate Omarova to head the OCC, ICBA expressed concerns with her policy proposals to:

- Migrate retail banking deposits to the Federal Reserve.
- Establish government banking FedAccounts for consumers.

Agencies end mortgage-servicing flexibility

Federal and state regulators rescinded regulatory flexibility for mortgage servicers issued in April 2020.

Background: Regulators [last year said](#) they would not take action against servicers for failing to meet certain timing requirements under Regulation X servicing rules as long as servicers made good-faith efforts to provide required notices or disclosures within a “reasonable” time.

Update: In a [new joint statement](#), the agencies said the flexibility no longer applies because servicers have had sufficient time to adjust their operations. They will thus apply their regulatory authorities to address noncompliance or rule violations.

Treasury issues guidance on small-biz capital program

The Treasury Department [issued guidance](#) on the State Small Business Credit Initiative Program, which will provide a combined \$10 billion to jurisdictions to fund small-business programs. The funding will go toward venture capital, loan participation, loan guarantee, collateral support, and capital access programs.

Gas prices fuel October CPI increase

The Consumer Price Index [increased](#) a seasonally adjusted 0.9% in October on a 6.1% increase in the gasoline index after rising 0.4% in September, the Labor Department reported. The index is up 6.2% over the past 12 months.

FROM OTHER SOURCES

- America's COVID future has arrived. [Axios](#)
- The world gets tough on the unvaccinated. [Axios](#)
- White House expanding health care for veterans exposed to burn pits. [The Hill](#)
- 10 states sue Biden administration over COVID-19 vaccine requirement for health care workers. [CBS News](#)
- The generation coming of age in the midst of the pandemic will likely be shaped by COVID for the rest of their lives. Massive news events can change the ways generations view the world, spend money and form relationships, as the Great Recession and the Sept. 11, 2001 terrorist attacks did for older millennials. Gen Z — roughly [defined](#) as those born between 1997 and 2012 — includes elementary-age kids up to young adults. Those on the older end of the spectrum are in college, graduating or in their first jobs. https://www.axios.com/newsletters/axios-vitals-c8e37f93-2a03-4536-9fb1-98e08abf94e3.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top
- Many were the last hired and the first fired during the pandemic. That could be triggering higher desires to save money or spend it on quality items. Gen Z has reported greater symptoms of burnout to employers and expressed concerns about falling behind or missing out because the pandemic is impacting such as a formative period of their lives, one expert [told the Society for Human Resource Management...Go deeper.](#) https://www.axios.com/newsletters/axios-vitals-c8e37f93-2a03-4536-9fb1-98e08abf94e3.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top

[98e08abf94e3.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axio_svitals&stream=top](https://www.wsj.com/articles/98e08abf94e3.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axio_svitals&stream=top)

