



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE • BEVERLY HILLS, CALIFORNIA 90210

John A. Mirisch, Mayor

July 18, 2019

The Honorable David Chiu
California State Assembly, 17th District
State Capitol, Room 4112
Sacramento, CA 95814

Re: AB 857 (Chiu) Public Banks.
City of Beverly Hills – SUPPORT

Dear Assembly Member Chiu,


On behalf of the City of Beverly Hills, I am pleased to write to you in **SUPPORT** of your **AB 857**, which will allow local governments to establish a public bank. This will provide more local control, transparency, and self-determination in how local taxpayer dollars are leveraged in the banking system by allowing local governments to charter their own public banks.

As you know, public banks are financial institutions that are owned by a public entity and are established to provide financial services to local communities, often in partnership with other local financial institutions. What sets a public bank apart from its privately-owned counterparts is that public banks are free from the responsibility to provide shareholders with profits and can instead, focus on leveraging their deposits and lending power on meeting local needs.

Granting localities the authority to establish a public bank would allow them to create and utilize a financial institution that prioritizes public benefits rather than shareholder profits. These institutions will allow local governments and agencies to transfer their financial services from a private bank to a public institution that will reinvest and create capital in their community. Public banks can prioritize activities that benefit the public like providing capital at a lower cost for preferred uses such as infrastructure, affordable housing projects, public transportation, and social programs.

Providing local governments with the ability to establish a public bank will give them another tool to help ensure that the financial needs of their communities are met by an institution that reflects their values and goals. For these reasons, the City of Beverly Hills is pleased to **SUPPORT** your **AB 857**. Thank you for authoring this important measure.

Sincerely,



John A. Mirisch
Mayor, City of Beverly Hills

cc: Members and Consultants, Senate Banking and Financial Institutions Committee
Members and Consultants, Senate Governance and Finance Committee
The Honorable Ben Allen, 26th Senate District
The Honorable Richard Bloom, 50th Assembly District
Andrew K. Antwih, Shaw / Yoder / Antwih, Inc.