

Monroe County Legislature

DEMOCRATIC LEGISLATIVE OFFICE

408 COUNTY OFFICE BUILDING • 39 WEST MAIN STREET

ROCHESTER, NEW YORK 14614

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April 11, 2022

To The Honorable
Monroe County Legislature
39 West Main Street
Rochester, NY 14614

OFFICIAL FILE COPY

No. 220119

Not to be removed from the
Office of the
Legislature Of
Monroe County

Committee Assignment

Memorializing Referral

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RE: Memorializing the New York State Legislature and Governor Kathy Hochul to pass and sign the New York Public Banking Act

Honorable Legislators,

New York State Senate Bill S01762-A and NYS Assembly companion bill A08290 would establish the New York Public Banking Act to create a safe and appropriate regulatory framework for a municipality seeking to establish public banks within its jurisdiction. A public bank is a financial institution created by a municipal government for a "public benefit" to the community. The Bank of North Dakota, which was founded in 1919, is currently the only public bank in the United States and was able to secure more Paycheck Protection Program (PPP) loans than any other state in the country per capita. Public banking has become an issue throughout the country as 28 states have passed legislation establishing a public banking taskforce. California enacted a law in 2019 allowing municipalities to form public banks.

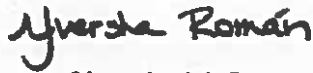
The pandemic exposed many economic inequities and deficiencies within the economic system and in society. Establishing public banks would expand banking services to unbanked and under-banked communities and provide small businesses and MWBEs, particularly when it came to securing PPP loans, to non-clients or refinancing student loan debts. A public bank would effectively address the racial and economic injustices that existed in this state for many years and generations.

The local government that creates a public bank would make public deposits into that bank. The bank would be chartered by the state Department of Financial Services and operated by a board whose composition is determined by the municipality. The bank could: exist in communities that have little to no access to banking services; refinance student debts and provide low cost student loans; fund local projects at a reduced cost; generate profits for local government to hold the line on taxes; provide access to credit for small businesses and MWBEs; and provide financial assistance to farmers.

Taxpayers will benefit from establishing a public bank. The taxpayers will receive the benefits of profits the bank creates which will be returned to the general fund of the municipality to hold the line on taxes. The taxpayers will also benefit from the services the bank provides to the community, particularly to unbanked and under banked communities within the Sponsor's jurisdiction.

Therefore, I ask you to join me in thanking our State Delegation for supporting S01762-A and A08290, and to urge passage of both bills and request it be signed into law by Governor Hochul.

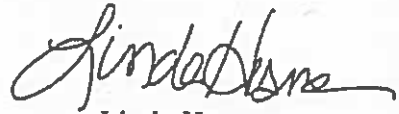
Respectfully submitted,



Yversha M. Roman
Democratic Minority Leader



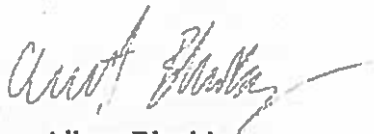
Rachel Barnhart
Assistant Minority Leader



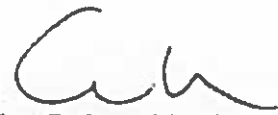
Linda Hasman
Assistant Minority Leader



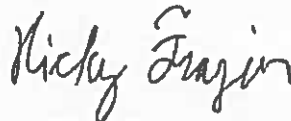
Susan Hughes-Smith
Legislator – District 14



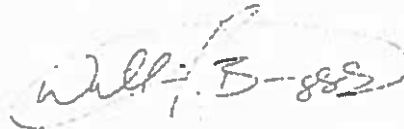
Albert Blankley
Legislator – District 24



Carolyn Delvecchio Hoffman
Legislator – District 25



Ricky Frazier
Legislator – District 28



William Burgess
Legislator – District 29