CITY of ALBUQUERQUE TWENTY FOURTH COUNCIL

COUNC	IL BILL NO M-20-6 ENACTMENT NO			
SPONSORED BY: Diane Gibson, Pat Davis, Lan Sena, and Brook Bassan				
1	MEMORIAL			
2	URGING THE NEW MEXICO STATE LEGISLATURE TO ESTABLISH A STATE			
3	PUBLIC BANK, OWNED BY AND FOR THE PEOPLE OF NEW MEXICO, DURING			
4	THE 2021 LEGISLATIVE SESSION.			
5	WHEREAS, a state public bank established and chartered in the state of			
6	New Mexico would be a publicly-owned financial institution to improve the use			
7	and management of the state's funds for investment within Mew Mexico and			
8	fulfill the need for alternative affordable lending resources for local business			
9	and non-profit organizations; and			
10	WHEREAS, the taxpayers of New Mexico desire and require responsible			
<u></u> 5 11	and equitable use of public funds for public benefit and accountability in their			
11 Deletion -	financial system, and a New Mexico Public Bank would operate according to			
<u>-</u> 13	state and federal financial and banking laws; and			
[<u>a</u> 14	WHEREAS, an independent governing board will ensure that the			
15	management is sound and the board members will consist of New Mexico			
의 숙 16	residents and have clearly demonstrated personal and professional integrity			
20 ₹ 17	and impartiality, be very familiar with the needs of our communities, and a			
Underscored Material] - New rikethrough Material] - Deletic 11 12 14 15 15 15 15 15 15 15 15 15 15 15 15 15	portion of which must have sound financial industry banking experience; and			
19	WHEREAS, all investment practices will be in keeping with the state public			
Bracketed/ Bracketed/St 20 21 22 22 23 24 24 24 24 24	bank's mission and its management and staff, who are banking professionals,			
<u>X</u> 21	are overseen by a governing board of directors, and its policies and reporting			
	requirement assure compliance and transparency for how public funds are			
23	managed; and			
24	WHEREAS, investing in a state public bank will enhance the economic			

stability of New Mexico's citizens and improve the vitality and viability of New

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2	the public good; and
3	WHEREAS, a state public bank encourages the growth of locally-owned
4	banks and credit unions with their partnership and by offering low cost
5	partnership "gap" loans; and
6	WHEREAS, a state public bank promotes the state's public and private
7	economic well-being, enhances human and social capital, builds and reinvests
8	in a strong economic infrastructure that complements economic and
9	environmental goals, especially in under-served communities; and
10	WHEREAS, because public banks are created in the interest of the state's
11	citizens, they can invest in community development and economic
12	diversification projects, and promote public/private partnerships that enhance
13	affordable housing, renewable energy, agricultural development, and other
14	needed infrastructure; and
15	WHEREAS, New Mexico needs a more robust and diversified economy to
16	balance the volatile revenue from oil and gas production that are subject to
17	significant market swings; and
18	WHEREAS, a public bank owned by and created for New Mexicans will
19	provide greater transparency and lower lending costs to the state and local
20	governments compared to for-profit banks; and a public bank will partner with
21	community banks, credit unions, and community development financial
22	institutions (CDFIs), would keep taxpayer dollars in New Mexico, and has been
23	endorsed by the Credit Union Association of New Mexico; and
24	WHEREAS, a public bank can direct New Mexico's investment decisions to
25	support and diversify the economy, and it can facilitate additional goals, in
26	eco-tourism, food security, broadband expansion, health clinic upgrades, and
27	clean energy infrastructure projects; and
28	WHEREAS, a public bank chartered in New Mexico, and approved by the
29	legislature and Governor, could lower financing and debt service costs to the
30	City of Albuquerque, while supporting local community development efforts;
31	and
32	WHEREAS, public banking is the preferred model of public development in
33	many high-achieving economies throughout the world, in both developed and

Mexico's communities and economic sectors by leveraging gross receipts for

	3	WHEREAS, as the City, State, and country rebuild in the wake of the
	4	COVID-19 pandemic, a state public bank could be particularly helpful as a
	5	financial too to assist small-and medium-sized local businesses to survive and
	6	grow; and
	7	WHEREAS, the Bank of North Dakota, a public bank founded in 1919, has
	8	helped the state's residents weather recessions, including the current
	9	recession created by the COVID-19 pandemic, and has provided hundreds of
	10	millions of dollars to North Dakota's treasury; and
	11	WHEREAS, what was a good idea previously is all the more important as a
	12	tool the State could use to keep local funding in the State and to put dollars to
	13	work where the need is greatest with locally-owned small- and medium-sized
	14	businesses that experienced the most negative impacts from the pandemic,
	15	due to a jump in online purchases.
	16	BE IT MEMORIALIZED BY THE COUNCIL, THE GOVERNING BODY OF THE
	17	CITY OF ALBUQUERQUE:
on (18	Section 1. The Council urges the New Mexico State Legislature to establish
- New Deletion	19	a state public bank owned by and for the people of New Mexico.
; ;	20	Section 2. The Clerk of the City Council is directed to transmit a copy of
scored Materia ough Material]	21	this Memorial to the Governor of New Mexico, leadership of the House and
Ma	22	Senate, Albuquerque legislative delegation, and the New Mexico State
ored gh A	23	Treasurer.
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developing countries, and state and cities in the U.S. are now introducing and

passing laws to charter public banks; and

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