March 27, 2018

Sara Horowitz, Chair
Glenn H. Hutchins, Director
Board of Directors
Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

Dear Chair Horowitz and Director Hutchins:

I am writing to you in your capacity as co-chairs of the search committee for the new President of the Federal Reserve Bank of New York. As Comptroller of the State of New York, I have a particular interest in the Bank’s leadership because of my responsibilities regarding New York State’s fiscal policies.

As one of the nation’s most important monetary policymakers, the New York Fed’s decisions reverberate across the nation, and even the world. But they also have a major impact locally, where the daily lives of almost twenty million New Yorkers are shaped through monetary policy. These policies may determine whether someone can find a job, rent an apartment, or buy a home. They affect the price of groceries, healthcare, and education. They determine the future value of hard-earned savings.

Because these issues are experienced in different ways by different communities, diversity must be a critical component of the New York Fed’s leadership. I have long advocated in my role as the Trustee of the New York State Common Retirement Fund that publicly-traded companies should have diverse boards of directors, because studies show that diverse boards tend to make better long-term decisions. These principles hold true for any group making important decisions, and should be a guiding factor in your search for President.

The Second Federal Reserve District is one of the most diverse districts in America. It includes the gilded halls of the world’s largest investment banks, but also the hardscrabble streets of working-class neighborhoods. It covers the density of midtown Manhattan, and also the placid peaks of the Adirondacks. The Second District stretches from the sands of Puerto Rico to the windswept plains of Western New York. It includes business owners, union members, working parents, people of all races, every faith group, and LGBTQ individuals.
Chair Horowitz and Director Hutchins
March 27, 2018
Page 2

The New York Fed will make its best policies when its leadership reflects the diversity of its district. As New York State Comptroller, I urge you to consider this diversity as you select a new President because your choice will have a meaningful impact on the day-to-day lives of New Yorkers, as well as the State’s budget. Monetary policy and financial regulation in the Second District have a major effect on New York State because of the importance of the financial industry to our state’s economy. The Fed’s actions also reverberate through the State’s tax collections in all areas of the economy, as well as through our obligations to provide for the neediest residents when the market fails to do so. The Fed has an important responsibility to ensure that the economy grows in ways that serve all New Yorkers. The best way to do this is to have input from all types of New Yorkers.

I hope that you will consider diversity as a significant factor in your search for the next New York Fed President, and choose a leader who reflects New York’s historical status as an inclusive community for people of all races, ethnicities, sexes, creeds, sexual orientations and gender identities.

Thank you for your thoughtful considerations of these comments.

Sincerely,

Thomas P. DiNapoli
State Comptroller