

Thursday, January 20, 2022  
To New York Community Banks

## FROM ICBA

### House Republican joins ILC push as co-sponsor

ICBA-advocated legislation to close the industrial loan company loophole added a House Republican co-sponsor.

**GOP Co-sponsor:** Rep. Lance Gooden (R-Texas) on Wednesday said he has signed on as a co-sponsor to the Close the ILC Loophole Act ([H.R. 5912](#)) because the loophole has been abused as a vehicle for companies to provide financial products and services while avoiding regulatory supervision.

**Legislative Details:** Introduced by Rep. Jesús “Chuy” García (D-Ill.), the legislation would amend the Bank Holding Company Act to remove the exemption for ILCs from the definition of a bank with a one-year transition period, thereby permanently closing the ILC loophole.

**ICBA Position:** ICBA last fall [told Congress](#) that while it is working with García’s office to improve the legislation, it supports all efforts to close the ILC loophole and encouraged a moratorium on ILC applications.

**More:** ICBA also offers a [comprehensive white paper](#) detailing why policymakers should close the legal loophole, which allows ILCs and their parent companies to skirt regulatory oversight.

## FROM OTHER SOURCES

- The U.S. Omicron wave [may be peaking](#), but now COVID deaths are climbing as cases continue to soar in most of the country. The U.S. is now averaging just under 1,900 deaths per day — a 42% increase over the past two weeks. While cases are declining on the East Coast, they've continued to climb just about everywhere else. Nationwide, the U.S. is averaging almost 760,000 new cases per day — up 30% over the past two weeks. [Go deeper.](#)
- The latest surge of coronavirus cases powered by the omicron variant has caused extremely high numbers of employees to miss work because of illness, exacerbating the country's persistent labor shortages and threatening to complicate the labor market's push toward pre-pandemic employment levels. [https://www.washingtonpost.com/business/2022/01/20/workers-out-sick-omicron-census/?mkt\\_tok=ODUwLVRBQS01MTEAAAGCFqbJbbwQH3WoDZM3Ur9IYBEbko4FfZzaLrCfs50GmT3Aq6NTIk-TO4Is\\_dYI8d1W1euQDoatfseSt8302AWQ0EHDIBcTMFVEjSUN5nD2ky\\_O](https://www.washingtonpost.com/business/2022/01/20/workers-out-sick-omicron-census/?mkt_tok=ODUwLVRBQS01MTEAAAGCFqbJbbwQH3WoDZM3Ur9IYBEbko4FfZzaLrCfs50GmT3Aq6NTIk-TO4Is_dYI8d1W1euQDoatfseSt8302AWQ0EHDIBcTMFVEjSUN5nD2ky_O)
- Treasury Secretary Yellen said the Biden administration's coronavirus relief bill was like a "vaccine" for the U.S. economy, bolstering the economic recovery's defenses against future coronavirus variants, and that she was confident that the omicron variant would not "derail what has been one of the strongest periods of economic growth in a century." [The Associated Press](#)
- Can pot banking bill pass with a lame-duck champion? Probably, observers say, but the clock is ticking now that the legislation’s author, Rep. Perlmutter, has decided to leave Congress at year-end. And political wrangling could lead to significant alterations. [Can pot banking bill pass with a lame-duck champion? Read story →](#)

## FROM NEW YORK

- Governor Hochul updated the state's progress combating COVID-19. Of 203,423 test results reported, 23,375 (11.49%) were positive. Here’s an update on New York’s [coronavirus numbers](#). The 7-day average percent positive was 14.27%. Patient hospitalization was at 12,027 (+99). Newly admitted patients were at 1,409. 1,617 were in ICU (+48) – 920 with intubation.

165 new deaths were reported by healthcare facilities through HERDS. Total deaths reported to and compiled by the CDC were at 63,980. <https://www.governor.ny.gov/news/governor-hochul-updates-new-yorkers-states-progress-combating-covid-19-145>.

- A new study by state and federal health officials found that vaccination and prior infection with COVID-19 substantially reduced a person's chances of reinfection and hospitalization during the six-month period ending Nov. 30 in New York, [the Times Union reports](#).
- Republicans are increasingly restive over mandates for vaccinations, especially among health care workers amid a shortage at hospitals across New York. . .and, progressives are calling for an even bigger boost of pandemic-related financial assistance for undocumented New Yorkers, as well as tenants and landlords. What they decide in the state budget by the end of March could affect the lives of millions of New Yorkers along the way. [Read More](#)
- New campaign finance disclosures showed Gov. Hochul with a [big fundraising lead in the Democratic primary for governor](#), while on the Republican side, [Rep. Lee Zeldin is also building quite the campaign war chest](#).

###

**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))