

Friday, November 5, 2021  
To: New York Community Banks

## FROM ICBA

### **New blog post spotlights smart contracts**

A new [ICBA blog post](#) breaks down the basics of smart contracts—computer programs that automatically execute specific actions—and their increasing relevance to community banks.

**Details:** The post from ICBA Vice President of Payments and Technology Policy Brian Laverdure spotlights the basics of smart contracts, trends, and current and potential use cases.

**Next:** The post is the first in a two-part series on smart contracts, with the next post set to focus on challenges and risks.

[READ THE POST](#)

### **Biden administration employer vaccine mandate sets Jan. 4 deadline**

The Biden administration [released details](#) of its policy requiring employers with 100 or more employees to ensure their workers are fully vaccinated against COVID-19 or are tested weekly.

**Details:** The Occupational Safety and Health Administration [issued a fact sheet](#) detailing the COVID-19 Vaccination and Testing Emergency Temporary Standard. **Deadline:** The OSHA rule requires covered workers to be fully vaccinated by Jan. 4. After that, covered employers must ensure unvaccinated employees begin producing a verified negative test at least weekly. **More:** The rule also requires covered employers to provide paid time for employees to get vaccinated and to ensure all unvaccinated workers wear a face mask in the workplace. It does not require employers to provide or pay for the testing of unvaccinated employees.

**With Treasury still pushing IRS reporting, ICBA campaign continues.** ICBA continued its campaign against the IRS bank reporting proposal amid reports the Treasury Department and several key senators continue advocating its inclusion in the reconciliation package. Continued Threat: [Reuters reported](#) that Treasury officials and Sens. Tom Carper (D-Del.), Angus King (I-Maine), and Mark Warner (D-Va.) are pressing to include the IRS reporting plan in the Senate's spending bill—after the proposal was withdrawn from the Biden administration's draft framework. **Op-ed:** In an op-ed in the [Charleston \[W.Va.\] Gazette-Mail](#), ICBA Secretary Tim Aiken of Union Bank Inc. in Middlebourne, W. Va., said Sen. Joe Manchin (D-W.Va.) was right to object to the deeply unpopular plan. **Podcast:** Meanwhile, ICBA's Paul Merski discussed the plan's flaws and the need for continuing opposition on the Barret School of Banking's [Main Street Banking podcast](#). **IRS Grassroots:** Community bankers can continue [calling their members of Congress](#) and [rallying consumers](#) in opposition to the proposal, which remains a threat even though policymakers [left it out](#) of the draft budget reconciliation framework. **Tax Hikes:** Meanwhile, ICBA continues encouraging community bankers to use its [Be Heard resource center](#) to speak out against numerous tax increases included in the budget reconciliation bill's draft framework.

**Webinar next week on credit union mission creep.** ICBA Chairman Robert Fisher will participate in a [National Taxpayers Union webinar](#) scheduled for next week on the "rise of bank-like credit unions." Details: Scheduled for 1 p.m. (Eastern time) Wednesday, Nov. 10, the webinar will feature two panel discussions on credit union taxation and regulation, mission creep, acquisitions of community banks, and other concerns. [Register here.](#)

**Data show community bank PPP urgency: blog.** A recent [ICBA blog post](#) details data showing the urgency of community banks' Paycheck Protection Program response. Details: In the first in a series of blog posts on final PPP data, ICBA economist Noah Yosif says:

- Community banks drove lending in the earliest weeks of the PPP.
- States with strong community bank traditions were more successful in addressing employment challenges. [Read the post.](#)

### **Treasury: Public-private relationship key to targeting cyber crime**

The public and private sectors must work together to prevent cryptocurrency and blockchain technology from being exploited by cyber criminals, Deputy Treasury Secretary [Wally Adeyemo](#) said. **Benefits and Risks:** Adeyemo said that while digital assets can promote more efficient and affordable cross-border financial transactions, they enable ransomware schemes and other cybercrimes. **Public-Private Role:** While Treasury is working to build public-private partnerships, improve data sharing, and support global standards, the private sector should build compliance into their platforms and not wait for Treasury to police them, Adeyemo said. **Stablecoin Report:** Adeyemo's remarks follow this week's [report](#) from the President's Working Group on Financial Markets recommending legislation to implement a federal regulatory framework for stablecoins, including requiring issuers to be insured depository institutions. **ICBA Position:** ICBA, which is [encouraging regulators](#) to collaborate on a comprehensive approach to unregulated platforms, [said it supports](#) the PWG's efforts to ensure a consistent federal regulatory framework for stablecoins. **Resources:** ICBA is hosting a [complimentary workshop](#) next week on cyber incident management and [offers more information](#) on cyber and data security resource

