

# Public Banking Toolkit

An anthology of materials to support advocacy  
at the national, state and city level.



**WOMEN, MONEY  
& DEMOCRACY**

National Issue Committee  
of WILPF US



*“By making banking a public utility, with expandable credit issued by banks owned by the people, the financial system can be made to serve the people rather than people serving the banks.*

*Credit flow can be released so that industry and free enterprise can thrive, and the economy can reach its full potential.”*

*- Ellen Brown, of Public Banking Institute.*

**This toolkit is a resource for activists, WILPF members and the public.**

It borrows from and is an anthology of materials from Public Banking Institute and other organizations working to promote public banking.

Founded in 1915, **Women’s International League for Peace & Freedom—US Section** works to connect economic justice and human rights to the quest for peace.

<https://www.facebook.com/wilpfus>



Women’s International League  
for Peace & Freedom US section  
[www.wilpfus.org](http://www.wilpfus.org)

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# WHY IS WILPF US ADVOCATING FOR PUBLIC BANKING?

Why is a women's peace organization working to support public banking efforts around the US? Because economic inequality and corruption lead inevitably to conflict and violence. Economic justice and people-centered economic policy helps support peace.

Big transnational banks are increasingly wielding a huge amount of power and influence in the US and across the planet. They are using deposits the public entrusts to them in the form of savings and investments, including state and corporate pension funds

- to bankroll extractive exploitive industries like mining and fossil fuels.
- to exert control and to influence elected officials to gut regulation and enforcement. threatening democracy and shaping policies that favor the 1 percent.

Our allies in peace activism, environmental activism, gun control, and those working against corruption in government favor public banking as an alternative to huge too-big-to-fail banks, which seek profits for a few, not well-being for all.

Divesting from holding stocks in these huge banks and refusing to maintain accounts at big transnational banks are also effective strategies.

## USE THIS TOOLKIT TO:

### EDUCATE YOURSELF —

Learn about public banking initiatives and how too-big-to-fail transnational banks fund industries which harm people and the planet.

### JOIN THE MOVEMENT FOR PUBLIC BANKING —

Find public banking initiatives in your own states and cities, and begin to work with people building local support for these alternatives to Wall Street banks and their global power.

### START THE DIALOGUE IN YOUR COMMUNITY —

Where there are no local public banking initiatives in your state or city, use these tools and resources to begin this dialogue and start to change the system.

### USE THE MATERIALS AND RESOURCES OF THIS TOOLKIT —

as handouts, conversation-starters, and email attachments.

WILPF US has authored only a small part of this packet.

We are grateful to the authors for their work on this topic and have credited the sources.

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## Section 1- What is Public Banking and why does it matter?

**A public bank is a financial institution owned by and accountable to the people through their representative government (e.g. a municipality, state or country).**

Public banks receive their revenue through mechanisms set by the jurisdictions that run them. They invest, lend, and provide banking services, often at below-market rates and sometimes in partnership with community banks. Their “return on investment” is measured less in financial returns and more in their success in supporting such social goods as affordable housing, neighborhood development, infrastructure, small business development, education, and job creation. In modern economies, it is lending by large commercial banks, rather than actions by the state, that creates the majority of the money supply.

Public banks are a way to democratize the money-creation process and ensure that the process is used for public purposes.

*This definition is courtesy of the NextSystem Project. Read their entire Public Banking statement here: <https://thenextsystem.org/learn/stories/public-banks>*

**When Wikipedia defines ‘Public Banking’ they offer encouraging facts and then a sharp critique from the Federal Reserve System.**

“A **public bank** is a bank, a financial institution, in which a state, municipality, or public actors are the owners. It is an enterprise under government control. Prominent among current public banking models are the Bank of North Dakota, the German public bank system, and many nations’ postal bank systems. Public or ‘state-owned’ banks proliferated globally in the late 19th and early 20th centuries as vital agents of industrialization in capitalist and socialist countries alike; as late as 2012, state banks still owned and controlled up to 25 per cent of total global banking assets. Proponents of public banking argue that policymakers can create public-sector banks to reduce the costs of government services and infrastructure; protect and aid local banks; offer banking services to people and entities underserved by private-sector banking; and promote particular kinds of economic development reflecting polities’ shared notions of social good. The 2015 Addis Ababa Financing for Development Action Agenda noted that public banks should have an important role in achieving the new Sustainable Development Goals. Increasingly, major international financial institutions are recognizing the positive and catalytic role public banks can serve in the coming low carbon climate resilient transition. Further, international NGOs and critical scholars argue that public banks can play a significant role in financing a just and equitable energy transition.”

Wiki notes that **the Federal Reserve does not support the concept of public banking:**

“However, studies conducted by regional Federal Reserve Banks and sponsored by state and local governments have found that a new public bank in the U.S. is unlikely to be viable, and would pose financial risks to states and municipalities. Among the risks that have been cited by critics is the significant amount of startup capital that would be needed to start a public bank, and concerns over political influence, which could lead to corruption, self-dealing and risky lending.”

**These are excuses you will often hear, but they completely dismiss the fact that private banks already Exert significant political influence which has *already* led to corruption, self-dealing and risky lending...with virtually no oversight possible, and little protection for the public.**

## **Private banks are driven by a need for ever-growing profits, not by a public mission.**

The only currently existing public bank in the US, **The Bank of North Dakota** (BND) has provided ample evidence that it is possible to keep public banking securely in the public interest. One caveat is that the boards overseeing public banks must be consistently regulated and monitored to operate in the public interest, without conflicts of interest or private agendas.

Public banking initially garnered public attention during the aftermath of the 2008 global financial crash, when people noticed that the only existing US public bank at the time provided scrupulous protection against the crash.

**This toolkit offers insights and further reading to convince you, and equip you to convince others, that Public Banking can be a solution for creating an economy that works for all of us, not just the wealthy few.**

Writing in **SCREWNOMICS: How Our Economy Works Against Women And Real Ways To Make Lasting Change**, author Rickey Gard Diamond describes our economy as a 'financial-ized' one, where 'bubbles of value' are mostly imaginary financial vehicles that yield very little for ordinary folks, but vast profits for the traders and gamblers on Wall Street.

The discussion of how money is created in our economy, based on a punitive '**debt-money**' model, requires its own separate tool kit. For now, you can delve deeper into currency policy and 'debt-money' and 'artificial scarcity' created by our inequitable money system in the **LEARN MORE** section of this toolkit.

More than just arcane investments, our economy is waged as war by the hyper-masculine Wall Street elite. In **KILLING THE HOST**, author Michael Hudson describes this leaving no question of the intent. "The financial sector has the same objective as military conquest: to gain control of land and basic infrastructure, and collect tribute.... Finance has become war by other means. What formerly took blood and arms is now obtained by debt leverage."

We see the effect of an economy waged as war in historic levels of inequality and income disparity in the United States. In Les Leopold's book **RUNAWAY INEQUALITY**, it's easy to learn the truth about how the ascendancy of the financial sector even stripmines the assets of corporations, eliminating jobs, leaving Americans poorer and less secure than ever... and with a democracy that's being starved.

Rickey Gard Diamond notes that "money that would have been plowed back into maintaining US based corporations a generation ago now gets swept up to CEOs and Wall Street bankers. Leveraged buy-outs help devalue real corporate production". Little gets reported of the kinds of societal upheaval these mergers and acquisitions and layoffs and transfers of whole departments create among families. But it's a story we all know well by now.

*We can "either learn about money and discover and work for alternative ideas, or continue to be invisibly screwed by a system that disadvantages (us) and refuses accountability".*

*- Rickey Gard Diamond,*

*Screwnomics: How Our Economy Works Against Women  
And Real Ways To Make Lasting Change*

## The BND Model for Public Banking

Based on: <https://ellenbrown.com/what-are-public-banks-and-how-do-they-operate-an-introduction/>

**The Bank of North Dakota (BND)** was founded the same year as the Federal Reserve Bank, 1919 while the US was flush with interest payments from loans it had made to European nations to fund their costs for World War I. BND has a massive, captive deposit base, well capitalized because **all of the state's revenues are deposited in the bank by law. Most state agencies also must deposit with the BND.** Although the bank takes some token individual deposits, the vast majority of its deposits come from the state itself. The BND does not compete with local banks for commercial deposits or loans, in fact it strengthens local banks by acting as a local central bank, like the Federal Reserve does for transnational Wall Street banks and privately owned commercial banks. Municipal government deposits generally fund local community banks, which are able to use those funds to back loans because the BND provides letters of credit guaranteeing them.

Originally set up as "North Dakota doing business as the Bank of North Dakota" technically, **all of the assets of the state are assets of the bank**, building a huge capital fund that supports the projects the state and its people want to undertake, along with regular maintenance and day-to-day financing. By the end of 2010, it had capital of \$327 million. It had \$4 billion in assets, of which \$2.8 billion were loans; and it had deposits of \$3 billion.

Unlike private banks, which are legally bound to think first of the quarterly profits of their shareholders, the BND is obligated by its mission statement to serve the community. Like private banks, a publicly owned bank has the ability to create money in the form of bank credit on its books, and it has access to very low interest rates. But the business model of private banks requires them to take advantage of these low rates to extract as much debt service as the market will bear. A public bank can pass these low rates on to residents, and recapture the interest on public projects.

**(In contrast to private banks)** State infrastructure projects are effectively interest-free, since the bank returns interest to the state in the form of an annual dividend. The result is to reduce their cost by an average of 40% over the life of the loan.

The BND's revenues have been a major boost to the state budget. In the first decade of this century, it contributed over \$300 million to state coffers, a substantial sum for a state with a population that is only about one-fifteenth the size of Los Angeles County. **In April 2011, the BND reported annual profits of \$62 million, setting a record for the seventh straight year. These profits belong to the citizens, and they are generated without taxation.** *(note the article on profitability in the LEARN MORE section).*

According to a study by the Center for State Innovation, the BND added nearly as much money to the state's general fund from 2007 to 2009 as oil and gas tax revenues did, **even during the 2008 crash.** Unlike the Federal Reserve, which is not authorized to lend directly to state and local governments except in very limited circumstances, the BND can help directly with local governments funding. When North Dakota went over-budget one year, the BND acted as a rainy-day fund for the state; and when a local town suffered a massive flood, the BND provided emergency credit lines. **Having a cheap and ready credit line with the state's own bank reduces the need for wasteful rainy-day funds invested at minimal interest in out-of-state banks, and the millions in service fees those big banks exact.**



**In 2008, while Wall Street banks were being bailed out by the taxpayers yet drastically cutting back on local lending, the BND was increasing its local lending and showing record profits.** The Bank's loan portfolio has shown a steady, uninterrupted increase in North Dakota lending programs ever since 2006. Every year from the 2008 banking crisis up through 2012, the BND has reported a return on investment of between 17 percent and 26 percent.

