

Representative:

My name is Frank Pagurko, and I write to you on behalf of the Rio Grande Foundation, an economic policy think tank based in Albuquerque. We work to promote the interests of the people of New Mexico through free market policy.

In the interest of New Mexicans, I strongly urge you to **vote NO** on HB 236, the “Public Banking Act.” Community banks and credit unions already exist across New Mexico to serve individuals, families, businesses, and entrepreneurs. A state-run public bank would not provide services significantly different from those already available from existing banks. The banks and credit unions that have served our state for decades have the experience to make the best investments and minimize their losses. While competition is an important part of a healthy market, the bank established by this bill would not be subject to the same risk-reward structure as other financial institutions, making it prone to bad investments and subsequent financial losses. That experience should not be taken lightly, as taxpayers will inevitably foot the bill for bad decisions made by a public bank.

Banking is not the role of either state or federal government and should be left to the private sector. Community banks and credit unions already provide the services New Mexicans need, so HB 236 would be an unnecessary, expensive, and futile endeavor. Please vote no on the Public Banking Act.



Frank Pagurko III