**Survey details bank compensation trends.** 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**

- The American economy added 531,000 jobs in October, the U.S. [Labor Department said Friday](#), a sharp rebound from the prior month and a sign that employers are feeling more optimistic as the latest coronavirus surge eases. Economists polled by Bloomberg had been looking for a gain of 450,000 jobs. The October gain was an improvement from the 312,000 positions added in September -- a number that was revised upward on Friday: Job reports for the previous two months, which had come in below estimates after the Delta surge had shaken the confidence of many businesses, were revised upward, to 483,000 for August and 312,000 for September. The unemployment rate declined to 4.6%, from 4.8%. New unemployment claims have fallen every week for more than a month, down to a pandemic low of 269,000. <https://www.nytimes.com/2021/11/05/business/economy/october-2021-jobs-report.html?referringSource=articleShare>; <https://www.washingtonpost.com/business/2021/11/05/october-jobs-report-unemployment/>
- With the job market added a stunning 531,000 jobs last month. The unemployment rate ticked down to 4.6% — a new pandemic-era low, it appears America's job market recovery has been on track all along. While revisions to prior months are often overlooked, not so this month: Upgrades to both August and September were so enormous — fully 366,000 jobs higher than originally reported — that they have definitively reversed the narrative that there was a Delta-induced hiring slump in late summer. America has now recovered 80% of the jobs lost at the depth of the recession in 2020. Wages are still rising: Average hourly earnings rose another 11 cents an hour in October, to \$30.96. That's enough to keep up with inflation. "The Fall hiccup is now at best a Fall deep breath," [tweeted](#) University of Michigan economist Justin Wolfers. <https://www.axios.com/newsletters/axios-thought-bubble-057acc93-bd57-4243-a2f1->

[a0ad662d32f4.html?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=thought-bubble-ampm&stream=top](https://www.washingtonpost.com/business/2021/11/05/october-jobs-report-unemployment/)

- Consumer confidence, the engine of the U.S. economy, reversed a months-long slide in October to mark higher numbers, according to the Conference Board's monthly survey. Consumers were also the most optimistic about their own prospects to find jobs since 2000, the survey found. <https://www.washingtonpost.com/business/2021/11/05/october-jobs-report-unemployment/>
- The House expects to vote today on President Biden's economic spending package and infrastructure bill. Megotiations continued late last night. The infrastructure bill, already passed by the Senate, would be sent to Biden's desk if the House were to approve it, while last-minute discussions on the spending package centered on the state and local income tax (SALT) deduction and a measure that would allow Medicare to negotiate drug prices. [Bloomberg](#)
- President Biden's now - \$1.85 trillion plan to boost social and education programs and protect against global warming continues to be fine-tuned by Democrats in Congress, with a new goal of completing work before Thanksgiving. The updated plan includes universal preschool, funding to limit child care costs and a one-year continuation of a child tax credit that was expanded earlier this year and applied to more families. But Democrats are scaling back some investments and shortening the timeframe for funding to whittle down spending. Some proposals have been dropped entirely. [https://apnews.com/article/climate-joe-biden-business-child-care-congress-fe7912d05efcc167ff1200e662c404e4?mkt\\_tok=ODUwLVRBQS01MTEAAAGAJu5htqPEeTE59EQFxFzmt4655ta0qqLECCGVpr896e4IobZU6wiRyOaAE4hmkbeho0uETYOI\\_BSro-UH1CsV4-Cv83a4B97ym46gnWkvrTPJ](https://apnews.com/article/climate-joe-biden-business-child-care-congress-fe7912d05efcc167ff1200e662c404e4?mkt_tok=ODUwLVRBQS01MTEAAAGAJu5htqPEeTE59EQFxFzmt4655ta0qqLECCGVpr896e4IobZU6wiRyOaAE4hmkbeho0uETYOI_BSro-UH1CsV4-Cv83a4B97ym46gnWkvrTPJ)
- The White House has told Democratic senators they should meet with Federal Reserve Chairman Powell before Thanksgiving as he approaches the end of his term in February and a potential renomination. A White House official cautioned a final decision from President Biden hasn't been made, and that meeting requests shouldn't necessarily be connected to Biden's eventual pick. [Axios](#) Chairman Powell was reportedly seen visiting the White House yesterday. [The Wall Street Journal](#)
- Companies with more than 100 employees will be mandated to require coronavirus vaccinations for their workers or do regular testing by Jan. 4 under the terms of a new federal rule released Thursday by the Biden administration. The highly anticipated rule, which is being implemented on an emergency basis by the U.S. Department of Labor, is one of the White House's most strenuous attempts to increase vaccination rates across the country. [https://www.washingtonpost.com/business/2021/11/04/white-house-vaccine-mandate/?mkt\\_tok=ODUwLVRBQS01MTEAAAGAJu5htcDqzm5c35b6m5pVjkNVEHkGDb1C3c0uX4B2qcgZBBBid1DVZc2JN3PHCLpsR7n1DFL1o1KPIJbYRIOoke15hgInGG\\_1v4pAUMDFuiNV](https://www.washingtonpost.com/business/2021/11/04/white-house-vaccine-mandate/?mkt_tok=ODUwLVRBQS01MTEAAAGAJu5htcDqzm5c35b6m5pVjkNVEHkGDb1C3c0uX4B2qcgZBBBid1DVZc2JN3PHCLpsR7n1DFL1o1KPIJbYRIOoke15hgInGG_1v4pAUMDFuiNV)
- Workers will be able to set aside up to \$20,500 in their 401(k) accounts in 2022, up \$1,000 from this year, the Internal Revenue Service said Thursday. The change is part of the tax code's annual inflation adjustments and doesn't require Congress to act. [https://www.wsj.com/articles/irs-boosts-401-k-contribution-annual-cap-to-20-500-11636052439?mkt\\_tok=ODUwLVRBQS01MTEAAAGAJu5htv3s-9NzEaVE6AdebVF\\_fWMCQiw5g8onHnBXA52K6t\\_jba2ZZatUj3oGeFM8RzgVw7j5f7kFyVrHsmu-Z3Yj2slnNBcMZU9XYtR8Z8k](https://www.wsj.com/articles/irs-boosts-401-k-contribution-annual-cap-to-20-500-11636052439?mkt_tok=ODUwLVRBQS01MTEAAAGAJu5htv3s-9NzEaVE6AdebVF_fWMCQiw5g8onHnBXA52K6t_jba2ZZatUj3oGeFM8RzgVw7j5f7kFyVrHsmu-Z3Yj2slnNBcMZU9XYtR8Z8k)
- House Democrats have modified the provision in their social spending package to raise the cap on the state and local tax (SALT) deduction from \$10,000 to \$80,000, and leave the limit in place at that level through 2030. The cap would return to \$10,000 for 2031. The three Representatives who led the push to include SALT deduction cap changes in the spending bill, including Rep. Thomas Suozzi (D-L.I./Queens), praised the modified provision: "This

