

**A RESOLUTION SUBMITTED BY
LEGISLATOR VINAL**

Re: Expanding the Postal Non-Bank Financial Services Pilot Program to Erie County

WHEREAS, the U.S. Post Office (USPS) operated the Postal Savings System from 1911 through 1967 and, at its peak, had \$3.4 billion in deposits; and

WHEREAS, the Office of the Inspector General (OIG) of the Postal Service issued a report recommending that the Postal Service provide basic financial services to the 68 million American adults throughout rural and urban America who don't have bank accounts or who have limited access to bank services; and

WHEREAS, in 2018, the Postal Banking Act was introduced in the U.S. Senate to grant the United State Postal Service the power to provide basic financial services; and

WHEREAS, "legal loan sharks" prey on the underserved by trapping them in a cycle of payday loans, check-cashing fees, and interest that costs families an average of \$2,400 per year when their entire annual family incomes average just \$25,000; and

WHEREAS, the U.S. Postal Service operates more than 33,000 retail locations nationwide, 59 percent of which are located in bank deserts, which are zip codes with either zero banks or only one bank branch; and

WHEREAS, the U.S. Postal Service has a mandate to serve all Americans, regardless of geography, at uniform price and quality; and has a skilled workforce which processed more than 378,000 money orders per day in 2014; therefore, the Postal Service has the infrastructure to provide the desperately needed services; and

WHEREAS, the OIG stated that the Postal Service could generate \$8.9 billion per year in new revenue by providing financial services, while at the same time protecting good-paying jobs; and

WHEREAS, the Postal Service is consistently rated one of the most trusted institutions and enjoys a high level of confidence from the public; and

WHEREAS, in September 2021, the USPS launched the Postal Non-Bank Financial Services Pilot Program, at a limited number of post offices in New York City, Washington D.C., and Baltimore, where customers can purchase gift cards of up to \$500 using their payroll or business check for a small flat fee.

THEREFORE, BE IT

RESOLVED, that this honorable body supports the "Postal Banking Act (Senate Bill 4614 — 116th Congress)" and the expansion of the Postal Non-Bank Financial Services Pilot Program; and

RESOLVED, this honorable body calls on the United States Postal Service to include its branches in Erie County in the next phase of the program and increase the number of financial services currently offered to better serve its customers; and

RESOLVED, copies of this resolution be sent to United State Postal Services Postmaster General, U.S. Senator Kristen Gillibrand; U.S. Senator Charles Schumer, and U.S. Congressman Brian Higgins.

Fiscal Impact: None.