

Wednesday, January 12, 2022
To New York Community Banks:

FROM ICBA

Agency advisory warns of Russian cyber threats

Federal agencies issued a joint [cybersecurity advisory](#) on understanding and mitigating Russian state-sponsored cyber threats to U.S. critical infrastructure.

Details: Issued by the Cybersecurity and Infrastructure Security Agency, FBI, and National Security Agency, the advisory encourages the cybersecurity community to adopt a heightened state of awareness and implement recommended mitigations.

More: Additional cybersecurity tools and information for community banks are available on ICBA's [Cyber and Data Security resource center](#).

Powell testifies: Strong forces driving consolidation

Federal Reserve Chairman Jerome Powell said strong market forces are driving consolidation in the banking industry and the Fed doesn't want to make the problem worse.

Consolidation: Testifying at a Senate Banking Committee [hearing](#) on his renomination for Fed chairman, Powell said declines in the U.S. rural population, rising fixed costs, increasing regulatory costs, and other "strong secular forces" are driving community banking consolidation.

More: During the hearing, Powell also said the Fed:

- Is working to address rising inflation and prevent it from becoming entrenched.
- Plans to issue a long-awaited report on central bank digital currency in the coming weeks.
- Is carefully considering whether to grant crypto banks access to the payments system because such a move would be "hugely precedential."

Next: A majority committee vote in favor of Powell's renomination would send it to the full Senate for a confirmation vote.

Separate Hearing: The panel is scheduled to reconvene tomorrow for a [separate hearing](#) on the nominations of Fed Governor Lael Brainard for Fed vice chair and Federal Housing Finance Agency Acting Director Sandra Thompson for FHFA director.

Small-biz optimism edges up amid inflation concerns

The NFIB Small Business Optimism Index [increased](#) 0.5 points to 98.9 in December. According to the association's survey, 22% of small-business owners said inflation was their most important business problem, a 20-point increase from the beginning of 2021 and the highest level since the fourth quarter of 1981.

FROM OTHER SOURCES

- Scientists see signs the Omicron variant may have peaked in Britain and is about to do the same in the U.S. -- at which point cases may start dropping off dramatically. [The variant](#) is so contagious it may already be running out of people to infect just a month and a half after first being detected in South Africa. https://apnews.com/article/omicron-wave-britain-us-160ded1ce8d82075057630e11b610358?user_email=&utm_source=Sailthru&utm_medium=email&utm_campaign=MorningWire_Jan12&utm_content=A&utm_term=Morning%20Wire%20Subscribers

FROM NEW YORK

- Governor Hochul updated the state's progress combating COVID-19. Of the 261,620 test results reported, 48,686 (18.61%) were positive. Percent Positive - 18.61%. The 7-Day average percent positive was 20.91%. 12,540 patients were hospitalized (+518), with 1,597 in ICU (+45) -- 831 with intubation (+39). 160 new deaths were reported. The CDC said there have been 62,458 total deaths in the state, and 34,514,106 total vaccine doses administered.
<https://www.governor.ny.gov/news/governor-hochul-updates-new-yorkers-states-progress-combating-covid-19-136>
- Hospitals in three regions of New York are so swamped that the state [is ordering elective surgeries to be suspended](#). Such procedures will be called off in Central New York, the Mohawk Valley, and the Finger Lakes for at least two weeks. As new virus cases rise, Gov. Hochul [said the data offer a “glimmer of hope”](#) that the latest wave may be approaching a plateau in New York City even as other parts of the state, where Omicron set in later, see their numbers continue to climb..
- Gov. Hochul said [Widespread telecommuting](#) is no longer necessary or feasible and as a matter of economic recovery, she prefers workers to be masked and vaccinated in the office, rather than working remotely and that the state workforce will not return to working-from-home as a rule.
- Gov. Hochul confirmed Tuesday that New York State’s eviction moratorium will expire this weekend, adding she will meet with the State Legislature to chart a path forward as hundreds of thousands of face evictions come Jan. 15. The state's COVID-19-era hold on evictions will come to a close more than four months after it was extended in September following the end of federal protections. <https://www.amny.com/news/hochul-confirms-eviction-moratorium-concluding-this-weekend/>
- New York state officials last night again began accepting applications for the Emergency Rental Assistance Program, but at the same time called for additional federal aid to continue to meet the outstanding need. [Read More](#). Meanwhile, dozens of Democrats in the state Senate and Assembly, as well as members of the New York City Council and other local leaders, sent a letter to the governor today calling on her to back good cause eviction legislation, [the Daily News reports](#).

####

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; 716.880.0518)
- **Stephen W. Rice, Director, Communications & Government Relations** (Stever@ibanys.net)