



NEW YORK STATE SENATOR

James Sanders Jr.

Senate Banks Committee Holds Hearing on Discrimination in NY's Mortgage Industry

JAMES SANDERS JR. March 11, 2025



The New York State Senate Banks Committee, chaired by Senator James Sanders Jr., held a public hearing yesterday to examine potential discrimination in New York's home mortgage banking industry. The hearing brought together key stakeholders, including government officials, financial regulators, industry representatives, and consumer advocates, to address concerns regarding lending disparities and fair housing practices across the state.

Panelists provided testimony on existing challenges in mortgage lending, the impact of

systemic discrimination on homeownership rates, and potential solutions to ensure a more equitable housing finance system. Discussions centered on patterns of mortgage denials, disparities in loan approvals, and the role of financial institutions in fostering greater access to homeownership opportunities.

“This hearing was a necessary step in exposing and addressing the racial and economic inequities that persist in the mortgage lending industry,” said Senator James Sanders Jr. “Homeownership is one of the most important pathways to generational wealth, yet too many New Yorkers, particularly in communities of color, continue to face unfair barriers when trying to buy a home. We must hold financial institutions accountable and implement policies that ensure every New Yorker has a fair chance at achieving the American Dream.”

Senator George Borrello – *“Fairness and transparency in the mortgage lending process are essential to ensuring that all New Yorkers have access to homeownership, a key pillar of financial stability. It is critical that our lending institutions uphold accountability and integrity in their practices. I appreciate the attention this hearing has brought to this important issue and look forward to reviewing its findings and continuing the conversation on ways we can promote a fair and responsible housing finance system,” said Senator George Borrello, Ranking Member of the Senate Banks Committee.*

“Homeownership is a key to not only fixing our ongoing housing crisis, but also stabilizing our neighborhoods and building intergenerational economic security. Racial and economic discrimination in the home mortgage banking industry is unfair, unjust, and sets us back on all of these important fronts. Lawmakers must do everything possible to prevent discrimination before it happens as well as hold accountable those that perpetuate it. This hearing serves that vitally important purpose on behalf of all New Yorkers.” **Senator Julia Salazar Member of the Senate Banks Committee.**

“The testimony from the esteemed panelists made one thing abundantly clear: there is deep-

rooted structural discrimination problems that we must confront. Minority communities have long been held back by redlining and other discriminatory practices, and the ripple effects are still hitting communities hard. It is time that we fix our broken system.”

Assemblyman Clyde Vanel, Chair of the NYS Assembly Committee.

Andy Morrison, who spoke on yesterday’s panel, highlighted the ongoing disparities in the mortgage industry, stating, "Systemic mortgage inequities continue to pervade our financial system, harming Black and Brown communities and fueling the racial wealth gap. Worse still, our report revealed that the biggest banks profiting from our public deposits are among the worst offenders," said **Andy Morrison of New Economy Project**. "Public banking offers a structural solution—redirecting public money away from Wall Street’s discriminatory practices and into investments that actually serve New Yorkers. The time to act is now.”

Participants explored legislative and regulatory measures that could help address disparities in mortgage lending, including enhanced oversight, increased consumer protections, and greater transparency in banking practices. The committee will continue reviewing testimony and data to determine potential policy actions aimed at eliminating discriminatory barriers in the mortgage industry.