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**New York City Banking Commission  
Testimony by Jodie Leidecker on behalf of Cooper Square Committee**

**May 5, 2025**

Good afternoon members of the Banking Commission. My name is Jodie Leidecker, and I am the lead organizer at Cooper Square Committee. Thank you for the opportunity to testify today regarding the designation of banks eligible to hold municipal deposits—a matter of fundamental public concern. We urge the Mayor, Comptroller, and Commissioner of Finance—who together make up the Banking Commission—to use their leadership and authority to bring a public bank to New York City and end the big banks’ stranglehold over public money.

The Cooper Square Committee (CSC) works with area tenants to contribute to the preservation and development of affordable, environmentally healthy housing and community/cultural spaces so that the Cooper Square area remains racially, economically, and culturally diverse. The Cooper Square Committee has spearheaded significant neighborhood victories in our history, comprising over 60 years of tenant organizing, community-based planning, advocacy and development. We rely on the active involvement of our members in the organization's work to advance our affordable housing agenda.

Cooper Square Committee commends the Banking Commission for making important changes to increase transparency and public participation in this process. Today’s hearing marks a significant improvement over past years. We continue to urge the Commission to create even more advanced opportunities for the public to weigh in, to ensure full and deliberate engagement on these critical decisions.

The City's continued reliance on private, profit-driven banks—rather than establishing a public bank—is a choice, not a necessity. We urgently need leadership that prioritizes the public interest over the status quo.

Recent events have only made this clearer. Earlier this year, the federal government seized $80 million from the City's account at Citibank—without warning and without proper authorization.[[1]](#footnote-0) Even more alarming, Citibank processed the reversal without questioning it, overdrafting the City’s account and forcing New Yorkers to absorb the loss. A public bank, chartered to serve the public interest, would safeguard public funds from federal overreach and ensure our public money is protected and put to work for our communities. As a matter of fiduciary responsibility, the City must reject Citibank’s application to hold public deposits.

And the problems go far beyond the recent Citibank debacle. The City’s designated banks continue to actively undermine New York’s policy goals. Big banks like Bank of America, Citi, JPMorgan Chase, and TD—among the City's main depositories—have pumped over $1.34 trillion into fossil fuel projects since 2016,[[2]](#footnote-1) in direct conflict with the City’s climate commitments. These banks reportedly hold more than three-quarters of the City’s total deposits.

The record of harm by these banks is overwhelming. For decades, big banks have systematically extracted wealth from Black, brown, and low-income New Yorkers while failing to provide affordable credit and service to communities of color. Banks have consistently loaned money to bad-acting landlords who have harassed, displaced, and created poor conditions for tenants.

It is simply not in the City’s financial interest to continue doing business with institutions that extract wealth from New Yorkers and fuel systemic harm. The City must move toward establishing a public bank: a democratically controlled financial institution, chartered to serve the public interest, and committed to equitable, community-driven investment.

A public bank would allow New York City to invest billions of dollars in affordable housing, small and worker-owned businesses, renewable energy, and other critical needs—particularly in low-income, Black, brown, and immigrant communities that Wall Street banks routinely fail or exploit. A study by economists at The New School’s Center for New York City Affairs found that, *in just its first five years*, a public bank would add 70,000 jobs, build or preserve nearly 18,000 units of affordable housing, invest one $1 billion into climate infrastructure, and direct $6 billion in new loans to Black and brown neighborhoods, in partnership with local CDFIs and other responsible lenders.[[3]](#footnote-2)

Thank you again for the opportunity to testify. Please do not hesitate to contact me with any questions: jodiel@coopersquare.org.

1. Linda Levy, "A NYC Public Bank to Guard Our Funds," New York Daily News, February 26, 2025. https://www.nydailynews.com/2025/02/26/a-nyc-public-bank-to-guard-our-funds/ [↑](#footnote-ref-0)
2. Rainforest Action Network, [↑](#footnote-ref-1)
3. Center for New York City Affairs, [↑](#footnote-ref-2)