The Bank of Rochester Act is a way to model how municipal public banks can leverage city funds for large projects that contribute to the public good

S9326 (Brouk)/A10134 (Bronson)

“An act to amend the banking law and the state finance law, in relation to enacting the ‘Bank of Rochester Act.’”

Empire Justice Center enthusiastically supports the Bank of Rochester Act and strongly urges its passage this session. As a statewide organization focused on changing systems to make the law work for all New Yorkers, especially for those who need its protection the most, including addressing poverty, predatory financial practices, and inequality in Rochester, Empire Justice believes a public bank will be a powerful tool for boosting local economic development, expanding access to fair and affordable credit, and strengthening our local financial sector. We have long advocated for the New York Public Banking Act, and we are excited to see its general framework adopted in the Bank of Rochester Act.

Public banking offers a bold, transformative solution to address deep-seated inequities in our financial system and economy that perpetuate poverty, inequality, and segregation. Currently, the bulk of government funds (taxpayer money) are deposited in big banks like JPMorgan Chase that systematically harm communities through redlining, fee gouging, and discriminatory lending. Last year, the NYS Attorney General’s report exposing pervasive systemic racial inequities in mortgage lending across the state recommended public banking as a key solution. Moreover, the big banks fund industries detrimental to New Yorkers, such as fossil fuels and speculative real estate, further destabilizing neighborhoods.

The bill authorizes Rochester to establish and control a municipal public bank for the purposes of facilitating cost savings, strengthening the local economy, supporting community economic development, and addressing infrastructure and housing needs. It requires the public bank to
partner with local financial institutions and restricts it from engaging in retail banking. The bill sets up a robust governance structure and regulatory framework to ensure safety and soundness and public accountability.

Through public banking, cities and counties can divest from banks that engage in harmful activities and redirect those financial resources to a mission-driven, publicly accountable institution. Public banks prioritize investments in community economic development initiatives – such as affordable housing, community land trusts, small and worker-owned businesses, green energy, and more – that build wealth in communities rather than extract wealth from them. The Bank of Rochester Act is a pivotal and historic first step toward making public banking a reality in New York State.

Empire Justice Center urges the Legislature to take immediate action and pass the Bank of Rochester Act this session.

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May 20, 2024