

Submitter: Fergus Mclean

On Behalf Of: We the People-Eugene

Committee: Joint Committee On Ways and Means Subcommittee On General Government

Measure: HB2763

Co-Chairs and Committee members,

Thank you for considering this timely and thoughtful proposal for establishing a competent citizen taskforce to consider the effects on our state of the ongoing and worsening crisis in the private banking system due to increasing interest rates, which decimating the regional banking network and restricting vital access to capital formation on the state and community levels.

It is the essence of good government for the legislature to reach out to knowledgeable community members for advice on complex issues which are beyond the capacity of normal legislative procedure to address. Creation of an expert and representative panel will allow impartial consideration of appropriate analysis of the ongoing private banking crisis from the viewpoint of Oregonians, which can supplement advice from the banking sector with an inevitably self-serving agenda.

To the extent that the Oregon Banking Association is dominated by the handful of giant banks who stand to benefit from the destruction of their smaller competitors their position on HB2763 may not faithfully represent the interest of the community banks which are the chief source of small business capital. The task force created by HB2763 is designed to investigate the best interests of the community banking sector- including areas where the the best interests of local communities diverge from those of the SIFI (Systemically Important Financial Institutions). That is, the interests of the Too Big To Fail banks against those considered Too Small To Matter. As a point of reference, the strongest community banking sector in the nation happens to be found in the one state with a public state bank, North Dakota. Surely there is something to be learned from this fact, ignored by the Oregon Bankers Association. The task force created under HB2763 is designed to explore this question.

The problems seen in recent headlines about the collapse of important US banks, now exceeding the number of failures in the 2008 banking crisis, are driven by the rapid rise in interest rates seen in recent months. Ellen Brown, prolific writer and founder of the Public Banking Institute, explores the implication of the effect of this rise in interest rates on the trillions (or quadrillions?) in financial derivatives held by the SIFI banks in this article of a few days back, part two of which will address more directly the ways that public banking can avert or diminish the catastrophic banking failures being predicted at the top levels of US banking oversight:

<https://www.globalresearch.ca/what-will-happen-when-banks-go-bust-bank-runs-bail-ins-systemic-risk/5810086>

Other complex banking issues deserving the undistracted attention of an expert and objective body is the question of digital currencies and the drive to eliminate the use of "real currency" by central banks, and the attendant loss of local control and even political sovereignty implicit in that drive.

We the People-Eugene is a nonprofit group formed to challenge the damage to our democracy from the Citizens United Supreme Court decision, which put the American electoral system up for bid by corporate capital- including foreign capital. We see HB2763 as a crucial step towards rolling back this devastating structural attack on the American Experiment, and look forward to the policy recommendations which it will generate. As committee members you have an opportunity to move the needle on this very timely and crucial challenge to Oregonians' prosperity, security and freedom.