agreement to address the cap on our State and Local Tax (SALT) deduction will effectively eliminate the undue burden for nearly all of the families in our districts who've been unfairly double taxed for the last four years." .[https://thehill.com/policy/finance/580210-house-democrats-modify-salt-provision-in-spending-bill?mkt\\_tok=ODUwLVRBQS01MTEAAAGAJu5htjMHQjWoKmlQzuqrIOhicbDRNRtKGOJsBN\\_0kEVxTW8C0h8xepyL\\_PX4q9\\_4w1P3uEJOqVOyH4-skD7ywGp1TCprJ\\_qWJtNuY90jH8G2](https://thehill.com/policy/finance/580210-house-democrats-modify-salt-provision-in-spending-bill?mkt_tok=ODUwLVRBQS01MTEAAAGAJu5htjMHQjWoKmlQzuqrIOhicbDRNRtKGOJsBN_0kEVxTW8C0h8xepyL_PX4q9_4w1P3uEJOqVOyH4-skD7ywGp1TCprJ_qWJtNuY90jH8G2)

- U.S. Senate Republicans again boycotted a committee vote to advance Dilawar Syed to be deputy administrator of the Small Business Administration, stalling action on a nominee who would be the highest-ranking Muslim in the Biden administration amid accusations of bigotry from some groups. [Read more...](#)
- Despite some bumps in the early days of the Paycheck Protection Program, small businesses report that they had positive experiences with lenders. Savvy banks are channeling the good vibes to generate more revenue from a sector that has sometimes been overlooked. [Banks count on PPP goodwill to win hearts of small-business owners. Read story →](#)
- The U.S. Labor Department said Thursday worker filings for unemployment benefits continued their steady downward march as they approached levels last seen before the coronavirus pandemic. Worker filings for initial unemployment benefits, a proxy for layoffs, fell to 269,000. [https://www.wsj.com/articles/weekly-jobless-claims-11-04-2021-11635991198?mkt\\_tok=ODUwLVRBQS01MTEAAAGAJu5htZYyQqPZK3BsdUVNzkRfjJQuq4DG\\_nGN53TbL7YqNJaB2jG9WTXlqclsQrhZfIEOPWfkXfTG7BHIV4adQfxQpgP55Hpj2Qpn6aRk9WbY](https://www.wsj.com/articles/weekly-jobless-claims-11-04-2021-11635991198?mkt_tok=ODUwLVRBQS01MTEAAAGAJu5htZYyQqPZK3BsdUVNzkRfjJQuq4DG_nGN53TbL7YqNJaB2jG9WTXlqclsQrhZfIEOPWfkXfTG7BHIV4adQfxQpgP55Hpj2Qpn6aRk9WbY)
- The drugmaker Pfizer said Friday that clinical trials of its experimental Covid-19 pill have been so successful in preventing people from becoming hospitalized or dying from the virus, that it's stopping the studies early in the hope that the general public might benefit. [https://www.nbcnews.com/health/health-news/pfizers-covid-antiviral-pill-may-cut-severe-illness-89-percent-rcna4593?cid=ed\\_npd\\_bn\\_tw\\_bn&mkt\\_tok=ODUwLVRBQS01MTEAAAGAJxCTskSGq0epFKAQs5jL5EpAOIsDwfOnSoCvzRSwtNdzE6bWDkZ7hS\\_MHm3h0y9zSheh8ySeQa3QcEABCXauON-JstSYZuEBE23o3z-aIKre](https://www.nbcnews.com/health/health-news/pfizers-covid-antiviral-pill-may-cut-severe-illness-89-percent-rcna4593?cid=ed_npd_bn_tw_bn&mkt_tok=ODUwLVRBQS01MTEAAAGAJxCTskSGq0epFKAQs5jL5EpAOIsDwfOnSoCvzRSwtNdzE6bWDkZ7hS_MHm3h0y9zSheh8ySeQa3QcEABCXauON-JstSYZuEBE23o3z-aIKre)