The BND also serves the local banks. It acts as a mini-Fed for the state, providing correspondent banking services to virtually every financial institution in North Dakota. It offers a federal funds program that in 2011 provided secured and unsecured federal fund lines to 113 financial institutions, with combined lines of almost \$400 million. The BND also provides check-clearing, cash management and automated clearing house services for local banks.

Local banks are willing to take on more risk when the BND participates in their loans. **Because the BND assists local banks with mortgages and guarantees their loans, local North Dakota banks have been able to keep loans on their books rather than selling their mortgages to investors to meet capital requirements. As a result, they were able to avoid the subprime and securitization debacles.**

By partnering with the BND, local banks can also take on local projects in which Wall Street has no interest, projects that might otherwise go unfunded. The BND participates in loans for building hotels and infrastructure. Due to this amicable partnership, **the North Dakota Bankers' Association endorses the BND as a partner rather than a competitor of the state's private banks.**

**More good news about public banks is that they financially outperform private banks.**

Another article by Ellen Brown shows this comparison clearly.

*Look for the link in our **Learn More** section.*

Brown notes:

“The BND turns a tidy profit year after year because it has substantially lower costs and risks than private commercial banks. It has no exorbitantly-paid executives; pays no bonuses, fees, or commissions; has no private shareholders; and has low borrowing costs. It does not need to advertise for depositors (it has a captive deposit base in the state itself) or for borrowers (it is a wholesome wholesale bank that partners with local banks that have located borrowers). The BND also has no losses from derivative trades gone wrong. It engages in old-fashioned conservative banking and does not speculate in derivatives.”

## LET'S REVIEW

### TEN KEY FACTS OF PUBLIC BANKING from [publicbankinginstitute.org](http://publicbankinginstitute.org)

#### Public Banks:

- 1- Are owned by the people of a state, city, community, or nation;
- 2- Serve as the depository for local government funds (city or state taxes, fees, etc.);
- 3- Are required to benefit the public by serving local community needs;
- 4- Can save state and local governments millions or even billions of dollars, by cutting out middlemen and private shareholders, eliminating fees, and financing projects at lower interest rates;
- 5- Reinvest bank profits into the community, providing a new source of income for cities and states and a source of funding for projects such as infrastructure, renewable energy and affordable housing;
- 6- Are run, not by politicians, but by qualified bankers serving a public mission, on a locally-elected board;
- 7- Provide accountability and transparency to the public for bank decisions, avoiding the risks of Wall Street's speculative gambling;
- 8- Create new jobs and spur economic growth by supporting local small businesses;
- 9- Partner with and support rather than competing with local community banks and credit unions;
- 10- Can lend during times of stress and crisis, helping to sustain a healthy local economy.





**LEARN MORE— Part 1** (*WILPF US is interested in collecting additional resources. Please contact [mbgardam@gmail.com](mailto:mbgardam@gmail.com) with your suggestions for more information we can add to this section.*)

**If You Can Only Absorb ONE resource, watch THIS VIDEO:** Ellen Brown: WHERE IN THE WORLD ARE BANKS PUBLIC? <https://www.youtube.com/watch?v=5H2klRvaXrE>

#### **LINKS/ARTICLES:**

##### **INTRO TO PUBLIC BANKING**

<https://ellenbrown.com/what-are-public-banks-and-how-do-they-operate-an-introduction/>

Scroll down the article to **WHY PUBLIC BANKS OUTPERFORM PRIVATE BANKS**

##### **HOW DIVESTMENT FROM BIG BANKS COULD FUEL PUBLIC BANKING**

<https://www.fastcompany.com/90364616/public-banking-can-finance-the-green-new-deal>

##### **BND ENVIABLE RETURNS ON INVESTMENT**

<https://www.wsj.com/articles/shale-boom-helps-north-dakota-bank-earn-returns-goldman-would-envy-1416180862>

##### **PUBLIC BANKING AND RACIAL WEALTH GAP**

<https://portside.org/2020-07-12/public-banking-can-help-bridge-racial-wealth-gap-post-pandemic-recovery>

##### **HOW PUBLIC BANKING COULD MAKE BLACK LIVES MATTER**

<https://msmagazine.com/2020/07/08/how-public-banking-could-make-black-lives-matter/>

##### **HOME LENDING DISPARITIES IN CHICAGO**

<https://interactive.wbez.org/2020/banking/disparity/>

##### **TRUMP APPOINTEES DENIED TOUGH PENALTIES TO BIG BANKS**

<https://portside.org/2019-08-04/how-trumps-political-appointees-overruled-tougher-settlements-big-banks>

##### **BILL BLACK TESTIMONY TO CONGRESS ON FRAUD**

<https://www.judiciary.senate.gov/imo/media/doc/12-3-7BlackTestimony.pdf>

#### **BOOKS:**

Les Leopold **RUNAWAY INEQUALITY**

Michael Hudson **KILLING THE HOST**

Ellen Brown **PUBLIC BANKING SOLUTION**

Ellen Brown **WEB OF DEBT**

Liaquat Ahamed **LORDS OF FINANCE: THE BANKERS WHO BROKE THE WORLD**

Naomi Klein **SHOCK DOCTRINE**

Rickey Gard Diamond **SCREWNOMICS: How Our Economy Works Against Women And Real Ways To Make Lasting Change**

William K Black **THE BEST WAY TO ROB A BANK IS TO OWN IT: HOW CORPORATE EXECUTIVES AND POLITICIANS LOOTED THE SAVINGS AND LOAN INDUSTRY.**

Virginia Hammond and Mark Pash **HOW WE PAY FOR A BETTER WORLD** (<https://howwepay.us/products/How-We-Pay-for-a-Better-World-p149320935>)

Virginia Hammond **US MONEY-Why We Must Change-How We Can** (downloadable at [www.USHMoney.us](http://www.USHMoney.us))

#### **VIDEOS:**

**Building a Diversified & Sustainable Economy with Public Banking** <https://www.youtube.com/watch?v=b2tcmlkr74o>

##### **Ellen Brown: FUNDING A GREEN NEW DEAL**

<https://www.publicbankinginstitute.org/2020/02/06/video-spotlight-ellen-brown-and-walt-mcree-discuss-a-public-banks-ability-to-fund-a-green-new-deal/>

**Bill Black: ROBBING THE BANK** <https://www.c-span.org/video/?182197-1/the-rob-bank-one>

**Bill Black: ON THE FACTS OF THE 2008 CRASH** [https://www.youtube.com/watch?v=sA\\_MkJB84VA](https://www.youtube.com/watch?v=sA_MkJB84VA)

##### **HOW WE PAY, Just Money Alliance. (20 min)**

<https://howwepay.us/blog/videos/2020/07/15/a-solution-to-the-crisis-just-money-now/>

## Part 2— What are the advantages of Public Banking for the Planet?

The human costs of Climate Change which degrade the common wealth of our planet (water, air, forests, food, oceans, wild places, etc.) demand accountability for corporations and transnational banks. The indigenous peoples of the United States have played a leadership role in both calling out the perpetrators and organizing effective activist responses.

Among the strategies they are promoting is public banking as an alternative to the huge Transnational banks that enrich themselves at the human and financial expense of the 99%, and most especially of America's indigenous environmentalists.

In 2016, indigenous activists in Seattle reached out to the City Council to ask them to end their business relationship with Wells Fargo, a major bankroller of the Dakota Access Pipeline that was planned to cross tribal and sacred lands. The tribes had been warning of the catastrophic damage a spill along the pipeline could do to these lands. Subsequently they organized many months of protests by “water protectors” who put their bodies between the oil industry and vulnerable land and water. But their part of their initial strategy was to end the banking relationship between Seattle and Wells Fargo.

This article (use link) by Matt Remle, posted on [www.LastRealIndians.com](http://www.LastRealIndians.com) describes the strategy:

We were in the final stages of getting the city to pass a [resolution opposing the Dakota Access pipeline](#), and while expressed opposition to the pipeline was needed, it was clear that Energy Transfer Partners and their collaborators in the local, state, and federal governments were not easing their pursuit to build it. New strategies were needed.

Using the resolution, we would launch a multi month campaign targeting one of the financial backers of DAPL, Wells Fargo.

Throughout the campaign, our messaging to both city leaders and the general public was simple, if you oppose the construction of the Dakota Access pipeline and are against treaty rights violations, then don't let your money pay for the pipelines construction nor towards the on-going human and treaty rights abuses and violations.

In [February 2017](#), we would win our campaign and succeeded to get the city to pass an ordinance to end its relationship with Wells Fargo and to agree to not take future bids on city contracts from banks that give loans to fossil fuel projects, private prisons, Tar Sands pipelines and other energy intensive projects.

Our organizing did not stop with Seattle and a core group of us re-branded our Seattle efforts under the banner of [Mazaska Talks](#), Mazaska translating to white metal/money in Lakota, and have since worked on numerous [divestment and reinvestment campaigns](#).

The messaging though has remained the same, if you oppose projects like DAPL, [Tar Sands pipelines](#), private prisons, immigrant detention centers, Wall Street capitalist or are in support of other movements for social, economic and/or environmental justice, then ensure that your money, your Tribe's money, your city's money and so on isn't financing the very issues you are organizing against.

It is, of course, counter-intuitive to engage in organizing campaigns or litigation on such projects while continuing to have a banking relationship with the very banks financing the projects you oppose.

It is important to understand that these extractive mining and pipeline companies and corporations need loans and/or credit, typically from numerous banks, to finance their projects. It is equally important to understand that these Wall Street banks are driven by the profit motive, period.

Our moral, environmental, social and economic justice pleas to the heads of these banks and shareholders simply will not compel them to stop giving money to these corporations. It is therefore imperative that we ensure that our money does not go to these banks. Divestment.

Read the rest of the article here:

<https://lastrealindians.com/news/2020/2/27/wall-street-funding-the-destruction-of-earth-and-your-social-justice-non-profit-matt-remle>

When indigenous environmentalists identify public banking and divestment as strategies that can protect the planet, it's best to look at the documentation for exactly how deep the roots are that connect extractive mining, for instance, with profiteering private banks. Another indigenous activist website demonstrates that convincingly. The chart below, and on the next page, can be found at <https://mazaskatalks.org/thebanks#banks>. The image predates 2017, but you get the idea.

