

Thursday, January 13, 2022
To New York Community Banks

FROM ICBA

Congressional pushback on SBA direct lending continues

House Small Business Committee Ranking Member Blaine Luetkemeyer (R-Mo.) on Wednesday continued speaking out against [ICBA-opposed efforts](#) to authorize SBA direct lending under its 7(a) loan program.

Hearing: During a committee hearing on SBA challenges, Luetkemeyer contrasted the fraud-prone Economic Injury Disaster Loan with the success of the community bank-led Paycheck Protection Program to demonstrate why SBA should not implement 7(a) direct lending.

Legislation: Luetkemeyer and Sen. Tim Scott (R-S.C.) have introduced [ICBA-advocated](#) legislation to bar SBA direct lending.

Grassroots: Community bankers can use ICBA's [Be Heard](#) grassroots action center to urge Congress to oppose the SBA direct lending plan.

Brainard, Thompson set to testify at nomination hearing

Getting inflation back down to the Fed's 2% target while sustaining a recovery that includes everyone is the agency's "most important task," Fed Governor Lael Brainard is set to tell senators today.

Testimony: In prepared [remarks](#) for today's Senate Banking Committee [hearing](#) on her nomination for Fed vice chair, Brainard says she has worked with other policymakers during the pandemic to calm financial market turmoil, save American jobs and businesses, and wind down emergency facilities.

More: Today's hearing will also include testimony from Federal Housing Finance Agency Acting Director Sandra Thompson, who President Joe Biden nominated for FHFA director. It follows Tuesday's hearing on the renomination of Fed Chairman Jerome Powell.

Demand elevated amid supply, labor disruptions: Beige Book

U.S. economic activity expanded at a modest pace in the final weeks of 2021, according to the Federal Reserve's latest [Beige Book](#) of regional conditions. While growth continued to be constrained by supply chain disruptions and labor shortages, business demand for materials, inputs, and workers remained elevated. **Here's a link to the view economic conditions in the New York Region:**
www.newyorkfed.org/regional-economy

FROM OTHER SOURCES

- Daily COVID infections have more than doubled the past two weeks to an average of more than 760,000 new infections per day in the U.S. and COVID deaths are also up, from about 1,200 per day to an average of over 1,700 per day now. Omicron, not as deadly as past variants, is still a serious threat for the vulnerable. New York has more than 350 cases per 100,000 people, as do both New Jersey and Massachusetts. All 50 states saw new cases increase over the past two weeks, and most increases were large. Only Idaho, Maine and Montana are averaging fewer than 100 cases per 100,000 people. https://www.axios.com/newsletters/axios-vitals-46763670-ca0d-4141-990a-987e287f7e31.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosvitals&stream=top
- National Economic Council Director Deese said the administration is "working closely with congressional leadership" to finalize the three remaining nominations for the Federal Reserve. That likely includes former Treasury official Sarah Bloom Raskin, the reported top candidate for the Fed's regulatory spot. [Bloomberg](#). Some Senate Republicans are open to voting for Lael Brainard as Vice Chair of the Fed, but seem more concerned about Raskin. <https://www.axios.com/senate-gop-federal-reserve-brainard-raskin-366ea926-b96e-469d-8a38->

[b651e3dfcf06.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiossneakpeek&stream=top&mkt_tok=ODUwLVRBQS01MTEAAAGB8nxod672Pk7bb5XwP-h0vUmt_90lpmvy8kwjoCYzDCmeYkC4PrFIz3TuPgiwRIUssuTEwRXNRY0ZUyWyu-0LTL5CuUZMdEvapqTim3K6ncMI](https://www.governor.ny.gov/news/governor-hochul-updates-new-yorkers-states-progress-combating-covid-19-138)

FROM NEW YORK

- Governor Hochul updated New Yorkers on the state's progress combating COVID-19, saying: "The slowdown in new cases gives us a glimmer of hope, but cases still remain high and we are nowhere near the end of the winter surge." Of 338,280 test results reported, 58,770 (17.37%) were positive. The seven-day percent positive rate was 20.22%. Patient hospitalization were at 12,671 (+131); patients in ICU were at 1593 (-4); patients in ICU with Intubation were at 830 (-1); There were 166 new deaths reported by healthcare facilities. 62,698 total deaths in the state have been reported to and compiled by the CDC.
<https://www.governor.ny.gov/news/governor-hochul-updates-new-yorkers-states-progress-combating-covid-19-138>
- COVID-19 continues to rage in Western New York, infecting record numbers of people and swelling hospitals though, thankfully so far, not their intensive care units – and yet, too many people shrug as even rising numbers of children succumb to the virus, [The Buffalo News writes](#).
- New York's eviction moratorium is set to expire in a matter of days, leaving financially strapped tenants with little recourse and landlord groups livid over the reopening of a tapped-out program meant to help, [the Daily News reports](#).

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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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