## FROM NEW YORK

- Governor Hochul ruled out raising taxes on the wealthy in the near future, arguing in remarks that New York relies on high-income earners to fund its spending programs and that the current tax code struck the “right balance,” [the Times Union reports](#). “Increasing taxes on upper income earners and the wealthy in New York could hinder the state's economic rebound from the COVID-19 pandemic, Gov. Kathy Hochul said Thursday morning. ‘I'm not interested in driving people out of state...'” <https://spectrumlocalnews.com/nys/buffalo/ny-state-of-politics/2021/11/04/hochul-signals-opposition-to-raising-taxes>
- New York state officials will undertake a multi-year study to assess the effects of climate change on communities, the economy and ecosystems, Gov. Kathy Hochul on Thursday announced. [Read More](#)
- NYC Mayor De Blasio has reached a deal with nine labor unions regarding how the city will handle unvaccinated employees under its tough new vaccination mandate, with labor unions agreeing to drop their legal efforts to overturn the new policy, [The New York Times reports](#).
- New York City mayor-elect Eric Adams plans to convert his first paychecks into Bitcoin, as he vowed Thursday to make the city more welcoming to cryptocurrency. Adams announced in a

Twitter post that he would take his first three paychecks in Bitcoin when he becomes mayor.  
[https://www.politico.com/news/2021/11/04/eric-adams-bitcoin-mayor-519604?mkt\\_tok=ODUwLVRBQS01MTEAAAGAJu5htvU\\_r7TNssXbkY4995T23QhXfKaFmiYYIZVq34iLTBUmEi0CqTc5Te8XnUN-Pz1KVJvR0eL68wk9vcMK36AHGO\\_drKBV8ziI3GwhnoIgG](https://www.politico.com/news/2021/11/04/eric-adams-bitcoin-mayor-519604?mkt_tok=ODUwLVRBQS01MTEAAAGAJu5htvU_r7TNssXbkY4995T23QhXfKaFmiYYIZVq34iLTBUmEi0CqTc5Te8XnUN-Pz1KVJvR0eL68wk9vcMK36AHGO_drKBV8ziI3GwhnoIgG)

- Rep. Tom Suozzi moved closer to joining the crowded field of Democratic gubernatorial candidates on Thursday, publicly saying for the first time that he is “seriously considering” a run. The third-term member of Congress said he’ll make a definite decision by the end of November. Suozzi previously ran for governor in 2006, when he was Nassau County Executive, but lost a primary against Eliot Spitzer. [Suozzi ‘seriously considering’ running for governor](#)
- Long Island Democratic Rep. Tom Suozzi said “every Democrat” should be concerned about holding onto their elective seats next year after the drubbing the party’s candidates took during Tuesday’s Republican wave election, [the Post reports](#).
- The chill of winter has hit upstate New York, which means fewer people who will want to eat outdoors. Restaurant owners, who are still struggling to bounce back after the COVID-19 pandemic, are concerned this will mean fewer customers, pointing to a steep decline in the number of people wanting to eat inside, citing concerns over COVID-19. [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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