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Proposed Res. No. 529-A

Resolution calling on the United States Congress to reintroduce and pass, and the president to sign, The Ensuring Diversity in Community Banking Act of 2024.

By Council Members Williams, Riley, Stevens, Avilés, Ossé, Banks and De La Rosa

Whereas, Minority communities often struggle to access financial institutions, credit and investment, and have seen a loss of local bank branches in recent years, making access to banking services more challenging in these communities; and

Whereas, Community banks and credit unions often fill the gaps left in minority communities by national financial institutions; and

Whereas, Community banks also account for some of the few minority-owned financial institutions in the country; and

Whereas, New York State Department of Financial Services analyses of Federal Deposit Insurance Corporation data shows that New York has a consistently higher rate of unbanked residents than the national average; and

Whereas; New York State Department of Financial Services data indicates there are more than 452,000 unbanked households in the state, who are disproportionately Black and Hispanic; and

Whereas, New York City Department of Worker and Consumer Protection finds that 305,700 unbanked households reside in the five boroughs; and

Whereas; Community banks must be strengthened to reach these hundreds of thousands of unbanked households; and

Whereas; In 2024, during the 118th Congress, U.S. Representative Gregory W. Meeks introduced H.R. 7420 also known as *The Ensuring Diversity in Community Banking Act of 2024*, which would have created an "Impact Bank" designation to distinguish those community banks that mostly serve low-income borrowers, direct regulators to create minority depositories advisory committees to advise community banks, and set rules for directing federal agencies to make deposits in these institutions; now, therefore, be it

Resolved, That the Council of the City of New York calling on the United States Congress to reintroduce and pass, and the president to sign, The Ensuring Diversity in Community Banking Act of 2024.

AY
LS #17107
7/16/2024

WJH
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