

Wednesday, November 24, 2021
To: New York Community Banks

FROM ICBA

Senate Banking chairman seeks feedback from stablecoin firms. Senate Banking Committee Chairman Sherrod Brown (D-Ohio) asked Tether, Circle, and other stablecoin issuers for information about their internal operations. **Senate Request:** Brown [requested feedback](#) by Friday, Dec. 3, on how customers acquire stablecoins, the process of redeeming for U.S. dollars, circulation data, and more. **House Hearing:** The House Financial Services Committee scheduled a [hearing](#) for Wednesday, Dec. 8, on digital assets and the future of finance. **ICBA Position:** ICBA is [encouraging regulators](#) to collaborate on a comprehensive approach to unregulated platforms and [expressed support for](#) efforts to ensure a consistent federal regulatory framework for stablecoins.

OCC: Banks generally barred from venture capital fund investments

The OCC [issued a bulletin](#) to remind banks that they are prohibited from making most equity investments in venture capital funds. The agency said:

- Banks generally may not make passive equity investments in venture capital funds.
- Equity investments in venture capital funds may be permissible if they are public welfare investments or investments in small-business investment companies.
- Qualifying for the Volcker rule's venture capital fund exclusion does not make a fund a permissible investment for a bank.
- Before investing in a venture capital fund, banks must determine whether the investment is permissible and appropriate.

ICBA reconciliation grassroots campaign continues

Following House passage of the reconciliation bill without numerous anti-community bank provisions, ICBA is encouraging community bankers to weigh in on the debate with ICBA grassroots resources:

- [Opposing SBA 7\(a\) direct lending.](#)
- [Urging Congress to oppose the IRS reporting plan.](#)
- [Rallying consumers against IRS bank reporting.](#)

FROM OTHER SOURCES

- As vaccine makers pursue the next generation of COVID-19 vaccines, some are working to develop products that wouldn't require a shot. [Share this story.](#) Delivering a vaccine through a pill or a nasal spray could make them much easier to administer, especially in places where distribution is challenging — or even for people who just don't like needles. The earliest emergency use authorization from the FDA is still at least a year to 18 months away. https://www.axios.com/newsletters/axios-vitals-e725dad4-eb02-44e6-be6a-74182090499b.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top
- The Federal Reserve, Federal Deposit Insurance Corp. and Office of the Comptroller of the Currency released an outline of their areas of focus on cryptocurrency, including how they plan to consider custody, crypto-backed loans and potential capital standards. Separately, the OCC instructed the banks it regulates to ask for pre-approval before they can manage custody of digital coins, along with other activities, to prove their risk controls are sufficient. [Bloomberg](#)
- The White House plans to nominate Shalanda Young as director of the Office of Management and Budget, according to three people, after Neera Tanden withdrew from consideration in March following pushback based on her past criticisms of lawmakers. Young has been the acting director of OMB since this spring, and was confirmed by a 63-37 vote to be deputy director in March. [The Washington Post](#)
- U.S. consumers likely boosted spending in October, helping to power the broader economic recovery as businesses step up investment and the labor market tightens. Economists surveyed by The Wall Street Journal estimated that consumer spending rose 1% in October from a month earlier and that personal incomes edged up 0.2% last month. <https://www.wsj.com/articles/consumer-spending-personal-income->

[inflation-october-2021-](#)

[11637710533?mkt_tok=ODUwLVRBQS01MTEAAAGA8QLec8i7JDwyuGCACq7VVx0mOTIneCV03mDKjr-zI_zmHs8vg2ikikp6WYmlhHBkedSgWZKQ1JbJw3FTGwCi8_4-iZL1hRLZuTTSSStcWPpHQ](#)

- Filings for unemployment benefits likely continued their gradual decline last week amid a hot labor market. Economists surveyed by The Wall Street Journal estimate that weekly jobless claims, a proxy for layoffs, fell to 260,000 in the week ended Nov. 20 from 268,000 the prior week.
https://www.wsj.com/articles/weekly-jobless-claims-11-24-2021-11637701570?mkt_tok=ODUwLVRBQS01MTEAAAGA8QLecvcJvhsyzRk03GGUUp-wLWTsIAUM1PDMLYm98yoj9vfXyO0ShNBycCZjAI19we8bVRaI-X_qOu3vdPJRByDiIbBuytfBRsmiKSd4CwaO
- President Joe Biden will require essential, nonresident travelers crossing U.S. land borders, such as truck drivers, government and emergency response officials, to be fully vaccinated beginning on Jan. 22, the administration planned to announce Tuesday. https://apnews.com/article/coronavirus-pandemic-joe-biden-business-health-07c377d92f85bc061bf7e2c690f4bbca?mkt_tok=ODUwLVRBQS01MTEAAAGA8RYcaldl7fguTm39uHcCgpxdzFR126gPPMDHTfcsJ1uvqPy5h4wWEGrftMtZwOlezUgwl8BKEJBflc37QH6Tk1cZbYKj3-nffruS8Hcc8Ft3
- What Redistricting Looks Like In Every State: <https://projects.fivethirtyeight.com/redistricting-2022-maps/> An updating tracker of proposed congressional maps — and whether they might benefit Democrats or Republicans in the 2022 midterms and beyond. Here’s a look at the redistricting situation in New York State: <https://projects.fivethirtyeight.com/redistricting-2022-maps/new-york/>

FROM NEW YORK

- New York state is launching a \$3 million grant program meant to boost new technologies that would expand and improve access to telehealth services, the use of which has become more prominent amid the ongoing COVID-19 pandemic. [Read More](#)
- NYC Mayor de Blasio wants Gov. Hochul to impose a coronavirus vaccine mandate on the MTA’s workforce. De Blasio said she should intervene to force transit workers to get vaccinated, after the city imposed such a mandate on its own workforce. As of last week, 70% of MTA workers had submitted proof of vaccination. The agency’s current policy is that employees must either be vaccinated or get tested for Covid-19 each week. <https://www.politico.com/states/new-york/albany/story/2021/11/23/de-blasio-pushes-hochul-to-impose-mta-vaccine-mandate-1394927?nname=new-york-playbook&nid=0000014f-1646-d88f-a1cf-5f46b74f0000&nrid=00000152-f737-dcf0-a7d7-f73fb7700001&nlid=630317>
- Regional unemployment data released Tuesday by the state Department of Labor show many regions of New York have had their unemployment rates fall below 4% in October. [Read More](#)
- New York City Mayor-elect Adams is reportedly considering Goldman Sachs chief financial officer Stephen Scherr for a “key leadership role” role in his administration.
<https://www.cnn.com/2021/11/23/nyc-mayor-eric-adams-considers-hiring-goldman-sachs-exec-stephen-scherr.html>

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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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