## **BANKS FINANCING INDIGENOUS RIGHTS VIOLATIONS & DESECRATION OF OUR EARTH**

ABN Amro Capital

Alberta Treasury Branches

Banca IMI

Banco Bilbao Vizcaya Argentina

Bank Hapoalim B.M

**Bank of America/Merrill Lynch**

Bank of China

Bank of Hawaii

**Bank of Montreal**

**Bank of Nova Scotia/Scotiabank**

Bank of Taiwan

**Bank of Tokyo Mitsubishi UFJ**

**Barclays**

Bayerische Landesbank

BBVA Compass

Branch Banking & Trust Company

Caisse centrale desjardins

**Canadian Imperial Bank**

**Citibank**

Citizens Bank

China Construction Bank Corp

China Merchants Bank Co Ltd

Comerica Bank

Community Trust

**Credit Agricole**

**Credit Suisse**

**Deutsche Bank**

DNB Capital/ASA

E Sun Commercial Bank

Export Development Canada

Fifth Third Bank (Ohio)

First Commercial Bank Canada

Goldman Sachs

HSBC Bank

Hua Nan Commercial Bank

Huntington National Bank

Industrial and Commercial Bank of China

ING Bank

Intesa Sanpaolo

JP Morgan Chase

Loop Capital Markets

Mega International Commercial

**Mizuho Bank**

**Morgan Stanley**

National Bank of Canada

Natixis

PNC Bank

Regions Bank

**Royal Bank of Canada**

Royal Bank of Scotland

Societe Generale

State Bank of India

**Sumitomo Mitsui Bank**

SunTrust (now Truist)

Taiwan Cooperative Bank

**Toronto Dominion (TD)**

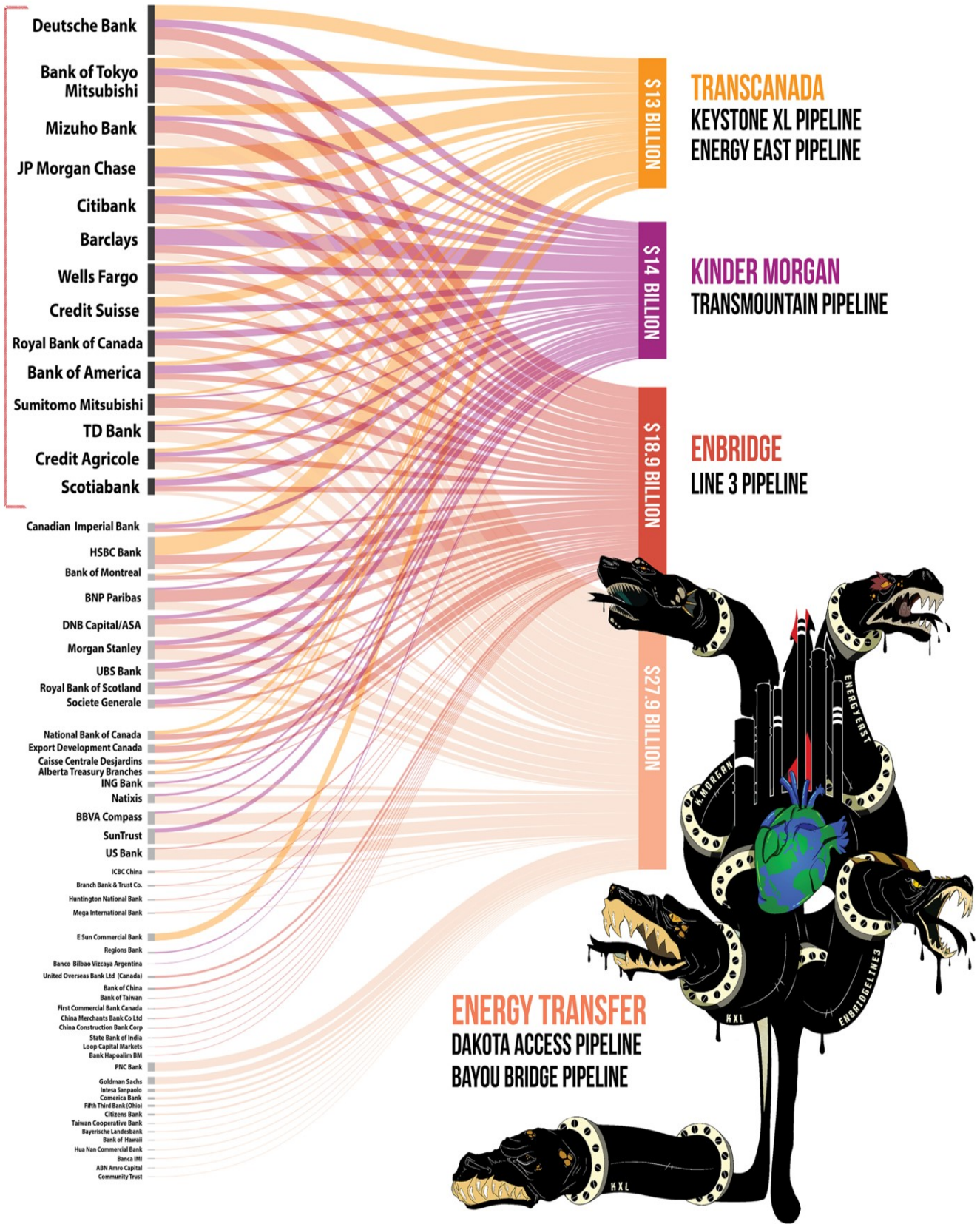
UBS

United Overseas Bank Limited (Canada)

US Bank

**Wells Fargo**

Fund all four pipeline companies



Estimates of total liquidity provided by financial institutions to TransCanada, Kinder Morgan, Enbridge and Energy Transfer. As of May 2017, a review of corporate filings with the U.S. Securities and Exchange Commission, held up against finance industry databases, identified 28 credit facility and loan agreements totaling \$41.5 billion in general corporate financing. Of the 28 lending agreements, half lack disclosure of individual bank commitments so equal distribution is assumed for the sake of illustration. Also included are underwriting commitments from January 1, 2014 through May 2017, altogether totaling another \$32 billion in financing.



## So how could public banking fund the climate solutions and environmental sustainability that activists want to see?

A February 2020 video interview with Ellen Brown, Chair of the Public Banking Institute answers some of the questions. Find it here:

<https://www.publicbankinginstitute.org/2020/02/06/video-spotlight-ellen-brown-and-walt-mcree-discuss-a-public-banks-ability-to-fund-a-green-new-deal/>

**It's possible that the Green New Deal could be funded adequately through public banking measures** that make the Federal Reserve a part of government (as most Americans THINK it already is, *but it's not*) and then use the Fed to fund the changes that people want to see. Doing so would not inflate consumer prices (raise inflation).

**Public banking is actually included in Alexandria Ocasio-Cortez's proposal for a Green New Deal.**

While there is a lot of controversy about the options for HOW we will transition to a sustainable economy, with many projects and paths up for discussion, many agree that public banking can play an important role in funding those plans.

New green energy plans could be funded by the Fed issuing money through a version of quantitative easing that marks a true public partnership, similar to the way the central bank of Japan operates. The government decides on a particular project they want to fund in the public interest, then they turn to the central bank which is also part of the government, to ask them to lend money to the project by issuing bonds that finance the project. The central bank issues the bonds that hold the interest, rolling over the principal, and returns the interest payments to the government treasury to offset the debt created by the loan.

**To accomplish this goal in America we'd have to make the Federal Reserve a governmental central bank, not a separate and independent private bank.**

In this way the projects and plans the people want (education investment, roads and transportation projects, healthcare reform, energy projects, etc.) could be funded by public money. The common good would be the goal, not private profits. As Ellen Brown explains in the video, rising interest rates cause debt to rise, but the principal on loans never gets paid down. We pay interest on government debt in our taxes, and we pay it ahead of any investment in public services or projects, like education, roads, or sustainable energy. As long as the Federal Reserve remains private, all those taxes that pay down government debt through interest payments go to enrich private pockets — the owners and CEOs of those big transnational banks — and the principal never gets paid down to reduce the debt or invested in the projects the people really want. Hence we are always told we can't afford to do the expensive projects that sustain the planet, lift up people, or invest in our infrastructure. *(see the link in the LEARN MORE section for more info about 'debt-money' creation, and currency reform.)*

***Imagine if we the people could prioritize projects we really WANT, and have a central national bank fund those projects, without creating more debt. To have the central bank serve the people, instead of the other way around. That's part of the promise of public banking.***

Our national debt has real implications for ordinary families. Michael Hudson writes about the “parasitical nature of private finance” as it relates to both national debt and the crushing debt families experience in rising interest rates on mortgages, student loans, and small business loans. See Part 3 for more.

**LEARN MORE — Part 2** (WILPF US is interested in collecting additional resources. Please contact [mbgardam@gmail.com](mailto:mbgardam@gmail.com) with your suggestions for more information we can add to this section.)

## ARTICLES/LINKS

### How Wall Street Funds Environmental Destruction

<https://lastrealindians.com/news/2020/2/27/wall-street-funding-the-destruction-of-earth-and-your-social-justice-non-profit-matt-remle>

<https://medium.com/wedonthavetime/how-your-investments-could-be-damaging-the-planet-or-help-saving-it-f931dda64055>

<https://www.sierraclub.org/press-releases/2019/10/report-finds-global-banks-poured-19-trillion-fossil-fuel-financing-paris>

<https://www.forbes.com/sites/morgansimon/2019/04/22/climate-devastation-is-big-business-for-big-banks/?sh=4e42a5d2567d>

<https://www.theguardian.com/environment/2020/mar/18/global-banks-climate-crisis-finance-fossil-fuels>

<https://www.globalwitness.org/en/campaigns/forests/money-to-burn-how-iconic-banks-and-investors-fund-the-destruction-of-the-worlds-largest-rainforests/>

<https://www.ethicalconsumer.org/money-finance/banks-climate-change-environmental-crisis>

**The Banks Investing In Destruction of the Planet** <https://mazaskatalks.org/thebanks#banks>

**Indigenous Campaign to Divest from Big Banks** <https://mazaskatalks.org/divesttheglobe/>

### Earth Friendly Banking Options

<https://mightydeposits.com/posts/environmentally-friendly-banks>

<https://www.outsideonline.com/2415844/green-banking>

## BOOKS

Les Leopold **RUNAWAY INEQUALITY**

Michael Hudson **KILLING THE HOST**

Ellen Brown **PUBLIC BANKING SOLUTION**

Ellen Brown **WEB OF DEBT**

Liaquat Ahamed **LORDS OF FINANCE: THE BANKERS WHO BROKE THE WORLD**

Naomi Klein **SHOCK DOCTRINE**

Rickey Gard Diamond **SCREWNOMICS: How Our Economy Works Against Women And Real Ways To Make Lasting Change**

William K Black **THE BEST WAY TO ROB A BANK IS TO OWN IT: HOW CORPORATE EXECUTIVES AND POLITICIANS LOOTED THE SAVINGS AND LOAN INDUSTRY.**

## VIDEOS

<https://www.publicbankinginstitute.org/2020/02/06/video-spotlight-ellen-brown-and-walt-mcree-discuss-a-public-banks-ability-to-fund-a-green-new-deal/>

**Boise Idaho Divests from Big Banks** <https://www.youtube.com/watch?v=FQKBGQAvX6M>

**Occupy Wall Street: Move Your Money—Bank Transfer Day** (2011)<https://www.youtube.com/watch?>

**Gainesville Florida Commissioners Discuss Divesting from Big Banks** <https://www.youtube.com/watch?v=4CBPvxebihY>



### Part 3—

## What are the advantages of Public Banking for Women and Families?

“Trickle Down” myths, race, mortgages, interest, debt student loans & small businesses.

