

January 11, 2022

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 150 organizations, respectfully urge you to support S.1762-A (Sanders)/A.8290 (Fahy), 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,

NYS Community Equity Agenda Coalition
Public Bank NYC Coalition
Rochester Public Banking Coalition
Buffalo Niagara Community Reinvestment Coalition

350NYC
89th Street Tenants Unidos Association
A Bookkeeping Cooperative
Action for A Better Community
Alternatives Federal Credit Union
Association for Neighborhood and Housing Development (ANHD)
Banana Kelly Community Improvement Association
Bend the Arc
Bronx Cooperative Development Initiative
Brooklyn Cooperative Federal Credit Union
Brooklyn Level Up (BKLVLUP)
Brownsville Neighborhood Empowerment Network
CAMBA Legal Services, Inc.
Carroll Gardens Association
Center for Family Life
Center for NYC Neighborhoods
Chhaya CDC
Chinese-American Planning Council (CPC)
Citizen Action of New York
City Roots Community Land Trust
City Roots Contractors Guild
City-Wide Tenant Union of Rochester
Climate Solutions Accelerator of the Genesee-Finger Lakes Region
Coalition for Economic Justice - Buffalo
Communications Workers of America District 1
Communities Resist
Cooper Square Committee

Cooper Square Community Land Trust
Cooperation Buffalo
Cooperative Economics Alliance of NYC
Cooperative Federal
DC37 Municipal Employees Legal Services
District Council 37, AFSCME
East Harlem/El Barrio Community Land Trust (EHEBCLT)
East New York Community Land Trust
Empire Justice Center
Empire State Indivisible
Ethical Humanist Society of Long Island
Food & Water Watch
For the Many
Freedom To Thrive
Fruit Belt Community Land Trust
Gender Equality NY, Inc.
Genesee Co-op Federal Credit Union
Grassroots Action NY
Greater Rochester Chamber of Commerce
Green Worker Cooperatives
Grow Brooklyn
Housing Conservation Coordinators
Housing Rights Initiative
Hopewell Childcare Cooperative
Hunger Free America
Ibero Business Center
Inclusiv
Indivisible Mohawk Valley
Ithaca DSA
Jews for Racial & Economic Justice
LatinoJustice PRLDEF
LDFNYC (Lead Dust Free New York City)
Legal Services Staff Association, NOLSW/UAW 2320
Long Island Activists
Long Island Housing Services, Inc.
Long Island Network for Change
Long Island Jobs with Justice
Long Island Progressive Coalition
Long Island Social Justice Action Network
Lower East Side People's FCU
Maharlika Cleaning Coop
Make The Road New York
Met Council on Housing
Metro Justice
MinKwon Center for Community Action
Mobilization for Justice, Inc.

Moving Forward Unidos
Multicultural Solidarity Long Island
Music Workers Alliance
National Center for Law and Economic Justice
National Writers Union
Neighbors United Through Service
New Economy Project
New York City Community Land Initiative
New York City Environmental Justice Alliance
New York Communities for Change
New York Progressive Action Network
New York Public Interest Research Group (NYPIRG)
New York Solar Energy Society
New York State Nurses Association
New York StateWide Senior Action Council
New York Working Families Party
NY02 Indivisible
NYPAN Greene
Northwest Bronx Community & Clergy Coalition
NYC Network of Worker Cooperatives
OWN Rochester
Pan African CDI
Partners for Dignity and Rights
Partnership for the Public Good
PathStone Corporation
PathStone Enterprise Center
PEER/NYPAN: Progressive East End Reformers
Picture the Homeless
Pratt Center for Community Development
Progressive Schenectady
Puerto Rican Independence Party - Rochester Committee
Putnam Progressives
Queens Volunteer Lawyers
Riverdale-Yonkers Society for Ethical Culture
Rochester DSA
ROCitizen
Sane Energy Project
Show Up LI
Sixth Street Community Center
South Bronx Unite
Stabilizing NYC
Strong Economy For All Coalition
Suffolk Progressives
Sunrise NYC
Take18NY
TakeRoot Justice

Technical, Office and Professional Union Local 2110 UAW
Tenants Political Action Committee
The Black Institute
The Connected Chef
The Financial Clinic
The Legal Aid Society
The Point Community Development Corporation
The Volunteer Lawyers Project
The Working World
This Land Is Ours Community Land Trust
Together We Will Long Island
Tompkins County Progressives
True Blue NY
U.S. Federation of Worker Cooperatives
United Auto Workers, Region 9A
University Neighborhood Housing Program (UNHP)
University Student Senate - CUNY
WESPAC Foundation, Inc.
We Stay/Nos Quedamos, Inc
Westchester Cooperative Network
Westchester For Change
Western Queens Community Land Trust
Western New York Law Center
Westminster Economic Development Initiative, Inc. (WEDI)
WHEDco
Woke Foods
WSNA HCC