

A JUST & EQUITABLE POST-COVID ECONOMY IN NEW YORK: 5 BOLD PROPOSALS FOR 2021

**NYS
COMMUNITY
EQUITY
AGENDA**



As New York looks forward to a post-COVID future, the State must take bold action. A just recovery requires transformational policy changes that are designed to uproot racial, economic and environmental injustices and address persistent wealth inequality and poverty in communities throughout our state.

In 2021, New York must invest in infrastructure that supports Black, brown, and low-income communities building wealth, power, resiliency, and self-determination. New York has begun making significant strides towards racial and economic justice, with increased taxes on the mega-rich, funding for a just recovery, and equitable legalization of cannabis. New York must continue to take bold action and build a democratic economy that benefits all New Yorkers, not just a privileged few.

The NYS Community Equity Agenda's priorities for 2021 include concrete actions that New York policymakers can and should take right now to lay critical groundwork for a future that is rooted in cooperation, racial justice, and ecological sustainability.

Establish Public Banks to Invest in Community Needs

Public money should be used for the public good. However, the reality is that our public dollars in New York – totalling in the billions – are deposited in Wall Street banks. These are the very banks that have redlined Black and brown communities, profited off of the COVID-19 crisis, and fueled the climate crisis, among many other harms. A powerful grassroots movement has emerged in New York, as groups demand the creation of public banks

across the state. Through public banking, local governments can divest from Wall Street, and invest in small and worker-owned businesses, deeply-affordable housing, renewable energy, and other critical needs.

ACTION NEEDED:

- 👉 The Governor and Legislature must enact the NY Public Banking Act (S1762A/A5782), which creates a safe and appropriate regulatory framework for New York cities, counties, and regions seeking to establish public banks.

End Bank Redlining & Other Racial Wealth Extraction

Bank redlining and systemic wealth extraction remain pervasive in New York, and perpetuate long-standing racial wealth inequality.

Mainstream banks continue to systematically exclude Black and brown New Yorkers, as demonstrated by the closing of bank branches in communities of color and by the gross racial disparities in access to the Paycheck Protection Program. Meanwhile, fringe and predatory

financial companies – including many online lenders – fill the void, exploiting low-income and immigrant New Yorkers and New Yorkers of color. This must change.

ACTION NEEDED:

- 👉 The NYS Department of Financial Services and the Attorney General must crack down on pervasive bank redlining around NYS. They must publicly document racial discrimination in our banking system, and engage in bold enforcement of state and federal fair housing and fair lending laws.
- 👉 The Governor and Attorney General must use their influence in Washington to push for the immediate roll-back of Trump Administration regulations weakening fair housing, fair lending, and consumer protection laws.
- 👉 The Governor and Legislature must strengthen state consumer protection laws as a matter of racial and economic justice. This includes immediately exempting federal stimulus payments from debt collection (S5923A/A6617A). Additionally, New York lawmakers must not tolerate any efforts to weaken our strong state interest rate caps – including our 25% criminal usury cap – and should in fact make them stronger.

Strengthen NY's Community-Controlled Financial Institutions

expanding CDFIs, New York will create good jobs, develop and preserve deeply-affordable housing, and promote equitable financial services that build community wealth.

ACTIONS NEEDED:

- 👉 The Governor must immediately distribute the \$25 million already allocated to the NYS CDFI Fund and significantly increase funding for these critical institutions going forward.
- 👉 By passing the New York Public Banking Act this session, New York will strengthen and expand community-controlled financial institutions statewide. Public banks will partner with credit unions and other financial institutions to drive responsible lending in historically-redlined communities.

Expand Democracy in the Workplace

New York has a historic opportunity to empower workers and communities by supporting and expanding worker cooperatives. The COVID crisis has illuminated the need for greater protections for all New York workers, especially low-wage, immigrant, Black, and brown workers. Many workers have been forced to choose between their safety and their income, while millions of others have lost jobs due to layoffs and small business closures. At the same time, New York will continue to experience significant job losses, as older small business owners close their businesses upon retirement. When workers own their business together and make decisions in their shared interest, they gain greater control over their working conditions, higher pay, generational wealth-building opportunities, and increased resilience to economic downturns and disruptions.

ACTION NEEDED:

- 👉 The Governor and Legislature must enact legislation to help workers purchase businesses that are at risk of closing or being sold.
- 👉 Implementation of New York's historic cannabis legalization law must prioritize the development and inclusion of worker cooperatives in the cannabis industry, as a key step to ensuring equitable benefit to communities hardest hit by both the war on drugs and the pandemic.

Advance Housing as a Human Right

The pandemic has driven home that New York's housing crisis is a public health crisis. Healthy, strong, resilient communities require community members to have stable, affordable housing. We stand in solidarity with the Housing Justice for All campaign in the fight to end evictions and create permanently-affordable social housing through tools like community land trusts.

ACTION NEEDED:

- 👉 The Governor and Legislature must pass the Tenant Opportunity to Purchase Act (S3157/A5971). TOPA allows tenants to collectively purchase their buildings and operate them cooperatively in their shared interest.