According to Rickey Gard Diamond, author of **SCREWNOMICS: How Our Economy Works Against Women and Real Ways to Make Lasting Change**, ([www.Screwnomics.org](http://www.Screwnomics.org)) women have historically been disadvantaged by a male-dominated economic system that made her reproductive powers the first property, given by fathers to husbands, and made her invisible by common law, unable to inherit property, attend university, or vote. ...Not so long ago.

She writes: “Around the world women and their children remain the poorest of the poor, the most vulnerable, and the least noteworthy to most economists.” In her book she personalizes the story of economics and capitalism by telling her own story of trying to raise three children alone. “... by the 1980s, Lyndon Johnson’s anti-poverty programs were under attack by our new president, Ronald Reagan. Every year his proposed budget zeroed out funding to empower and organize the poor, substituting surplus cheese handouts for food stamps and legal aid, and installing a school lunch program that counted ketchup as a vegetable.”

“**Starving the beast**” and “**trickle down economics**” of David Stockman and Reagan reduced the size of government, but the population wasn’t shrinking. Neither were the needs of the poor, especially as bank fraud and Wall Street gambling created mini and maxi crashes and recessions, hiring freezes and stagnant employment. All that translates to hard times for many Americans. And among them women, especially women of color, fare much worse. Along with wage and services obstacles, there were legal obstacles too. Until 1974, women couldn’t open a bank account, obtain a credit card or obtain a loan without a man co-signing.

Diamond reminds us that “**All that needed to happen to plummet a woman into poverty was for her man — father or husband — to lose a job, get sick, die or disappear.** Meanwhile family household expenses like gas and food kept increasing, and inflation, which shrank the dollar’s ability to purchase goods, was in the news...and prices for commodities, for the stuff we need, keep on inflating faster than the rest of the economy, especially our wages.”

All those factors set economic traps for women and families long before the Wall Street gambling and fraud resulted in the major crash in 2008, causing foreclosures, homelessness, job layoffs, hunger and rising poverty. Women NEED their own economy, one that works for everyone.

Lifting up the women at the lowest rung is where we need to start, and **public banking can help.**

Two of the biggest traps for women and families are student loans and obstacles to small business loans. Public banking offers alternatives that can resolve both.

Education has long been recognized as the most important factor in lifting people out of poverty and creating equitable career paths. But the rigged economic system has unnecessarily made education a risky business for students. An article in DEMOS addresses the risky situation for students, and the potential. <https://www.demos.org/policy-briefs/how-state-banks-can-reduce-student-debt>

As states have slashed higher education budgets, public colleges and universities have shifted costs to students and their families. Between 1990 and 2012, tuition at public four-year institutions increased by 112.5 percent.<sup>3</sup> During this period, however, wages remained stagnant, making it impossible for students and their families to bear these additional costs. Consequently, they have nowhere to turn but student loans. Increasingly, they are taking on loans offered by large financial institutions that have entered this market much as Wall Street banks turned to mortgage-backed securities.

While the initial 2020 Covid19 relief package included some relief for students with government loans, students with loans from private financial lenders were just out of luck. No loan forbearance for them. But the Demos article goes on to say:

Addressing the student debt problem will require providing relief to existing borrowers and, over the longer-term, returning public higher education to a debt-free system. To achieve these goals, it will be vital for states and the federal government to provide new resources for funding higher education and focus existing resources to ensure affordability for working and middle class students.

State banks could be an important part of the solution by providing low-cost alternatives to onerous private student loans, extending relief to existing borrowers through refinancing, and by generating revenue for the state—revenue that could, in turn, be reinvested in higher education.

### **WHAT ABOUT SMALL BUSINESSES?**

In terms of small businesses, public banks could expand available credit, making loans that the big bad banks don't usually want to make. Because of regulations, big banks don't have the incentive to extend credit on small loans. The costs to private banks for servicing a multi-million dollar loan are about the same as servicing a small \$50,000 loan... but they make a lot more money on the larger loans in fees. Public banks wouldn't compete with local banks... they would just make it easier for local small businesses to access local investment.

An example of the way big banks disadvantage small businesses is the way they extend credit. Used to be that a small businessman could operate using a business line of credit at 8% interest. Recently the big banks have refused to extend lines of credit to small companies, instead forcing owners to purchase supplies they need using credit cards, with interest rates that can be as high as 17%, essentially doubling their debt. But state (public) banks could act as a local 'federal reserve' bank and allow local banks to make more small business loans at credit rates of around 3%, making it easier for small businesses to operate and grow. In North Dakota, even during the 2008 crash, credit never dried up because the state bank acted as the local 'fed' for local banks.

**THE COLOR OF MONEY** author Mehrsa Baradaran explains this very well:

<https://medium.com/economyofourown/how-public-banking-could-make-black-lives-matter-ebb81b50ed64>

“In 1863”, Baradaran writes, “the Black community owned a total of 0.5 percent of the total wealth in the United States—not surprising, since slaves were forbidden to own anything, and few freed blacks in the North had accumulated wealth.

*“But what’s staggering is that more than 150 years later, the number has barely budged—Blacks still own only about 1 percent of the wealth in the United States.”*

A mother of three, Mehrsa told *Ms. Magazine* in 2020: “The way I was raised, everyone’s kid is your kid. If other people’s kids are being harmed, we all are—whether we have our own kids or not—have a duty to protect those kids. Women can make a lot of change.”

Real change would empower our public money to bank on black lives.

**Home ownership was the way out of poverty for returning veterans and their families after WWII, unless they were people of color. Public banking can help address inequality in practical even handed ways.**

**A recent article in the online journal PORTSIDE covers race and public banking well.**

<https://portside.org/2020-07-12/public-banking-can-help-bridge-racial-wealth-gap-post-pandemic-recovery>. Here’s an excerpt:

Banks create money by using deposits to create new loans, and the loans create new deposits, and the cycle continues. The loans take form in mortgages, commercial paper, and government financing. The decision to extend or deny credit is an act of public policy. Credit flows impact tax revenues, population shifts, and even the climate. And so we ask: Does it make sense to privatize so much public policymaking power to private banks? Critics of public banking point to the Community Reinvestment Act, low-income housing tax credits, bank philanthropy, and opportunity zones as the most appropriate channels to invest in communities. The problem with these market-based tools is that they give banks the decision-making power on what and where to invest. Most banks do the bare minimum and often their investments or philanthropy are dwarfed by their business practices. For example, [a recent WBEZ and City Bureau analysis](#) (in Chicago) found that between 2012 and 2018, banks lent out \$57 billion for home purchases. Sixty-eight percent of the mortgages were in majority-white communities, while majority-Black communities got just 8% and majority-Latinx communities got just 8.7%. In other words, Black depositors financed the purchases of white homebuyers, an outflow of capital that can be likened to financing the racial wealth gap.

We have plenty of hard work ahead of us to reverse the racial wealth gap in the post-pandemic economy. **Here are some innovative ideas that are financeable through public banking:**

**‘Baby’ bonds.** The state and city create [investment accounts for newborns and let compound interest do the rest](#). This nest egg would be made available to the child at age 18 that can be used to attend post-secondary training, start a business, or buy a home.

While there are federal baby bond proposals, Springfield and Chicago, Illinois can seed accounts locally by in-sourcing state and city investment portfolios (including pensions) to public banks, saving hundreds of millions in fees. Just the savings in fees can finance a baby bond program that creates a real nest egg that can help close the racial wealth gap.

- **Affordable mortgages** have access to the Federal Reserve, opening up access to the same cheap money big banks can utilize. This access can help a public bank lend to prospective Black and Brown homeowners with non-predatory rates.
- **Access to capital:** [Just 1% of American venture capital-backed founders are Black.](#) This is racist, and our state and cities are losing out on new job creation and economic output. Public banks can ensure startup, growth, and acquisition capital is available to entrepreneurs in Black and Latinx communities.
- **Worker cooperatives:** There are thousands of light industrial and manufacturing firms owned by soon-to-be retiring baby boomers. Public banks can make acquisition capital available to worker cooperatives to purchase these businesses.
- **Cannabis and reparative policies:** The [Illinois recreational cannabis industry](#) is projected to grow [into a \\$2 billion industry](#). A public bank can provide cannabis business revenue safe harbor while using the deposits to advance reparative investments in communities harmed by the war on drugs.

These are just a few proposals to help drive a racially just economy post-COVID-19. Each one of these ideas has the potential to solve social problems and create returns for local stakeholders (women and families). By using public money to create money locally, public banks can reverse decades of racist disinvestment. But this toolkit is about public banking, which offers the most local state-by-state solutions at a time when getting anything accomplished federally is especially challenging.

***Imagine the innovations that are possible  
when we start to think more creatively about reforms that could  
empower the people's money to work for the people.***

## LEARN MORE—Part 3

(WILPF US is interested in collecting additional resources. Please contact [mbgardam@gmail.com](mailto:mbgardam@gmail.com) with your suggestions for more information we can add to this section.)

