



NEW YORK STATE SENATOR

Velmanette Montgomery

Senator Montgomery's Credit Union Banking Development Bill has been delivered to Governor Cuomo

VELMANETTE MONTGOMERY December 9, 2019

| ISSUE: **CREDIT UNION, BANKING DEVELOPMENT DISTRICT**

This important legislation has been delivered to Governor Cuomo and awaits his signature. I am asking for your support to get the "Credit Union Bill" (S727-A/A3320 - Zebrowski) signed into law. It would allow credit unions to receive the same economic incentives as big banks to operate in underserved communities through the Banking Development District (BDD) program.

The BDD program was enacted to incentivize banks to locate branches in communities designated as underserved by the Department of Financial Services. Participating banks are eligible to receive up to \$10 million in subsidized deposits from the state of New York to lower financial risk and encourage lending in these communities. Many of these areas have few to no banking institutions and instead have to rely on alternative, costly and sometimes predatory options to fill in the gaps.

There are 355 credit unions in New York, serving over 5 million members and they are uniquely positioned to advance the goals of the BDD program. Credit unions are nonprofit, locally owned institutions that answer to their members. They make less risky investments and earnings are returned to their members through lower interest rates on loans and more favorable rates on savings and retirement accounts. Their structure makes them highly

responsive to the needs of their clients and they prioritize being present and giving back to the communities they serve.

The Governor has 10 days to sign or veto this bill. I urge you all to call immediately

(518) 474-8390 (Albany office) / (212) 681-4580 (NYC office) or

e-mail (governor.ny.gov/content/governor-contact-form)

Governor Cuomo and ask him to sign this important piece of legislation into law!

RELATED LEGISLATION

2019-S727A

- Introduced

- - In Committee Assembly
 - In Committee Senate

- - On Floor Calendar Assembly
 - On Floor Calendar Senate

- - Passed Assembly
 - Passed Senate

- Delivered to Governor
- Signed By Governor
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Relates to the banking development district program

January 08, 2019

Signed by Governor

Sponsored by **Velmanette Montgomery**

Do you support this bill?