



April 28th, 2023

Memorandum of Support - New York Taxpayer and International Debt Crises Protection Act

Ref: S.4747 Hoylman-Sigal/A.2970 Fahy

I am writing on behalf of the United Church of Christ to urge you to become a co-sponsor of the New York Taxpayer and International Debt Crises Protection Act (S4747/A2970) and to advocate for passage of this bill in the Assembly and Senate this session.

As a faith community with many global partners around the world, we are connected to the lived realities of these partners and both the opportunities and challenges they face. While not new, we are increasingly concerned by the debt burdens that many developing countries bear. Such burdens limit their ability to provide for the basic human needs of their population as well as investments in infrastructure for the future. As people of faith and conscience, we are called to work toward a more just economic system that addresses this issue of debt, and specifically the way in which private creditors are currently taking advantage of the system for economic gain, often at the expense of poorer nations.

The New York Taxpayer and International Debt Crises Protection Act would address a key structural challenge in the global financial architecture by requiring private creditors to participate in debt relief programs as public creditors and governments do. It would provide needed transparency, encourage a sense of shared responsibility, and ultimately set caps for the recovery of international sovereign debt in an equitable way. Among the many impacts, the bill would protect New York taxpayers from potentially needing to bail out the private sector and disincentivize “vulture funds” from targeting developing countries seeking unjust payouts.

As the sovereign debt crisis has deepened for many developing countries, resulting from the poly-crisis of climate change, war, and the pandemic, we as people of faith and conscience must do more to respond in more compassionate, and just, ways. Given that 60% of developing countries’ debt is owed to private creditors, it is essential that we address predatory profiteering and promote responsible lending and borrowing. We commend the sponsors of this bill for their leadership in addressing this issue and urge all members of the New York State Legislature to support the New York Taxpayer and International Debt Crises Protection Act.

Sincerely,

A handwritten signature in black ink that reads "Michael Neuroth".

Rev. Michael Neuroth
Acting Director
United Church of Christ
Washington DC Office