### LINKS/ARTICLES:

**WHERE BANKS DON'T LEND** article <https://interactive.wbez.org/2020/banking/disparity/making-black-lives-better>  
**MAKING BLACK LIVES BETTER** <https://medium.com/economyofourown/how-public-banking-could-make-black-lives-matter-ebb81b50ed64>

### PUBLIC BANKING AND RACIAL WEALTH GAP

<https://portside.org/2020-07-12/public-banking-can-help-bridge-racial-wealth-gap-post-pandemic-recovery>

### PUBLIC BANKING ADDRESSES STUDENT DEBT

<https://www.demos.org/policy-briefs/how-state-banks-can-reduce-student-debt>

### BOOKS:

Mehrsa Baradaran **THE COLOR OF MONEY**

Les Leopold **RUNAWAY INEQUALITY**

Michael Hudson **KILLING THE HOST**

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William K Black **THE BEST WAY TO ROB A BANK IS TO OWN IT: HOW CORPORATE EXECUTIVES AND POLITICIANS LOOTED THE SAVINGS AND LOAN INDUSTRY.**

### VIDEOS:

#### THE CON Documentary Series:

<https://www.facebook.com/TheConSeries/videos/302561187531836/?v=302561187531836>

**How Home Ownership, as a means of generational wealth, was denied African Americans after WWII.**

[https://www.youtube.com/watch?v=mW764dXEI\\_8&t=14s](https://www.youtube.com/watch?v=mW764dXEI_8&t=14s)

**People-Centered Advantages of a Public Bank** <https://www.youtube.com/watch?v=xZhsxQ6Kb2E>

## **Part 4— What are the advantages of Public Banking for Home Financing?**

The banking crash of 2008 sent foreclosures throughout nearly every neighborhood in America, with families losing their homes, equity and economic security for decades. Those foreclosures devalued whole neighborhoods and affected property values in residential and commercial areas. Losses forced businesses to close or retrench, leaving vacancies in store fronts on Main Street and office buildings across the country. With losses that reverberated across the world, over a decade later the economy is just beginning to normalize but is now even more vulnerable with the economic fallout of the global pandemic.

The winners were the very wealthy disaster capitalists and speculators who picked up foreclosed properties on the cheap, gentrified prime parts of cities and displaced families in a huge transfer of property and wealth from the middle class to the 1%. Most heinous was the practice of subprime mortgage bundling processes that targeted black and brown families, seniors and the most financially vulnerable.

Explaining the subprime mortgage collapse isn't easy. There are good resources at the end of this section that break down the details into human terms, and go beyond the usual jargon.

It's worth noting that experts had been warning of the house of cards that the bully boys of Wall Street finance were building. The profits of hedge fund managers and transnational bank executives have fueled political influence that continues to erode public protections from Wall Street gambling and vulture capitalists.

The 2008 crash was followed by a stupendous bank bail out that we the people financed, negotiated in male-dominated back rooms. A series of good old boy handshakes transferred public money to private pockets in a huge transfer of wealth from the less privileged classes to the 1%.

### **Can Public Banking protect the public from these crash and burn gambles and Wall Street profiteering?**

As demonstrated by the protections offered during the crash by the Bank of North Dakota, the answer is a resounding "yes"!

During the 2008 crash and its economic ripples over the next several years, North Dakota was the only US state to maintain a continuous budget surplus, while other states suffered near bankruptcy and forty-eight of the 50 states suffered budget shortfalls. The Bank of North Dakota created stability and insulation from the Wall Street risk-takers by stepping into the secondary mortgage market, so North Dakota mortgagees did not have to turn to transnational outsiders for credit.

As explained by author Rickey Gard Diamond,

Bank of North Dakota "bought and serviced mortgages in state, avoiding the mess that nearly sank Wall Street's financial system and so many state budgets. Servicing those loans means more local jobs and more money circulating locally instead of being siphoned off to banks leveraging more risky global deals.



“Banking experts operate the BND, but their salaries and overhead remain local and earth-bound. Same as other banks, the BND’s profits benefit its stockholders, but in their case these happen to be the united people of North Dakota...

“Most states deposit state funds with super large banks judged big enough to risk a state’s enormous deposits, which, remember, represent a bank liability. But since 2008 it seems fair to ask your public officials: What exactly makes you think Wall Street can better handle this risk?

A related question is: What amount does your city or state pay to their big banks for services (and fees)?”

Researchers have found that even in an era of huge bank profits, the service fees being paid by cities, counties and states to Wall Street banks can be unjustifiably high, compared to what state banks would charge to service the same investments. See our resources at the end of this section for how to check on the amount your city and state are paying in fees to transnational banks.

The Public Banking Institute offers this description of the benefits of public banking, envisioning what’s possible.

With city and state-owned banks, we cut out Wall Street middlemen. Our community’s cash stays home to benefit us! Bank fees are eliminated, interest costs drop, and public bank profits are reinvested into our communities.

Public banks can help us create the communities we want. We want parks, good roads, safe bridges, clean energy, and housing we can afford. We want lower interest rates for local small business loans, local control of our tax dollars, investment in our local communities, and ethical and transparent financial institutions managing our public funds.

**Public banks can be the financial engine that makes this happen for our communities.**

## LEARN MORE—Part 4

(WILPF US is interested in collecting additional resources. Please contact [mbgardam@gmail.com](mailto:mbgardam@gmail.com) with your suggestions for more information we can add to this section.)

### LINKS/ARTICLES:

#### **NORTH DAKOTA WAS EXCEPTION IN 2008**

<https://www.minnpost.com/politics-policy/2008/05/heres-how-dakotas-avoided-foreclosure-crisis/>

**WHERE BANKS DON'T LEND** article <https://interactive.wbez.org/2020/banking/disparity/>

**MAKING BLACK LIVES BETTER** <https://medium.com/economyofourown/how-public-banking-could-make-black-lives-matter-ebb81b50ed64>

#### **PUBLIC BANKING ADDRESSES STUDENT DEBT**

<https://www.demos.org/policy-briefs/how-state-banks-can-reduce-student-debt>

### BOOKS:

Mehrsa Baradaran **THE COLOR OF MONEY**

Les Leopold **RUNAWAY INEQUALITY**

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### VIDEOS:

#### **THE CON Documentary Series:**

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**How Home Ownership, as a means of generational wealth, was denied African Americans after WWII.**

[https://www.youtube.com/watch?v=mW764dXEI\\_8&t=14s](https://www.youtube.com/watch?v=mW764dXEI_8&t=14s)

**People-Centered Advantages of a Public Bank** <https://www.youtube.com/watch?v=xZhsxQ6Kb2E>

### LINKS:

***How much is your state giving away to big banks? Money that could be used for human needs!***

**Find out how much your city and state pay in fees to transnational banks.**

Google the **Comprehensive Annual Financial Report (CAFR) 2020(or most recent year) for your state.**

**The CAFR is** a uniform accounting system required by the US federal government for cities and states.

By law, CAFRs are available to any citizen, part of the public record.

*(As an example, in Arizona in 2014, \$312 million was paid to Wall Street banks for interest payments alone. That same year the public education system was underfunded by exactly \$300 million.)*

## **Advantages of Public Banking for Communities and Local Investment**

### **What are the ingredients that make a community a good place to live?**

When citizens and neighbors are asked to list those ingredients, they tend to agree on the list:

- Safe, affordable housing.
- Good schools and educational opportunities.
- Good jobs with a living wage and stable benefits.
- Clean air and safe water.
- Access to quality affordable healthcare.
- Local support for local projects.
- A representative democracy where our voices can be heard that makes policies and laws that are in the common interest.
- Equal justice and opportunity for all community members
- A mix of social and recreational opportunities that preference locally owned small businesses.
- Good transportation.
- Wild spaces and parks where people can connect with nature in a safe environment.
- Enough time to enjoy the community, including time to volunteer with church, civic clubs and schools.
- An economic system that allows people to choose to be stay-at-home parents and still be able to afford a basic home and a rewarding quality of life.
- Basic safety and human rights that keep the peace through relationship-building and creating cooperative networks of support.
- Keeping space for the arts and enabling beauty in home, workplace and neighborhoods.
- Protections that spring from centralized services and protective regulations that benefit the common good... libraries, community gardens, safe food, workplace safety, sustainable energy, and an equitable economic playing field.

**And yet when we ask for these things that make life worth living, we are inevitably told that we can't afford these things.** The financiers, politicians and profiteers all require tribute to be paid that supports a huge military budget to protect a 'global trade' that promises much more than it delivers.

We're told by the defenders of the existing system that only the Big Banks and the Federal Reserve are smart enough and strong enough to protect us from corruption and misuse of funds. But their track record leaves a lot to be desired. We can make public banks accountable to we the people, and make sure that politicians can't get their hands on the investments we make in each other.

Public banking can't guarantee everything on our wishlist.

But it can begin to prioritize the projects and values that we the people say are important.

It can direct local investment to local projects.

It can protect us from the profiteering that dehumanizes and devalues human beings in favor of corporate persons, and steals the Constitutional rights that were intended for human persons.

It can lead us towards a process of participatory budgeting that puts the people back in charge of their democracy.

**It can help us redesign a new more equitable economy  
where the 'American Dream' is still possible.**

## LEARN MORE—Part 5

(WILPF US is interested in collecting additional resources. Please contact [mbgardam@gmail.com](mailto:mbgardam@gmail.com) with your suggestions for more information we can add to this section.)

### LINKS/ARTICLES

#### The Ingredients Required for an Equitable Economic Recovery

<https://www.demos.org/blog/three-principles-equitable-recovery>

#### What a community cooperative collaboration might look like (example Tanzania),

<https://thenextsystem.org/learn/stories/building-community-wealth-globally-kigoma-preston-collaboration>

### BOOKS:

Mehrsa Baradaran **THE COLOR OF MONEY**

Les Leopold **RUNAWAY INEQUALITY**

Michael Hudson **KILLING THE HOST**

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William K Black **THE BEST WAY TO ROB A BANK IS TO OWN IT: HOW CORPORATE EXECUTIVES AND POLITICIANS LOOTED THE SAVINGS AND LOAN INDUSTRY.**

### VIDEOS

**How To Start A Public Bank—Step by Step Guide** <https://www.youtube.com/watch?v=DfTCihHtYLc>

**A Public Bank for Public Good!** <https://www.youtube.com/watch?v=eQiUpXMYyG0>

#### **Building a Diversified & Sustainable Economy with Public Banking**

<https://www.youtube.com/watch?v=b2tcmlkr74o>

## Part 6 - APPENDIX I

### Fact Sheets, Talking Points, Additional Articles, Handouts, Sample Resolutions

*What still could be added: Sample Letters To The Editor, Strategies for Media, list of Allies.*

- **Why Credit Unions and Savings & Loans support Public Banking.**
  - **Why Public Banks Outperform Private Banks:  
Unfair Competition or a Better Mousetrap?**
- **Where are Public Banking initiatives already underway in the US?**
  - **TEN TIPS for Advocates and Public Banking Institute Links**
    - ⇒ **Legislation By State**
    - ⇒ **PBI Advocacy Kit**
    - ⇒ **How to start a State Bank**
    - ⇒ **State Banking Legislative Guide**
  - ⇒ **Brochures and Handouts from Public Banking Institute.**
    - **Most Frequently Asked Questions**
  - **Public Banks' Community Investment—Talking Points**
    - **Public Banking Benefits At A Glance**
  - **SAMPLE RESOLUTIONS**
    - ⇒ **Model Resolution**
    - ⇒ **Executive Summary—Agenda Item Submission**
  - ⇒ **Local California Progress and press coverage with contacts.**

*If others have items to suggest for addition, please contact Marybeth.*

## **Why Credit Unions and Savings & Loans support Public Banking.**

You'd think that a public bank would compete with locally owned small banks, savings and loan associations and credit unions. Instead, public banks operate as a sort of banker's bank, helping these smaller local banks be more successful. The Bank of North Dakota, for instance, works in partnership with over one hundred local banks and credit unions, allowing them to make larger secure loans than they'd be able to do otherwise.