- The highest inflation in three decades is posing a new challenge for President Biden as he seeks to enact another pillar of his economic agenda while also easing Americans' concerns about rising consumer prices, [The Wall Street Journal reports](#).
- Consumer prices were up 7.3% last month in the region that encompasses Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota. Mid-Atlantic states, however, saw prices rise less, by 5.4% from a year ago. https://www.wsj.com/articles/where-inflation-is-highest-in-u-s-11636585950?mkt_tok=ODUwLVRBQS01MTEAAAGAs0aBxVYnrO610HUOwUipqqiTYv31oRNTKmbL4-hd5wISljzJx9cjm0SoYbMgesEUy-s_f1Xd-q094gst-QRm9X2QEDzynul4ZJVktwFL9J4
- Home prices climbed across the U.S. in the third quarter, but price growth slowed from earlier in the year as record prices and stiff competition pushed some buyers out of the market. The median sales price for single-family existing homes was higher in the quarter compared with a year before in 182 of the 183 metro areas tracked by the National Association of Realtors. https://www.wsj.com/articles/home-prices-rose-across-u-s-in-third-quarter-1163659054?mkt_tok=ODUwLVRBQS01MTEAAAGAs0aBxeMzEWM8N_EM_IntVh0LpG8CwDSB7BkSxdH0pe-PP-M3L992ORO_fsc_K86ypil89h0kyBpsKfGqgWxBJ2avEuWbsXLY8SJYwAbYVd_0
- President Biden is likely nearing a decision on who should lead the Federal Reserve. He recently brought current Fed Chair Powell and Fed Governor Brainard to the White House. https://www.washingtonpost.com/us-policy/2021/11/11/brainard-fed-biden-powell/?mkt_tok=ODUwLVRBQS01MTEAAAGAs1JmJm-j4mj1h34JWVzSn6K79_V3OEDgekBV0114uJ_NEK33xT8tsBrQ6IEJSx81141oBXxsELopO3fWxL6zdmRQD0Z6Um8jO15nSv6Pwm0R
- Federal Reserve Chairman Powell's stock trades last year reportedly don't disqualify him for a second term in the eyes of top White House officials. [Bloomberg](#)
- After a Bureau of Labor Statistics report showed that prices have risen more than 6% over the past year for the largest annual increase in three decades, President Biden suggested his economic agenda would be the best way to lower costs. Sen. Manchin (D-W.Va.) said inflation is a concern and could justify a pause when it comes to some of the White House's economic agenda. [The Washington Post](#)
- A new report from the Tax Policy Center said that under House Democrats' reconciliation plan, roughly two-thirds of people who earn more than \$1 million would receive a tax cut averaging \$16,800. Most of the tax cut would be from the change to the annual cap on state and local tax deductions. [Politico](#)
- The federal government ran a \$165 billion deficit during October, a smaller gap when compared with a year earlier, as the government took in higher revenue from taxes and other receipts and pulled back on spending. Government receipts for the month rose by 19% from a year earlier to \$284 billion, not adjusting for calendar differences, the Treasury Department reported Wednesday. https://www.wsj.com/articles/federal-deficit-narrowed-in-october-ahead-of-debt-ceiling-debate-11636571321?mkt_tok=ODUwLVRBQS01MTEAAAGAs0aBxQ9z13OSfSw3mgUQNCPqs7FVwVLeSrGZO6mP2binyOeLz_i-tM1qJRGU1_8AP2_tqUutGEVStAWB6_ZHqRwz3LL9BoLhf0frGzt3u2Bu

FROM NEW YORK

- COVID-19 indicators released Thursday showed New York State on a steady upward trend of more cases and deaths, and higher positivity levels. The state hit a nearly 3% seven-day average in positivity in testing for the virus.

<https://webcache.googleusercontent.com/search?q=cache:sCbZKBWVVlcJ:https://www.newsday.com/news/health/coronavirus/covid-19-uptick-infections-vaccinations-long-island-1.50419074+&cd=1&hl=en&ct=clnk&gl=us>

- Long Island is on a marked uptick of COVID-19 cases and indicators as the holiday season gets underway, medical experts said Thursday. They warned of the potential for another surge. Long Island registered more than 800 new daily cases Wednesday. Experts also said people should get used to it: COVID-19 does not appear likely to ever go away, and it probably will become a permanent part of our lives, like the flu. season. <https://webcache.googleusercontent.com/search?q=cache:sCbZKBWVVlcJ:https://www.newsday.com/news/health/coronavirus/covid-19-uptick-infections-vaccinations-long-island-1.50419074+&cd=1&hl=en&ct=clnk&gl=us>
- U.S. Rep. Lee Zeldin (R- L.I.), the leading GOP gubernatorial candidate, said he believes that Attorney General Letitia James has the most likely path to the Democratic Party's nomination for the same office. [Read More](#)
- The New York State Assembly Judiciary Committee seems to be wrapping up its investigation into former Gov. Andrew Cuomo after the state attorney general's office on Wednesday released thousands of pages of transcripts from their own independent investigation into the former governor. [Read More](#)

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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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