



THE COUNCIL OF  
THE CITY OF NEW YORK

250 BROADWAY, SUITE 1751  
NEW YORK, NY 10007

March 23, 2018

Sara Horowitz  
Chair  
Board of Directors

Glenn Hutchins  
Director  
Board of Directors

Federal Reserve Bank of New York  
33 Liberty Street  
New York, NY 10045

Dear Chair Horowitz and Director Hutchins:

We write to you in your capacity as co-chairs of the search committee to appoint a new President of the Federal Reserve Bank of New York, a weighty responsibility for our region's economy. We urge you to appoint someone who will be a strong advocate of fostering maximum employment to help New Yorkers (and other Americans, too) obtain good-paying jobs. We also hope you will work aggressively to identify a candidate who would strengthen the diversity of Fed leadership.

As you know very well, the Federal Reserve Bank of New York (FRBNY) plays a critical role in operating the nation's payment systems and open market operations and is the largest Federal Reserve Bank in the country. As the only permanent voting member of the Federal Open Market Committee of the Federal Reserve Board, the FRBNY President has a significant impact on U.S. monetary policy.

We thank you for your demonstrated commitment to an open search process that takes into account input from stakeholders across the district, with a strong focus on identifying a diverse slate of potential candidates. The search process you are chairing is setting a new standard for openness and inclusion within the Federal Reserve System.

As members of the New York City Council, we represent many families struggling to make ends meet, including workers facing significant debt, low wages, wage theft, discrimination and very few opportunities to move up the economic ladder. Racial and ethnic disparities mean that communities of color, in particular, women and other marginalized communities -- including workers with disabilities -- are much more likely to experience these economic harms.

We therefore believe it is imperative for the New York Fed president to be a strong advocate of the Federal Reserve's long-standing goal of full employment (part of the Fed's "dual mandate,"

along with attention to price stability). Full employment policy is critical to reducing unemployment, reducing racial and gender disparities, and enabling workers to earn enough to support their families.

These same families were also devastated by the aftermath of the 2008 financial crisis. Beyond the Federal Reserve's core mandate to maximize employment and keep prices stable, the New York Fed is also charged with supervising and regulating some of the nation's largest financial institutions. This is a serious responsibility and the next New York Fed president must be an independent voice, unafraid to hold Wall Street accountable. Following the financial crisis, the New York Fed's own internal review of its regulatory functions found that too many supervisors had "paid excessive deference to banks," and stressed the imperative that "Supervisors must be willing to stand up to banks..." In order to properly monitor and prevent the kind of greed and mismanagement that led our nation into the Great Recession, the next New York Fed president must be someone who has shown they can stand up to Wall Street, not work to advance Wall Street's interests. We encourage you to choose someone with a demonstrated track record of prioritizing the interests of New York communities over those of financial institutions, and whose experience and proven dedication to public service is more extensive than any experience they may have working in the financial industry.

While financial market expertise is certainly an important factor to consider, we believe strongly that the candidate you choose should support the goal of full employment, and have a deep and demonstrated commitment to the public interest to ensure businesses big and small, and families rich and poor can prosper. We cannot afford a FRBNY President who would sacrifice full employment goals and the public interest to demands from Wall Street.

We also urge to place a strong priority on appointing a candidate who will increase the diversity of Fed leadership. As you know, recent analysis by the Center for Popular Democracy shows minimal growth in the number of women and minorities serving as Directors of the Reserve Banks, and even slower growth among directors with experience outside of Wall Street, in non-profits, academia, public service and labor. We know that you share the value of correcting this imbalance, appreciate the broad outreach you have made, and hope that you will continue to make it a priority as you identify finalists and ultimately appoint a new president.

We appreciate your willingness to consider our priorities in the final stages of your selection process. Thank you for your consideration.

Sincerely,



Council Member Brad Lander



Council Member Steve Levin



Council Member Justin Brannan



Council Member Keith Powers



Council Member Helen Rosenthal



Council Member Jumaane Williams



Council Member Alan Maisel



Council Member Carlos Menchaca



Council Member Deborah Rose



Council Member Antonio Reynoso



Council Member Alicka Ampry-Samuel



Council Member Ben Kallos



Council Member Mark Treyger



Council Member Carlina Rivera



Council Member Donovan Richards



Council Member Rafael Espinal



Council Member Adrienne Adams



Council Member Rory Lancman