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ASH KALRA
ASSEMBLYMEMBER, TWENTY-SEVENTH DISTRICT

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WATER, PARKS, AND WILDLIFE

March 18, 2019

**RE: Item 3.7 – Report on Request for Proposal for Financial Services (Banking Services)
RFP 17-18-05.**

Dear Mayor and Councilmembers,

I would like to respectfully request your support for Councilmembers Jimenez, Peralez, and Carrasco's memorandum directing the City of San José to look into a public banking alternative, while supporting AB 857 (Chiu & Santiago): Public Banking Act, of which I am a co-author. A public banking model is nothing new to the United States, and has contributed to millions of dollars of steady public revenue. Unlike a privately owned bank, a public bank would be under local control to ensure accountability and transparency.

Billions of taxpayer dollars are invested in privately owned banks across California, yet, local governments cannot dictate how the dollars are spent, let alone, if they ever get invested back into the community. If we allowed public banks in California, local governments would be able to determine how local dollars are used, provide affordable loans and lines of credit to local businesses and nonprofits, and increase the lending capacity of the local banking system to support community development. Additionally, incidents of wage theft should not be taken lightly and certainly should not be excused in considering how to secure and invest taxpayer funds. It is time that elected officials represent taxpayers with their financial practices, and not shareholder profits for private commercial banks. Please vote to support the memorandum, as well as AB 857.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Ash Kalra".

ASH KALRA