

From: Kelie McWilliams

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Chair Taylor, members of the Committee,

I wanted to share a few facts I inadvertently left out:

1. Oregon has about 100 banking entities, most of which are small credit unions. Because of the Wall Street banking lobby, credit unions can only leverage 13% of their holdings, which severely limits their ability to fund municipal loans for infrastructure and public good projects. Partnering with a state bank would increase their profitability and bring in money for the state.

2. The 2017 FDIC National Survey of Unbanked and Underbanked Households shows that this was a huge problem prior to COVID, and we suspect it has only gotten worse.

Link: https://economicinclusion.gov/surveys/2017household/documents/tabular-results/2017_banking_status_Oregon.pdf

3. Oregon's rural communities experience higher than normal poverty rates, meaning that the typical mechanisms used by Business Oregon aren't always accessible to them. The Rural Engagement Project has gone through this process with a couple of small towns to help support water systems. One of the first asks is always to raise water rates—and, for small towns, that often means heightened risk of hurting people you know who are on fixed incomes or whose wages are already very low. In some cases, it has led to forcing people out their homes. In some of the places we've worked in, the local government has seen that as a non-starter.

Anyway, thank you so much for your time today. I look forward to your feedback and continuing this conversation.

Best regards,

Kelie McWilliams