



Position on Public Banking

The LWV of Vermont supports the establishment of a State Bank. The League believes that the establishment of this bank should be a gradual process in order to capitalize the bank and develop its functions. In establishing a state bank, governance and regulation will need to be addressed to assure transparency as to the use of public funds.

Giving the Vermont Economic Development Authority (VEDA) banking powers is consistent with the gradual approach supported by the LWV.

While revenues from a state bank may become a significant source of state funding in the future, it should not be the primary reason for establishment of such a bank.

Bonding for infrastructure should be a primary responsibility of a state bank.

Bonding or loans by the state bank should be used to reach state goals for reducing dependence on fossil fuels through weatherization and renewable energy projects.

Funding for student loans, business loans and home mortgages are also appropriate activities of a State Bank.

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