

Dear Chair Holvey and the committee:

I am the Chair of the Oregon Public Bank Alliance Cities Outreach Committee. I volunteered to work with this group because I am familiar with the enormous benefits of public banks that have existed in the US and around the world for centuries.

I won't repeat what others of our members have already testified to except to emphasize a few points:

- 1) Municipal public banks can save an tremendous amount of tax money that currently moves out of state to stockholders in Wall Street banks. As has been noted elsewhere, our study of the costs of one existing bond project would have saved 40% over the life of the 30 year bond in interest savings to the city and accrual of reserves by the bank as the loan is repaid with interest.
- 2) No city is required to spend a dime or a minute of time working out the details of a private bank. HB 2743 will simply make it easier for those that understand their potential benefits and want to create municipal banks to do so. We are asking the members of this committee to put to the legislature the question of whether they want to affirm the right of cities to decide for themselves and to make it easier to do so.

As to whether cities have an interest in doing so, we have identified a number of city officials who do, and the Metropolitan Mayors Consortium has endorsed the legislation. We have accomplished this in a relatively short time period given the difficulty of getting the attention of them during the bustle of a new legislative session and their own reorganization after the elections. We anticipate that if we are able to continue outreach efforts, we will find many more cities and city officials who will support us. Most have not even heard of the idea of municipal banks and many of those who have harbor misconceptions that only direct discussions will resolve. Please pass this legislation on with a do-pass recommendation so that we will have the time to prove ourselves right on the level of support this legislation will have after we are able to complete our outreach efforts.