



SECOND DRAW PAYCHECK PROTECTION PROGRAM

ICBA is advocating to ensure the second draw PPP is effectively implemented and is pressing for legislative amendments to the program.

PRESERVING TAX CUTS

ICBA will defend the 2017 tax cuts, including the 21 percent corporate rate, the lower individual rates, the deduction for passthrough income, current taxation of capital gains, and the higher estate tax exemption. ICBA will oppose transaction taxes, limitations on the deductibility of FDIC premiums, and other proposals specifically targeting the financial services sector.

SMALL BUSINESS LOAN DATA COLLECTION RULE

The CFPB has released an outline of proposals that would require banks to collect and report data on loans made to small businesses, as required by the Dodd-Frank Act. The Bureau is considering exemptions for banks below \$100m to \$200m in assets or that originate fewer than 100 small business loans. The proposal fails to recognize the customized nature of small business lending. ICBA is urging the Bureau to increase the exemption thresholds.

BENEFICIAL OWNERSHIP RULE IMPLEMENTATION

Recently enacted, ICBA-supported legislation requires companies to submit beneficial ownership information directly to FinCEN. The new law also directs Treasury to revise the customer due diligence rule to reduce unnecessary or duplicative burdensome requirements and to revise CTR and SAR thresholds. ICBA will work with Treasury to ensure forthcoming rules create meaningful relief for community banks.

ICBA ANTI-CREDIT UNION “WAKE UP” CAMPAIGN

The mission of the campaign is to pursue legislative and regulatory changes to contain or reverse the expansion of credit unions and to draw media and public attention to the industry’s aggressive and abusive exploitation of their tax exemption.

- » ICBA released a white paper, “Do They Know They’re Tax Exempt?”, and other resources to bring attention to the issue.
- » ICBA grassroots campaigns have targeted an NCUA proposal to allow credit unions to issue subordinate debt and have urged NCUA to strengthen its rule on credit union-bank acquisitions.
- » ICBA is urging Congress to convene hearings on credit union-bank acquisitions.



Real Results for Your Bank

Simplified Forgiveness and EIDL Fix	Accounting and Capital Relief	Second Draw PPP with Dedicated Funding for Community Bank PPP Loans	Delayed “Adverse Market Fee”
Year-end legislation included simplified forgiveness for PPP loans of less than \$150,000. EIDL Advance grants are no longer deducted from the forgiveness amount. The new law also provides that a lender is “held harmless” and must only pay agent fees when there is a contract.	Year-end pandemic relief legislation extended the suspension of troubled debt restructuring (TDR) classification through 2021. Implementation of current expected credit loss (CECL) is also delayed till 2022.	Year-end pandemic relief legislation created a second draw PPP with \$15 billion (initial and second draw) set aside for loans issued by depository institutions with under \$10 billion in assets.	In response to an ICBA grassroots and media campaign, the FHFA, Fannie Mae, and Freddie Mac delayed a 50-basis point fee on refinanced mortgages from Sept. 1 to Dec. 1 and exempted smaller loans.



INDUSTRIAL LOAN COMPANY LOOPHOLE

Nonbank technology companies seeking ILC charters under Utah law have filed for FDIC insurance. The industrial loan company (ILC) loophole allows commercial companies to own ILCs, contrary to the long-standing policy of separating banking and commerce, and escape holding company supervision. ICBA is promoting legislation that would close the ILC loophole and grandfather existing ILCs.

- » **ICBA was the first national banking trade group to endorse the Eliminating Corporate Shadow Banking Act, introduced in 2020.**

TAX INCENTIVES FOR COMMUNITY BANK LENDING

ICBA supports the creation of new tax credits or deductions for community bank lending to low- and moderate-income individuals, businesses, and farmers and ranchers. These incentives would help sustain and strengthen lending to these borrowers and offset the competitive advantage enjoyed by tax-exempt credit unions and Farm Credit System lenders. Such legislation has been introduced in past Congresses.

CANNABIS BANKING

As more states legalize cannabis for medical and/or recreational use, it is critically important for public safety that cannabis-related businesses, as well as those businesses that serve them, have access to the traditional banking system, rather than operate exclusively in cash. ICBA supports legislation that would create a safe harbor from federal sanctions for financial institutions that serve cannabis-related businesses in states where cannabis is legal.

OCC EXPANSION OF CHARTER TO NON-BANKS

ICBA is working with a coalition of trade groups to oppose the OCC's proposed special payments charter which would allow non-depository fintech companies access to the privileges of a federal bank charter. ICBA also filed a friend-of-the-court brief supporting the New York Department of Financial Services' challenge to the legality of OCC's proposed fintech charter.

FEDNOW IMPLEMENTATION.

The launch of FedNow is approximately two years away, but community banks should begin planning their faster payments strategies now.

- » **ICBA is the only national banking trade group to call for the Federal Reserve's active involvement in faster payments.**
- » **ICBA urges the Fed to maintain its expedited timeline and its industry engagement initiatives. ICBA encourages community banks to develop a comprehensive payments strategy that encompasses real-time payments.**

POSTAL BANKING

ICBA opposes proposals to allow the U.S. Postal Service (USPS) to offer financial products and services. Postal Banking would distract USPS from its core mission of delivering letters and packages, putting its financial condition and ultimately U.S. taxpayers at risk. Financial services are best provided in a competitive, private, and free marketplace that openly and efficiently benefits customers.

HOUSING FINANCE REFORM

Reform efforts must provide robust and equitable secondary market access for lenders of all sizes, ensure no competition from the GSEs at the retail level, and permit retention of mortgage servicing rights on transferred loans. ICBA does not support reform proposals that would liquidate and distribute the GSEs' assets, intellectual property, or infrastructure to the largest national lenders and Wall Street institutions.

SUPPORT FOR AGRICULTURE

ICBA advocates for enhanced USDA guaranteed lending as well as direct federal assistance and other measures to support American agriculture.