

Testimony of  
Andy Morrison, New Economy Project  
On behalf of the Public Bank NYC coalition  
Before the 2019 New York City Charter Revision Commission  
City Hall, Manhattan  
September 27, 2018

Good evening Commissioner Benjamin and Members of the Commission. Thank you for holding this hearing. My name is Andy Morrison and I am campaigns director at New Economy Project. New Economy Project works with community groups to build a just economy, based on cooperation, equity, racial justice, and ecological sustainability. Since our organization's founding in 1995, we have worked with hundreds of grassroots to challenge Wall Street banks and other corporations that harm New Yorkers and perpetuate poverty, inequality, and segregation. We also work with groups to build democratically-structured, community-controlled initiatives, including community land trusts and mutual housing, worker and financial co-ops, and more.

I'm pleased to present testimony on behalf of Public Bank NYC, a broad-based coalition New Economy project co-founded and coordinates. Public Bank NYC is made up of community, civil rights, environmental, and economic justice groups fighting for the creation of a municipal public bank – chartered to serve the public interest, accountable to New Yorkers, and rooted in principles of racial and economic justice.

Ten years ago, Wall Street banks brought down the U.S. economy, wiping out trillions in household wealth and millions of jobs. Losses were especially devastating for people and communities of color, which have borne the brunt of predatory lending and foreclosures, abusive and illegal debt collection, and other fallout from the meltdown. The global financial crisis also sparked a growing movement to pursue systemic change and affirmative solutions to our unequal financial system and economy.

And yet, today, the big banks are bigger and more profitable than ever. Meanwhile, countless low-income and immigrant New Yorkers, New Yorkers of color, women, and seniors are struggling to get by. Upwards of 60,000 New Yorkers sleep in homeless shelters every night. The subway system is literally crumbling under the weight of crushing debt owed to predatory Wall Street banks. And NYC is losing affordable housing units at an alarming pace.

Amid the Trump administration's corporate tax giveaways, gutting of regulations, and attacks on immigrants and people of color, one thing is clear: We need bold, local action to strengthen our local economy and advance a truly progressive New York. Municipal public banking is a critical strategy to pursue racial and economic justice. There is a wave of support for public banking in cities and states across the country. From Oakland to Santa Fe to New Jersey, this movement is

growing. New York City should lead the way.

Each year, the City moves tens of billions of public dollars through Wall Street banks, which routinely exploit and extract wealth from low-income communities and neighborhoods of color – perpetuating racial and economic inequality. Through a public bank, the City could support vital sectors of our local economy and divest from banks that finance destructive corporate activities, including speculative real estate, fossil fuel extraction, private prisons, and much more.

By taking control of public money – divesting it from Wall Street and making it work for NYC neighborhoods – we can transform our economy and fundamentally change our approach to community development in New York City. The Public Bank NYC coalition is pressing for a public bank that would:

1. **Make equitable investments** that support low- and extremely low-income housing, union and living wage jobs for New York City residents, democratically-controlled clean energy, public infrastructure, cooperative ownership, and small businesses, prioritizing minority and women-owned businesses and locally-based enterprises.
2. **Foster community wealth-building and neighborhood-led development**, including by financing cooperative, not-for-profit and non-speculative models that provide long-term public benefit, such as community land trusts and worker co-ops.
3. **Expand high-quality, affordable financial services** to low-income and immigrant communities and communities of color, by partnering with nonprofit and mission-driven community development financial institutions, especially community development credit unions.
4. **Promote transparency and accountability in municipal finance**, including by providing comprehensive, non-extractive banking services and affordable municipal financing options to the City and its agencies.

The Public Bank NYC coalition urges the Commission to consider amendments to the City Charter to increase transparency and public accountability in our municipal finance system; strengthen standards for financial institutions with which the City does business; and remove barriers to public banking. Our coalition has initiated research to identify potential areas for review and revision, and we would be eager to speak with you further about such amendments.

Thank you for the opportunity to testify today. Please do not hesitate to contact me if you have any questions at 212.680.5100 x210. For more information, please visit: [publicbanknyc.org](http://publicbanknyc.org)

# PUBLIC BANK NYC

## MISSION AND VISION

The Public Bank NYC Coalition believes public money should work for the public good, not private gain.

*The City of New York places billions of public dollars in Wall Street banks that routinely exploit and extract wealth from low-income communities and neighborhoods of color, perpetuating racial and economic inequality. Through a public bank, New York City can support vital sectors of our local economy and divest from banks that are financing destructive corporate interests, including speculative real estate, private prison and immigrant detention companies, the global arms trade, and the fossil fuel industry.*

We are pressing for the creation of a public bank for NYC, as part of a broader vision for economic and racial justice. An NYC public bank must:

- **Make equitable investments** that support low- and extremely low-income housing, union and living wage jobs for New York City residents, democratically-controlled clean energy, public infrastructure, cooperative ownership, and small businesses, prioritizing minority and women-owned businesses and locally-based enterprises.
- **Foster community wealth-building and neighborhood-led development**, including by financing cooperative, not-for-profit and non-speculative models that provide long-term public benefit.
- **Expand high-quality, affordable financial services** to low-income and immigrant communities and communities of color, by partnering with nonprofit and mission-driven community development financial institutions, especially community development credit unions.
- **Promote transparency and accountability** in municipal finance, including by providing comprehensive, non-extractive banking services to the City of New York and City agencies.

We believe a public bank, with a clear mission to serve critical neighborhood needs, will help achieve economic security and shared prosperity for all New Yorkers. Through direct actions, political advocacy and other joint efforts we will make this dream a reality!

Please contact Ali Issa at New Economy Project to learn more: 212-680-5100 x125.

# PUBLIC BANK NYC

## MEMBERS

(list in formation)

The Black Institute  
Brooklyn Cooperative Federal Credit Union  
Brooklyn Legal Services  
Brooklyn Stone & Tile  
Chhaya CDC  
The Debt Collective  
Enlace  
Lower East Side People's Federal Credit Union  
Murphy Institute  
National Federation of Community Development Credit Unions

### **New Economy Project**

### **New York Communities for Change**

New York Public Research Interest Group

### **New York Working Families**

Pan-African Community Development Initiative  
Picture the Homeless

### **Queens Legal Services**

South Bronx Unite  
University Neighborhood Housing Program  
The Working World

## ENDORSERS

Democratic Socialists of America - NYC  
Food & Water Watch  
Metropolitan Council on Housing

*\*Boldface indicates founding Steering Committee member*

*\*\*List current as of 8/29/2018*

To learn more, please visit: [publicbanknyc.org](http://publicbanknyc.org)