

March 10, 2021

NY State Senate Majority Leader Andrea Stewart-Cousins  
Room 907, Legislative Office Building  
Albany, NY 11247  
Scousins@nysenate.gov

NY State Assembly Speaker Carl Heastie  
Room 932, Legislative Office Building  
Albany, NY 11247  
Speaker@nyassembly.gov

Dear Majority Leader Stewart-Cousins and Speaker Heastie:

We, the undersigned 104 organizations, respectfully urge you to support S.1762-A (Sanders)/A.5782 (Pichardo), the “New York Public Banking Act.” This carefully-crafted legislation creates a safe and appropriate regulatory framework for cities, counties, and regions seeking to establish public banks. It authorizes the NYS Department of Financial Services to issue special-purpose public bank charters, paving the way for public banking in New York.

Even before COVID-19 gripped our communities, New York faced widening inequality and other daunting challenges. As New York moves toward a post-COVID future, local governments need new tools — including public banks — to ensure a just recovery for all New Yorkers.

Public banks are financial institutions created by a public entity (such as a city, county, or state) and chartered to serve the public interest. They hold public deposits and leverage those funds to support local economic development.

Our organizations are fighting for public banks that have a clear mission to advance racial, economic, and environmental justice. With these principles at their core, public banks would reinvest in New York's low-income and immigrant neighborhoods and neighborhoods of color, meeting critical community needs and strengthening our ability to withstand future crises.

Under current state law, localities seeking to establish public banks must apply for a commercial bank charter. This forces local governments to retrofit their public bank business models into a regulatory system that was designed for private, for-profit enterprises. By passing the “New York Public Banking Act” this session, the NYS Legislature will help to facilitate the responsible formation of public banks by cities, counties, and regions around the state.

Wall Street banks have for decades blocked low-income people, immigrants, and people of color from mainstream banking, relegating them to high-cost, predatory financial services that extract massive amounts of wealth from communities and perpetuate poverty and inequality.

Public banks would partner with our state's numerous community-based lenders to deliver responsible financing and emergency funding to small and worker-owned businesses – including MWBEs – hardest hit by COVID-19. They would invest in economic development initiatives that build, rather than extract, wealth, such as permanently-affordable housing, community-controlled renewable energy, and more. And they would

expand access to high-quality, affordable banking services in New York’s historically-redlined communities of color.

Public banking is a proven model; it is common throughout the world, from Costa Rica to Germany. In the U.S., the Bank of North Dakota has successfully financed public projects and made responsible loans to small businesses, farmers, and others for more than a century.

Recently, California enacted legislation to facilitate public banking at the local level. It’s time for New York to take action and usher in democratic financial institutions that meet the needs of New York’s communities, during the COVID-19 crisis, and beyond.

Sincerely,

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| NYS Community Equity Agenda Coalition                       | Climate Solutions Accelerator of the Genesee-Finger Lakes Region |
| Public Bank NYC Coalition                                   | College and Community Fellowship                                 |
| Rochester Public Banking Coalition                          | Communications Workers of America District 1                     |
| Buffalo Niagara Community Reinvestment Coalition            | Cooper Square Committee  |
| Action for A Better Community                               | Cooper Square Community Land Trust                               |
| Adirondack North Country Association                        | Cooperation Buffalo  |
| Alternatives Federal Credit Union                           | Cooperative Federal  |
| Association for Neighborhood and Housing Development (ANHD) | DC37 Municipal Employees Legal Services                          |
| Banana Kelly Community Improvement Association              | District Council 37, AFSCME                                      |
| A Bookkeeping Cooperative                                   | East Harlem/El Barrio Community Land Trust (EHEBCLT)             |
| Bronx Cooperative Development Initiative                    | East New York Community Land Trust                               |
| Brooklyn Cooperative Federal Credit Union                   | Empire Justice Center  |
| CAMBA Legal Services, Inc.                                  | Ethical Humanist Society of Long Island                          |
| Carroll Gardens Association                                 | Food & Water Watch   |
| Center for Family Life                                      | Freedom To Thrive  |
| Center for Frontline Retail                                 | Fruit Belt Community Land Trust                                  |
| Chhaya CDC  | Genesee Co-op Federal Credit Union                               |
| Citizen Action of New York                                  | Greater Rochester Chamber of Commerce                            |
| City Roots Community Land Trust                             | Green Worker Cooperatives  |
| City Roots Contractors Guild                                | Grow Brooklyn  |
| City-Wide Tenant Union of Rochester                         | Hopewell Care Childcare Cooperative                              |

Housing Conservation Coordinators	Queens Volunteer Lawyers
Inclusiv	Riverdale-Yonkers Society for Ethical Culture
LatinoJustice PRLDEF	Rochester Committee - Puerto Rican Independence Party
Legal Services Staff Association, NOLSW/UAW 2320	Rochester DSA
Long Island Housing Services, Inc.	ROCitizen
Long Island Jobs with Justice	Sane Energy Project
Long Island Progressive Coalition	Sixth Street Community Center
Lower East Side People's FCU	South Bronx Unite
Maharlika Cleaning Coop	Stabilizing NYC
Metro Justice	Strong Economy For All Coalition
Mobilization for Justice, Inc.	Sunrise NYC
Moving Forward Unidos	Take18NY
Multicultural Solidarity Long Island	TakeRoot Justice
National Center for Law and Economic Justice	Technical, Office and Professional Union Local 2110 UAW
National Writers Union	The Financial Clinic
Neighbors United Through Service	The Legal Aid Society
New Economy Project	The Point Community Development Corporation
New York City Community Land Initiative	The Volunteer Lawyers Project
New York City Environmental Justice Alliance	The Working World
New York Communities for Change	U.S. Federation of Worker Cooperatives
New York Public Interest Research Group (NYPIRG)	United Auto Workers, Region 9A
New York StateWide Senior Action Council	University Neighborhood Housing Program (UNHP)
Northwest Bronx Community & Clergy Coalition	University Student Senate - CUNY
NYC Network of Worker Cooperatives	WESPAC Foundation, Inc.
OWN Rochester	We Stay/Nos Quedamos, Inc
Pan African CDI	Westchester For Change
Partners for Dignity and Rights	Western New York Law Center
Partnership for the Public Good	Westminster Economic Development Initiative, Inc. (WEDI)
PathStone Enterprise Center	WHEDco
Picture the Homeless	Woke Foods
Putnam Progressives	WSNA HCC