



Fossil Free California
P.O. Box 21022
Oakland, CA 94620
<http://fossilfreeca.org>
Email: contact@fossilfreeca.org

April 4, 2019
Assemblymember Monique Limón
Chair, Assembly Committee on Banking and Finance
State Capitol, Room 6031
Sacramento, CA 95814

RE: AB 857 (Chiu, Santiago) - Public Banks - SUPPORT

Dear Chairwoman Limón:

Fossil Free California supports and endorses AB 857 "Public Banks", which could provide a stable alternative to megabanks that provide financing for fossil fuels and fossil fuel infrastructure projects. Over the last three years the world's biggest banks have poured more than \$1.9 trillion into extreme fossil fuel projects. Finding a public alternative to these banks is consistent with our mission of ending financial support for fossil fuels and promoting a just transition to a low-carbon economy.

As non-profit, publicly-owned institutions, public banks will be able to invest locally and serve the public good, while avoiding high service charges and fees imposed by the big banks. We are in strong agreement with the intent of the Bill to "authorize the lending of public credit to public banks and authorize public ownership of stock in public banks for the purpose of achieving cost savings, strengthening local economies, supporting community economic development, and addressing infrastructure and housing needs for localities."

Additionally, public banks can:

- Partner appropriately with local community banks and credit unions to provide retail services, which will increase the capacity of these institutions;
- Return interest and fee revenues to the communities they serve;
- Provide public financing for much-needed infrastructure projects such as affordable housing;
- Under the oversight of the DBO, provide a level of transparency and insight into banking practices that supports their intention to serve the public good.

Thank you for this opportunity to comment on AB 857.

Yours,

A handwritten signature in black ink that reads "Deborah N. Silvey". The signature is written in a cursive, flowing style.

Deborah N. Silvey
President and Board Chair
Fossil Free California

*Fossil Free California works to end financial support for climate-damaging fossil fuels,
and to promote a just transition to a low-carbon economy.*