



## Alliance for Local Economic Prosperity

*Keeping Our Public Funds Safe, Local and Working*

### **A Public Bank for New Mexico**

The time has come for New Mexico to make the bold step of taking control of its own state finances. New Mexico loses up to half of the money it spends on debt service in interest payments to big banks. Let's bring that money home by creating a public bank.

**What is it?** A Public bank is a bank that the state uses for its money. You can't deposit a check or get a loan there, but your city, county, or even university could. Today, New Mexico pays Wells Fargo to do its banking. Why not pay ourselves?

**Why now?** New Mexico's needs are growing, and by keeping our money here and reinvesting it here, we can put it towards the projects we need like roads, bridges, schools, and much more.

**How would it work?** Much like a business has a bank that it uses for all of its needs, so does the state. The only difference with a public bank is that it would be owned and operated by the state, instead of a private company.

**How much would it cost?** Nothing, and in fact it will make money. The state would move money from its current accounts to the public bank, and invest some from the Permanent Fund. That money (we anticipate \$100 million in total) would be reinvested in New Mexico and put to use in New Mexico.

**How much would it save?** A lot. Up to 50% of the total cost of a major project like an airport, a school, or a municipal building goes to interest. The state pays millions in fees every year to big banks just to oversee our money. Imagine what we could do if we kept that money here.

**Who would it help?** Your community, your small business, your schools, and your city.

**Is this idea new?** Nope. North Dakota has a public bank. So do many countries, such as Germany.

A public bank would simply be a steward of the state's money that is owned here, and overseen by us. We are preparing legislation that will be presented in the 2021 legislative session that will allow New Mexico to charter a public bank, joining several other states. This could be the beginning of a new day for New Mexico, when we take control of our own money.

Discover more about our plans for New Mexico at [AFLEP.org](http://AFLEP.org), and about the national movement at [PublicBankingInstitute.org](http://PublicBankingInstitute.org).