The public bank would act as a sort of state version of the Federal Reserve, making loans to the smaller banks and helping them expand credit/loans to all the customers that are often considered too small for a large bank loan. Those big banks have the same costs for servicing a \$20,000 loan or a \$200,000 loan as they would a \$10 million loan. And they make more money off the larger loans. With no real investment in the community, they have little incentive to meet the needs of small businesses and local families.

Small business owners, especially those owned by women or people of color, would find it easier to get small loans if their state had a public bank backing up their local banks. Farmers would find local financing for their equipment and supply needs. Home financing would be handled through locally owned, community banks. Student loans could be made at affordable low interest rates.

Best of all the public bank would mean that local investment benefits the state where those savings and investments originate, and can fund projects that the people of the state want: roads, infrastructure, public transportation, the arts, public education, local food production and distribution... whatever the people determine is the most important and urgent.

Cities that own their own water and/or energy utilities, but are having a hard time capitalizing modernization of their infrastructure, wouldn't be forced to sell out to a big transnational water company or energy corporations. They could finance local improvements without raising rates dramatically. Climate disasters that bring destruction from floods, fires, mudslides could all be addressed through local recovery funds, not disaster capitalism that turns to non-local real estate developers and gentrified communities that displace the long time residents.

And there's tax relief too! Over the last two decades or so, the BND has made nearly \$1 billion in profits and contributed more than \$400 million to North Dakota's state revenue. That's a sizeable amount for a state with only seven hundred thousand people. The Institute for Local Self-Reliance (ILSR) estimates \$4,400 per household over that period has gone into the state's budget, reducing their taxes by that much.

Local banks and credit unions thrive with a state/public bank. They are six times more plentiful in North Dakota than the national average and they control 83 percent of deposits in the state, not the average of 29 percent they control in other states.



## Why Public Banks Outperform Private Banks: Unfair Competition or a Better Mousetrap?

February 10, 2015

Ellen Brown, Public Banking Institute

*Public banks in North Dakota, Germany and Switzerland have  
been shown to outperform their private counterparts.*

In November 2014, [the Wall Street Journal reported](#) that the Bank of North Dakota, the nation's only state-owned bank, "is more profitable than Goldman Sachs Group Inc., has a better credit rating than J.P. Morgan Chase & Co. and hasn't seen profit growth drop since 2003." The article credited the shale oil boom; but [North Dakota was already reporting record profits](#) in the spring of 2009, when every other state was in the red and the oil boom had not yet hit. The later increase in state deposits cannot explain the bank's stellar record either.

Then what does explain it? The BND turns a tidy profit year after year because it has substantially lower costs and risks than private commercial banks. It has no exorbitantly-paid executives; pays no bonuses, fees, or commissions; has no private shareholders; and has low borrowing costs. It does not need to advertise for depositors (it has a captive deposit base in the state itself) or for borrowers (it is a wholesome wholesale bank that partners with local banks that have located borrowers). The BND also has no losses from derivative trades gone wrong. It engages in old-fashioned conservative banking and does not speculate in derivatives.

Public sector banks have been particularly successful in Germany, where they dominate the local banking scene. Like the BND, these local savings banks or Sparkassen actually outperform the private banking sector while serving the public interest. This was confirmed in a January 2015 report by [the Savings Banks Foundation for International Cooperation \(SBFIC\)](#) (the Sparkassenstiftung für internationale Kooperation), a non-profit organization founded by the the Sparkassen Finance Group (Sparkassen-Finanzgruppe) in Germany. The SBFIC was formed in 1992 to make the experience of the German Sparkassen – municipally-owned savings banks – accessible in other countries.

The Sparkassen were instituted in the late 18<sup>th</sup> century as nonprofit organizations to aid the poor. The intent was to help people with low incomes save small sums of money, and to support business start-ups. [Today, about half the total assets of the German banking system are in the public sector.](#) (Another substantial chunk is in cooperative savings banks.) Local public banks are key tools of German industrial policy, specializing in loans to the Mittelstand, the small-to-medium size businesses that are at the core of that country's export engine. The savings banks operate a network of over 15,600 branches and offices and employ over 250,000 people, and they have a strong record of investing wisely in local businesses.

In January 2015, the SBFIC published a report drawn from Bundesbank data, showing that the Sparkassen not only have a return on capital that is several times greater than for the German private banking sector, but that they pay substantially more to local and federal governments in taxes. That makes them triply

profitable: as revenue-generating assets for their government owners, as lucrative sources of taxes, and as a stable funding mechanism for small and medium-sized businesses (a funding mechanism sorely lacking in the US today).

The Swiss have a network of cantonal (provincially-owned) banks that are so similar to the Sparkassen banks that they were invited to join the SBFIC. The Swiss public banks, too, have been shown to be [more profitable than their private counterparts](#). The Swiss public banking system helps explain the strength of the Swiss economy, the soundness of its banks, and their attractiveness as a safe haven for foreign investors.

The SBFIC is working particularly hard these days to [make information and technical help available to other countries](#) interested in pursuing their beneficial public model, because that model has [come under attack](#). Private international competitors are pushing for regulations that would limit the advantages of publicly-owned banks, through Basel III, the European Banking Union, and the Transatlantic Trade and Investment Partnership (TTIP).

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[i] Timothy A. Canova, “The Public Option: The Case for Parallel Public Banking Institutions,” New America Foundation, June 2011, [growth.newamerica.net](http://growth.newamerica.net).

[ii] “State Revenue Changes from 2008 to 2009,” Tax Foundation, 13 May 2010.

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[iv] Ibid.

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[vi] “Bank of North Dakota Sets Profit Record for 7th Year,” Inforum, 20 Apr. 2011, [inforum.com](http://inforum.com).

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[x] “Navigating for Today, Anchor for Tomorrow: Annual Report 2011,” Bank of North Dakota, 2011.

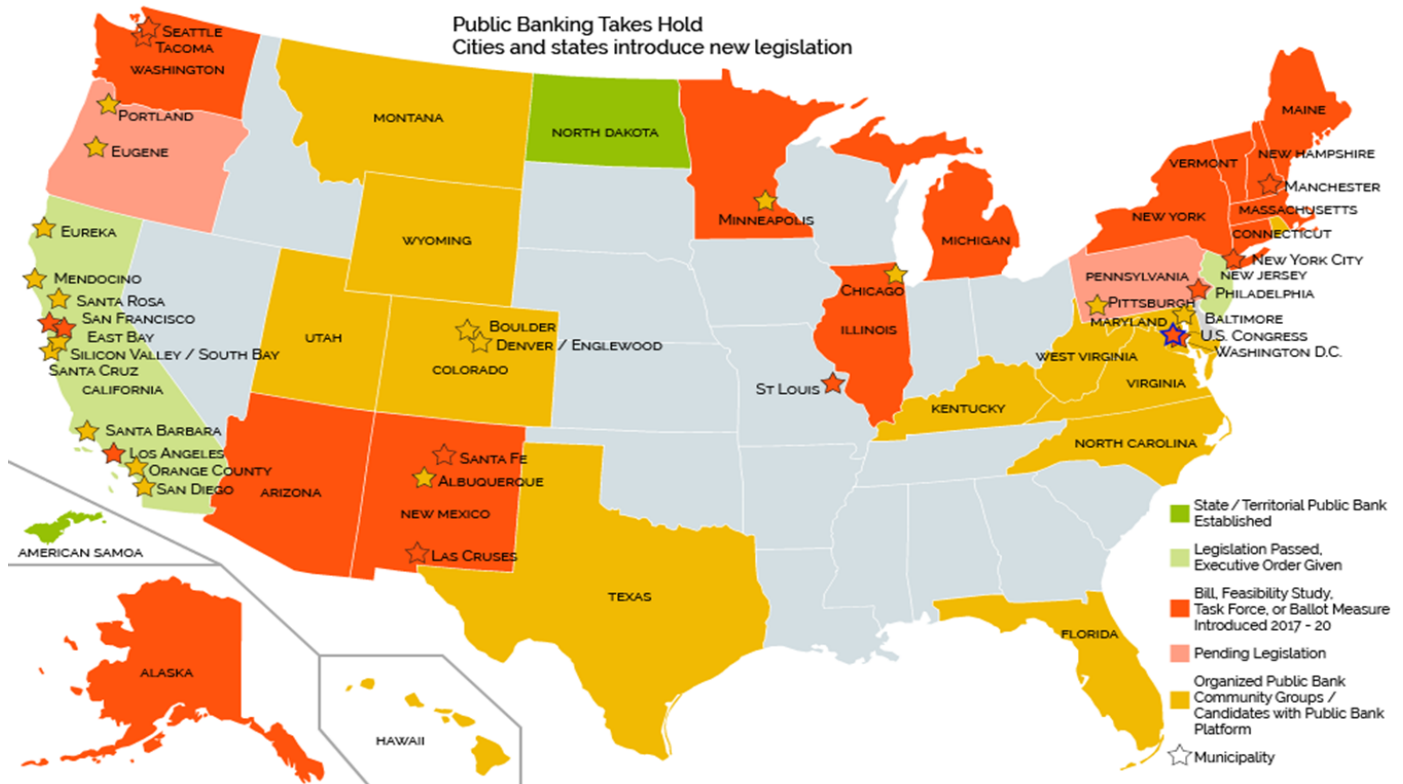
# Where are Public Banking initiatives already underway in the US?

States, Cities, Sample Resolutions, Legislation, Congressional support. Studies, Tips, Everything you need to get started.

This map from the **Public Banking Institute** shows where public banking initiatives are underway throughout the US. It was updated in 2020. **Find the most recent one at:**

<https://www.publicbankinginstitute.org/legislation-local-groups-by-state/>

**TOOLBOX RESOURCES** links from the **Public Banking Institute** are assembled on the next pages. These and many more can be found at <https://www.publicbankinginstitute.org/>



Find your state's updated 'current' details of progress and where they stand here:

<https://www.publicbankinginstitute.org/legislation-local-groups-by-state/#AL>

If your area of the country already has a public banking initiative underway, consider joining them to support their work.

