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GILLIBRAND STATEMENT ON POSTAL BANKING PILOT PROGRAM

Gillibrand praises “first step” to create a postal bank; pushes for her bill, the Postal Banking Act

WASHINGTON, D.C. – Today, Senator Gillibrand praised the announcement from the U.S. Postal Service that they had launched pilot programs in several locations, including the Bronx, to offer some financial services to unbanked and underbanked Americans. Gillibrand has long pushed for her legislation, the [Postal Banking Act](#), which would create a postal bank to provide low-cost basic financial services to people who simply do not have access, or have limited access, to America’s banking system. This access will help to generate savings, wealth and credit, while bringing millions of American workers into a more fair banking system. It will also provide the United States Postal Service with as much as \$9 billion in revenue per year.

“This is a great first step toward creating a postal bank,” said Senator Gillibrand. “While the products it will offer are not as expansive as those contained in my legislation, the Postal Banking Act, a pilot program will demonstrate the value to these communities, and show that the USPS can effectively service underbanked urban and rural communities. Postal banking is an elegant solution to complex problem—not only will it help the unbanked and underbanked, but it would generate as much as \$9 billion per year for the USPS, helping to shore up its finances.”

The [*Postal Banking Act*](#) would strengthen the Postal Service by establishing a nonprofit bank offering low-cost checking and savings accounts, ATMs, mobile banking, and low-interest loans. According to a report from the USPS Inspector General, this proposal would create up to \$9 billion in revenue for the Postal Service each year. The postal bank would provide financial services to Americans who have been economically devastated by the coronavirus pandemic. Predatory financial services such as prepaid debit cards, rent-to-own stores, and overdraft fees often exploit the most vulnerable populations – including low-income households, rural communities, veterans and families of active duty personnel – especially in times of economic crisis. Instead of turning to these predatory services, families would gain access to traditional basic banking services and safe financial alternatives through the postal bank.

Earlier this year, Gillibrand, together with Senator Bernie Sanders (I-VT), and U.S. Representatives Alexandria Ocasio-Cortez (D-NY), Bill Pascrell (D-NJ), and Marcy Kaptur (D-OH) [called on Congress](#) to implement postal banking pilot programs in rural and urban communities across the country.