

Thursday, December 2, 2021
To: New York Community Banks

FROM ICBA

Romero Rainey: Act now on 1071 proposal

ICBA President and CEO Rebeca Romero Rainey called on community bankers to [join the grassroots push](#) on the Consumer Financial Protection Bureau's 1071 proposal.

Submitting Comments: ICBA offers a [comprehensive guide](#) to help community bankers develop, format, and submit personalized comments unique to their bank and community.

Background: Dodd-Frank Section 1071 requires financial institutions to collect and report data on credit applications from certain small businesses, which would restrict access to credit, raise borrower privacy concerns, and require costly new third-party relationships.

ICBA Position: While ICBA has strongly advocated a robust community bank exemption to the reporting requirements, the CFPB is proposing to exempt only institutions that originate fewer than 25 loans per year.

Deadline: While ICBA and other organizations have advocated an extension, community bankers currently have until Thursday, Jan. 6, to [use the ICBA guide to submit comment letters](#).

Romero Rainey, Merski again named top lobbyists

ICBA President and CEO Rebeca Romero Rainey and ICBA Group Executive Vice President of Congressional Relations and Strategy Paul Merski are featured on [The Hill's 2021 list](#) of the nation's top lobbyists. This is their fourth consecutive appearance on the list.

CFPB: Community banks charge lower overdraft fees

The Consumer Financial Protection Bureau said community banks charge lower overdraft fees than larger institutions.

Details: The CFPB released [new research](#) that said:

- 9% of smaller banks had an overdraft program during a 12-month period predominantly in 2014, making the programs less common at these institutions than among large banks.
- Overdraft fees were 13.2% lower at small banks than at large banks.
- Small banks with an overdraft program earned 11% less in annual overdraft revenue per account than large banks.
- Smaller institutions were less likely to offer the option to opt in to debit card overdraft.

2020 Totals: Overall, the CFPB said bank overdraft and non-sufficient funds revenues declined 26.2% last year after reaching an estimated \$15.47 billion in 2019, likely due in part to higher checking account balances resulting from federal stimulus payments.

Statement: In releasing the data, CFPB Director Rohit Chopra said the data appears to show many banks are "hooked" on overdraft fees to feed their profits. He said the agency will act to "restore meaningful competition to this market."

Fed releases reserve bank fee schedules

The Federal Reserve Board [approved](#) 2022 fee schedules for payment services provided by the Federal Reserve Banks. The reserve banks estimate the price changes will result in a 3.7% average price increase and recover 97.1% of priced services costs in 2022.

Regulators update BSA/AML exam manual

The Federal Financial Institutions Examination Council [updated](#) its BSA/AML Examination Manual, which instructs examiners on assessing BSA/AML compliance. The updates affect sections on customers, charities and nonprofits, independent ATM owners or operators, and politically exposed persons.

FROM OTHER SOURCES

- During a speech today at the National Institutes of Health, President Biden is set to announce a push for more COVID-19 vaccinations and booster shots, additional testing on people arriving in the country and a plan to make at-home testing free for Americans covered by private health insurance. The new effort to combat the virus comes after the first confirmed infection of the new omicron variant was detected in the United States. [The Washington Post](#)
- Nearly a quarter of fully vaccinated adults have gotten a COVID-19 booster shot, more than doubling the uptake reported in October according to the latest [KFF COVID-19 Vaccine Monitor](#). The poll was conducted before the Omicron variant was detected. Most other vaccinated adults said they definitely (37%) or probably (19%) will get a booster shot. Nearly a fifth say they will probably (10%) or definitely (8%) not get a booster. A larger number of vaccinated Democrats (32%) had already received a booster, compared to 21% of independents and 18% of Republicans. Nearly one-third of vaccinated Republicans say they definitely or probably won't get a booster. https://www.axios.com/newsletters/axios-vitals-a3e07790-ed32-4b21-a9e5-116fb50e5bb7.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top
- In congressional testimony, Treasury Secretary Yellen faced criticism from Republicans over the size of fiscal aid to the country earlier this year and claims that it fueled higher inflation. Secretary Yellen said the aid to the economy and American families was "at most a small contributor" to inflation. [The Wall Street Journal](#)
- Reps. Rashida Tlaib (D-MI) and Alexandria Ocasio-Cortez (D-Bronx/Queens) urged Treasury Secretary Yellen and Fed Chair Powell to be more aggressive in using their oversight of the financial system to combat risks associated with a warming planet. Recent recommendations from the Financial Stability Oversight Council do not go far enough, they said. [Read story →](#)

FROM NEW YORK

- In her daily COVID update, Gov. Hochul reported New York reported nearly 10,000 new daily COVID cases Wednesday -- a number it hasn't topped since Feb. 10 -- and 45 deaths, another months-long high. Virus hospitalizations surpassed 3,000 for the first time since late April, a 57% increase in the last month alone. <https://empirereportnewyork.com/governor-hochul-updates-new-yorkers-on-states-progress-combating-covid-19-2/>. That's far from the high mark of nearly 19,000 back on April 12, 2020, and from the second wave's high mark of 9,273 back in January 2021, but Hochul called it cause for some concern, especially for the nearly 20% of New York adults not yet fully vaccinated, compounded by the CDC's confirmation of the first [U.S. omicron variant case in California](#). Hochul deployed 60 National Guard teams to long-term care facilities ahead of a feared winter surge that threatens to slow the state's pandemic progress. <https://www.nbcnewyork.com/news/coronavirus/nyc-mask-mandate-indoors-an-option-if-needed-mayor-says-as-23-nations-report-omicron/3428102/>
- New York [Gov. Hochul does not have the same pandemic powers](#) as former Gov. Cuomo -- how can she respond to the ongoing public health crisis?
- Former State Department of Financial Services Superintendent Maria Vullo will announce today that she's running for State Attorney General. Vullo was DFS Superintendent from 2016-19 and was twice on the short list of candidates advanced by a state judicial commission to be considered for nomination to the state Court of Appeals. <https://www.newsday.com/news/region-state/maria-vullo-attorney-general-election-1.50439346>
- Rep. Thomas Suozzi has shown off a style in his recently announced bid for governor that's a lot like Cuomo's when it comes to pragmatism, and [experts believe it might just work with voters.](#)

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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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