If your area of the country has not yet begun to discuss public banking as an alternative, (all those gray states!) consider organizing a start for the dialogue.

From Public Banking Institute (www.publicbankinginstitute.org)

### TOP TEN TIPS FOR ADVOCATES

1. Organize your team and define your agenda
2. Identify potential allies in your community and elected officials
3. Do some research and start building your case
4. Give presentations; build a loyal following
5. Bring your movement to city hall or the state legislature
6. Meet with local elected officials:
  - Clearly define what you're asking them to do
  - Do as much of the work for them as possible
7. Develop political outreach campaigns to gain endorsements and support:
  - Political organizations
  - Political candidates and officials
  - Labor unions
8. Develop community outreach campaigns to coalition build and gain endorsements:
  - Community organizations
  - Nonprofits
  - Local grassroots groups
  - Neighborhood councils
9. Knock on doors — go canvassing
10. Use art, music, social media, videos to convey your message

### LINKS to get you started.

#### LEGISLATION BY STATE

Find your state's updated 'current' details of progress and where they stand here:  
<https://www.publicbankinginstitute.org/legislation-local-groups-by-state/#AL>

#### ADVOCACY KIT FROM PBI

The Public Banking Institute features a wonderful ADVOCACY KIT on which we can not improve.

Find it here: <https://www.publicbankinginstitute.org/advocacy-kit/>

#### HOW TO START A STATE BANK

<https://www.publicbankinginstitute.org/how-to-start-a-public-bank/>

#### STATE BANKING LEGISLATIVE GUIDE

<https://drive.google.com/file/d/1LGedFLXOEuUNKWszJSFsScADb5d13Kjz/view>

#### BROCHURES & HANDOUTS from PBI

<https://www.publicbankinginstitute.org/brochures-handouts/>

## Most Frequently Asked Questions:

### **What precedent is there for public banking in the US?**

At the US state level, the Bank of North Dakota provides an excellent example of the power of public banking, as it has since 1919. To learn more: [www.pdclub.org/blog:pdclub/article/id/3908504](http://www.pdclub.org/blog:pdclub/article/id/3908504) and [www.bnd.nd.gov](http://www.bnd.nd.gov).

### **What is the difference between a public bank and any other bank?**

A public bank is owned by the city, county, or state that founded it. That means that the money it makes by making loans comes back to the taxpayers, rather than to private banks and investors.

### **Who would benefit from a public bank?**

**Taxpayers**, who will benefit from both the profits the bank makes and the services the bank offers. **Students**, who can access low interest education loans from the bank. **Homeowners**, who could get reasonable mortgages and home loans from the bank. **Entrepreneurs** will have access to credit lines, loans, and other forms of finance to help their businesses succeed. **Municipalities**: the bank can offer competitive interest on public deposits and lower cost financing for public works.

### **Won't greedy politicians just use a public bank to fund pet projects and line their pockets?**

The Bank of North Dakota shows that a public bank can and must be run free of influence from the legislature and other high offices, in order to effectively do its job.

### **Will a public bank compete with local banks in my area?**

A public bank does not compete with local banks, but can serve as a support system for local and regional banks, allowing them to make loans and take deposits that normally would be out of their reach because of their small size.

**How could a publicly owned bank help an economically struggling state?** Among other things, publicly owned banks offer counter-cyclical relief by (1) issuing badly needed credit at low, or no, cost to the state, thus providing a means of revitalizing infrastructure and other services (interest paid to private banks represents 30 to 50% of the cost of most public projects); (2) supporting local and regional banks by participating with capital and expertise in loan programs that address local and regional needs; (3) providing support for residential and agricultural financing; and (4) saving the state hundreds of millions of dollars on fees associated with simply keeping general tax revenues and other substantial funds in the big banks.

### **Can't cities and states just deposit their funds into a credit union? Wouldn't that amount to the same thing?**

Credit unions can only lend out what people deposit into their credit union.

They cannot create money-credit through fractional reserve banking as public or private banks can.

### **Won't a public bank require a very large investment by a city/county/state?**

No. Nearly all city, county, and state governments have the capital needed for a public bank on their balance sheets in a variety of other asset pools. These funds are more than adequate to serve as the capital for a bank. It requires a decision by the legislature, but there should be no need to raise additional money from taxes to provide the capital for the bank.

### **Who will set policy for public banks? Who decides whether to approve loans? How are decisionmakers insulated from bribes and financial or political pressure?**

The governing legislators or lawmakers—whether at the state or municipal level—would make general policy decisions about public banks (and would likely have an advisory commission to consult), but day-to-day decisions would be made by the banks themselves—governed by their charters and subject to transparency and administrative review. The Bank of North Dakota shows that a public bank can and must be run free of influence from the legislature and other high offices.

*Excerpts from Frequently Asked Questions: see original at <http://www.publicbankinginstitute.org/faq>*

## **PUBLIC BANKS' COMMUNITY INVESTMENT—TALKING POINTS**

Public banks will **create jobs** by complementing the lending power of local banks and governments.

Public banks will **enhance local economy lending** to address pressing issues of housing, infrastructure, agriculture, disaster relief, and education.

Enabling public banks will strengthen local economies by **supporting local businesses**.

Public banks will **partner with community banks and credit unions** that lend responsibly to localities (and do not cause harm) to increase credit in communities that Wall Street banks are not serving.

Public banks will increase **local control and accountability**, which has suffered as communities lose local banks due to consolidation and merger.

### **Wall Street Banks have proven that their interests are not aligned with most communities.**

Recent years have shown that the mega-banks' priorities are not only disconnected from but also are actively harming communities and job opportunities. The Federal Reserve Bank of San Francisco found that the financial crisis cost every single American \$70,000 on average in lifetime income, or \$20 TRILLION in lost GDP. As an example in California *alone*:

- Since 2008, the largest banks have paid \$321 billion in fines in response to bad banking practices.
- In the two years following the Paris Agreement, big banks financed risky, dead-end fossil fuel investments with \$1.9 trillion.
- Big banks have provided \$3.4 billion in financing to the two leading private for-profit prison companies.

**Since 2007, as a result of the financial crisis, nine million jobs were lost, and nearly ten million American families lost their homes** to foreclosure as the result of mortgages rooted in unscrupulous banking practices, destroying their credit and leaving many without a place to live. Low-income areas and communities of color were disproportionately affected by these practices. Black homeowners were more than 70% more likely than white homeowners to lose their homes to foreclosure between 2007 and 2009. ***Despite this litany of abuses, mega-banks have little incentive to change, knowing that local governments are essentially a captive market.***

### **Local governments will be able to safely disentangle from Wall Street speculators.**

Big banks show over and over again the immense level of political interference they exhibit in conducting business. Public banks will be subject to the same stringent requirements of all US banks. In order to be approved by states, a public bank's business plan must show how the directors/officers of the bank are separate and insulated from political interference from the elected officials. Public banks will be transparent, accountable, and subject to the regulatory approval, including criterion for whether the bank is free from abusive insider transactions and apparent conflicts of interest.

**The bottom line: a public bank would be mandated to do its lending in areas that support local businesses, create jobs, and respond to pressing local issues.**



## **PUBLIC BANKING BENEFITS—AT A GLANCE**

### **ENVIRONMENT & CLIMATE CHANGE**

- Enable Divestment from big transnational banks bankrolling extractive industries that damage the environment and accelerate climate change.
- Enable investment in Green Infrastructure projects and help finance The Green New Deal kinds of sustainable energy projects.

### **AFFORDABLE HOUSING**

- Support more local investment from local folks who have a vested interest in the community.
- More available capital means new building, renovations, and greater supply of possible housing options.
- Lower costs for builders and investors can mean lower rents to avoid gentrification and displacement of low paid worker residents.

### **INFRASTRUCTURE INVESTMENT**

- Enables more local investment for roads, transportation, schools, water and energy utilities, the arts and recreation.

### **RACIAL JUSTICE**

- Divestment from big banks makes smaller loans to small businesses more accessible for all.
- Lower interest rates can put predatory payday lenders out of business.
- Better options for the unbanked/underbanked populations of poor and homeless people.
- Local oversight would outlaw redlining and make access to credit for housing more equitable to all.
- With less predatory mortgage tactics, fewer foreclosures would result, and less scams targeting people of color and old folks.

### **MIGRANT RIGHTS**

- Divestment from the big banks which bankroll companies that profit from human trafficking.
- Payday lenders would not be the only option for migrant workers.
- There would be more access for banking to the unbanked/under banked migrant workers.
- Local banks would not be likely to have cozy agreements and information sharing with ICE.

### **LOCALISM AND INDEPENDENCE**

- Targeted local investments would keep local money in local communities.
- Lower interest rates would benefit savers, borrowers and small businesses.
- Keeping investments local could mean better roads and bridges.
- Local investment could reduce student loan interest rates and fund school improvements, including teacher salaries.

### **JOBS AND WAGES**

- More access to credit allows businesses to expand with new hires and offer competitive wage packages.
- When businesses can expand to meet demand or create new markets, more jobs are created.
- Businesses can offer competitive wages to attract competent workers.

(more)

**CITY FISCAL HEALTH/LOCALISM & INDEPENDENCE**

- When local projects are prioritized funding can focus on better roads and bridges, better schools, modernized water and energy utilities, without selling out to transnational water and energy corporations. Historically, local control keeps rates lower.
- State residents are the investors and stakeholders in public banks and often realize reduced costs, lowering taxes for the long term.
- With less state and public money going to private commercial banks, cities, counties and states realize a huge savings from reduced interest rates and service fees.
- Increased local investment enable prioritized projects to improve roads and bridges utilities, schools.
- Tax dollars can be used more efficiently for projects that matter to the people.
- Less money going out of the area to private transnational commercial banks, less dependence.

**WALL STREET**

- Deregulation increases risk of high stakes gambling, inflated interest, high fees, and insecurity based on stock market free falls, risky speculation and fraud.
- Bail-outs steal needed public (tax) dollars to bail out the 'too-big-to-fail' banks numerous times.
- CEO pay continues to climb to ridiculous heights, even as the rest of the country pays the price.
- Fraud continues, only sometimes noted and usually unaddressed. Witness Wells Fargo crimes.
- Divestment from Wall Street banks would send a strong signal that we the people don't support the kinds of industries that threaten peace and planet, and whose business plan is built on theft of human rights.

