

AB 857

WHAT ARE PUBLIC BANKS?

Public banks are financial institutions owned by public entities such as cities, counties, and joint powers authorities.

A public bank's deposit base consists primarily of tax revenues and fees which it leverages to issue loans, just like any bank. Unlike private banks, the interest and profit of a public bank belongs to the community.

WHY PUBLIC BANKS?

A public bank's mission is to benefit the city or region that it serves. Wealth is reinvested locally!

Public banks provide a just and equitable solution to reclaim public monies from Wall Street banks that seek profit for shareholders. Public dollars can be used to create strong and sustainable local economies.



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BIT.LY/PUBLICBANKS

PUBLIC BANKING ACT AB 857

BILL SUMMARY

AB 857 creates a pathway for cities, counties, and regions to set up their own public banks. Authored by Assemblymembers **David Chiu** (SF) and **Miguel Santiago** (LA), this 2019 session bill enables the Department of Business Oversight to issue state banking charters to local government agencies.

ADVANTAGES OF PUBLIC BANKS

INVEST IN MAIN STREET

Public banks leverage their deposit base to benefit the public. Infrastructure costs will be halved, doubling our investment power! This allows public banks to focus on pressing local needs like affordable housing, clean renewable energy, and public infrastructure projects.

DIVEST FROM WALL STREET

Mega-banks profit from financing fossil fuels, private prisons, weapons manufacturers, fraudulent business practices and other reprehensible activities that our communities are actively fighting against.

GROW LOCAL ECONOMIES

Public banks keep money in the community and create jobs by partnering with community banks and credit unions to provide affordable credit to small businesses.

PUBLIC ACCOUNTABILITY

Public banks promote a transparent, independent and publicly governed finance system accountable to the people they serve.

SUPPORT

AB 857 is sponsored by the **California Public Banking Alliance** and endorsed by California Labor Federation, SEIU California, California Nurses Association/NNU, American Federation of Teachers 1931 and 2121, cities and counties including City of Los Angeles, City and County of San Francisco, City of San Diego, City of Oakland, among over 100 unions, statewide, regional and community organizations.