## **SAMPLE RESOLUTIONS**

- 1- Model Resolution Expressing Interest in Participating in a Viability Study  
for a Central CA Coast Public Bank**
- 2- Executive Summary  
to be presented to Santa Cruz CA Board of Supervisors,  
introducing the resolution.**
- 3- Local California Progress and press coverage with contacts.**

# 1. Model Resolution

## **Expressing Interest in Participating in a Viability Study for a Central Coast Public Bank *(during the pandemic)***

Whereas, a public bank can efficiently deliver funds to local governments impacted by the COVID-19 pandemic and the recession that is expected to follow; and

Whereas, by helping local governments address social justice issues, including particularly meeting the needs of low-income residents of color, a public bank can be an important part of the response to the conditions that underlie the conflicts and violence that plague many communities; and

Whereas, public banks can increase funding to address homelessness, affordable housing, a regenerative future, climate change, solar energy production, education, public safety, health care and other public needs, without raising taxes, cutting public services, or selling off parks, water systems, roads, public lands, or other publicly owned assets; and

Whereas, a city, county, or state's existing funds can provide many times as many loans by capitalizing a bank, rather than setting up a loan fund, because in partnership with community banks and credit unions, public banks will be best suited to address our community's pressing needs; and

Whereas, public banks enable loan repayments to return to the community and be used for post-crisis needs—not to enrich bank shareholders and executives; and

Whereas, public banks can make emergency loans to social service providers, schools, small businesses and other vital functions – guaranteed by city, county and even the state government; and

Whereas, a public bank can purchase or broker municipal bonds issued by cities and counties to pay for emergency lending and direct subsidy programs, funding preventive measures for resiliency for future crises; and

Whereas, public banks have many other virtues, including control over investments that could exclude firearms, tobacco, fossil fuels, etc., because public banks are under the control of local communities and are not committed to maximizing profit for shareholders; and

Whereas, a recent State law (AB 857) enabling the establishment of public banks in California has been passed by both houses of the State Legislature and signed into law by our Governor; and

Whereas, support for public banking in California is further evidenced by the introduction of AB 310, a bill to direct the State Infrastructure Bank to provide support for public banking; and

Whereas, none of the public agencies in the Central Coast of California are large enough, by themselves, to support a public bank and there is now growing interest in a Central Coast Public Bank; and

Whereas, the Santa Cruz County Board of Supervisors is taking the lead on developing funding for a viability study for a Central Coast Public Bank and is seeking expressions of interest from other counties and cities in the Central Coast (and possibly including other public agencies, e.g. water, sewer, fire, school, and transit/transportation districts) in participating in such a study; and

Continued/ **Model Resolution**

**Expressing Interest in Participating in a Viability Study for a Central Coast Public Bank *(during the pandemic)***

Whereas, the cost of a viability study for a Central Coast Public Bank should be shared equitably among the agencies who intend to participate in the formation, operation, and benefits of such a bank; and

Whereas, the cost of a viability study for a Central Coast Public Bank is probably in the low six-figure dollar amount; and

Whereas, once the interest of various Central Coast agencies in participating in the study of the viability of a public bank can be determined, a financial plan to fund a viability study can be developed to be considered by the potential participants; and

Whereas, should a study demonstrate the viability of a Central Coast Public Bank, it would be followed by discussions of issues such as a governance structure for the public bank, sources of collateral and capital, policies of a Central Coast Public Bank, etc.:

**THEREFORE, BE IT RESOLVED,**

THAT \_\_\_\_ (agency name) \_\_ HEREBY EXPRESSES ITS INITIAL INTEREST IN PARTICIPATING IN A VIABILITY STUDY FOR A CENTRAL COAST PUBLIC BANK; and

BE IT FURTHER RESOLVED, THAT OUR AGENCY WILL SEND A LETTER TO SANTA CRUZ COUNTY ADMINISTRATOR CARLOS PALACIOS, (Carlos.Palacios@santacruzcounty.us) EXPRESSING OUR INITIAL INTEREST IN PARTICIPATING IN A VIABILITY STUDY FOR A CENTRAL COAST PUBLIC BANK, AND CLARIFYING WHOM COUNTY ADMINISTRATOR PALACIOS SHOULD CONTACT FOR FURTHER DISCUSSIONS OF THIS MATTER.

**2. Executive Summary-**  
**County of Santa Cruz Board of Supervisors -**  
**Agenda Item Submittal**

**From:** Board of Supervisors: Third District (831) 454-2200

**Subject:** Resolution in Support of Public Banking

**Meeting Date:** February 26, 2019

**Recommended Action:**

Adopt resolution supporting the establishment of a California municipal public banking license and supporting the concept of a state, regional, or network of public banks to provide cost-saving services to public entities and to serve local needs including affordable housing, transportation and education investment adhering to principles of economic, racial and environmental justice, and direct the Clerk of the Board to distribute the resolution as indicated.

**Executive Summary**

Public banks offer a way for governmental agencies such as cities, counties, and states to invest their funds in an institution that could allow the investing organizations to avoid the high financial costs of dealing with private sector for-profit banks. Public banks also generate income from their investments that can be re-invested in public benefit projects such as affordable housing, public transportation, and social programs. I propose that the Board adopt the attached resolution supporting the establishment of a California municipal public banking license and supporting the concept of a state, regional, or network of public banks to provide cost-saving services to public entities and to serve local needs including affordable housing, transportation and education investment adhering to principles of economic, racial and environmental justice.

**Background**

Public banks offer a way for governmental agencies such as cities, counties and states, as well as some organizations such as pension funds and school districts, to invest their funds in an institution that could allow the investing organizations to avoid the high financial costs of dealing with private sector for-profit banks. Because public banks are created in the public interest rather than to maximize profit, public banks also generate income from their investments that can be re-invested in public benefit projects such as affordable housing, public transportation, and social programs. A public bank could decide to have no investment in fossil fuels, weapons, or tobacco. It could adhere to principles of economic, racial and environmental justice. Public banks are run by qualified bankers serving a public mission and these banks partner with and support rather than compete with local banks. The Bank of North Dakota, a public bank which was founded in 1919, successfully weathered the last recession without the bailouts that went to Wall Street banks, and has provided hundreds of millions of dollars to North Dakota's treasury over the years.

Continued/**2. County of Santa Cruz Board of Supervisors -  
Agenda Item Submittal**

Currently, all municipal finance in California is conducted through the private banking system, but several large cities in California, including Los Angeles, Oakland, and San Francisco are exploring the establishment of public banks. Local public banking advocates have agreed that the size and characteristics of Santa Cruz County are not conducive to an independent public bank, however, a consortium of local jurisdictions, or a state bank with some local control could be advantageous and feasible. For any public banking approach, the first step is the establishment of a California municipal public banking license to be administered by the California Department of Business Oversight.

Such a license could allow public entities to develop their own banks owned solely by the public. The license could provide a regulatory framework tailored to establishing public banks that are democratic and transparent while ensuring ethical outcomes for the public good.

**Analysis**

This Board has previously taken steps to stop doing business with law-breaking banks. The greed, fraud, and corruption of many Wall Street banks has been appalling and costly.

I recommend that the Board support the establishment of a municipal public banking license and the concept of a public bank with the recognition that extensive feasibility research and other important work would need to be conducted before Santa Cruz County would be in a position to formally join a public bank.

**Strategic Plan Element(s)**

A public bank could connect to and support all of the focus areas in the Strategic Plan.

**Submitted by:**

Ryan Coonerty, Third District Supervisor

**Attachments:**

- a Resolution - Public Banking

### 3- Local California Progress and press coverage with contacts.

#### 1) Santa Cruz resolution and supporting letter

You can read the full resolution here: <https://santacruzcountyca.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=1348&Inline=True>, page 6, and Ryan Coonerty's letter at the same website, page 26.

Benefits to small local banks here: <https://ellenbrown.com/2017/10/30/regulation-is-killing-community-banks-public-banks-can-revive-them/>.

#### 2) San Jose progress

March 20: The news about AB 857 was emailed out today to our Green Party's CA contact list, with a call to action for folks to ask their legislators to support the bill. I will be reaching out to GP county parties to provide them content and flyers for AB 857 advocacy.

Here in San Jose we had some great news last night when our city council approved looking at public bank feasibility as an alternative financial service provider as they assess their contracts with Wells Fargo. They also voted to uphold their wage theft standards for the financial institutions they use. The memo resulting in inclusion of public bank feasibility was submitted by the city council members whom Jake and his SBPA Public Banking Action Team have been lobbying and educating on PB for the past few months.

One of the authors even brought up that the city endorse AB 857 and it was agreed that will be submitted separately to the council.

**Susan Harmon:** Mike Burdick (Banking staff) who gave me dates for our hearings.

Banking will be on April 22 and Local Gov on April 24.

We will, indeed, go to Approps, despite the confusing note on the state website.

#### 3) Santa Rosa – Shelly Browning, 3/22/19

Hi, in looking through the emails over the last weeks, I see that Shelly from Santa Rose said that Santa Rosa wanted to divest from Wells Fargo, but ended up going to Chase unfortunately. But the interesting thing that caught my eye was: "That coupled with the fact that Wells Fargo was charging the city \$350k annually in banking services fees."

You can read the article our local paper put out on this here:

<https://www.pressdemocrat.com/news/7128305-181/santa-rosa-may-sever-ties>

I wonder if our city is paying anything comparable in fees.

Thanks Reed, hope to see you soon.

**Note: Find out how much your city and state pay in fees to transnational banks.** Google the **Comprehensive Annual Financial Report (CAFR)**, a uniform accounting system required by the US federal government for cities and states. By law, CAFRs are available to any citizen.



## Part 7 - APPENDIX II

### Organizing through WILPF US — Advocating effectively for Public Banking across the US.

- **Use this Public Banking Toolkit** to begin the dialogue in your community about how starting a public bank could improve financial security, local investment and funding for public projects, small businesses and local financial institutions.

**Sign up for WILPF's Public Banking updates...** to keep up with how our Tool Kit is changing communities across the US.

Contact us at [publicbanking.wilpfus@gmail.com](mailto:publicbanking.wilpfus@gmail.com)

- **The WILPF US National Committee on Women, Money & Democracy** meets every 3rd Tuesday of the month, by Zoom call, at 8:30pm eastern.
- **If you are not already a WILPF US member, learn about WILPF US here:**  
[www.wilpfus.org](http://www.wilpfus.org) and like us on [Facebook](#).
- **Join WILPF here:** <https://tinyurl.com/JOINwilpfus-peacewomen>
- **Then contact our committee to register for our calls.** **Contact:** [mbgardam@gmail.com](mailto:mbgardam@gmail.com)

This Public Banking Toolkit is the work product of the  
[Women, Money & Democracy Committee of WILPF US](#).

But our hope is that it is used freely by activists who advance public banking initiatives around the US.

**The Toolkit is free, but we ask for a donation if you can afford one.**

**Suggested donation of \$10.00.**

**Donate here:**

**<https://tinyurl.com/Support-Women-Money-Democracy>**