

Date of Hearing: April 24, 2019

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT  
Cecilia Aguiar-Curry, Chair  
AB 857 (Chiu and Santiago) – As Amended March 19, 2019

**SUBJECT:** Public banks.

**SUMMARY:** Authorizes local agencies to create and operate publicly owned banks. Specifically, **this bill:**

- 1) Defines “local financial institution” to mean a certified community development financial institution, a credit union, or a small bank or intermediate small bank, as specified.
- 2) Defines “public bank” to mean a corporation, organized for the purpose of engaging in the commercial banking business or industrial banking business that is wholly owned by a local agency, local agencies, a joint powers authority that is composed of local agencies, or a special district.
- 3) Defines “self-insurance” to mean deposits guaranteed by the owners of the public bank in an amount approved by the Commissioner of Business Oversight.
- 4) Specifies that a public bank shall identify in its articles of incorporation either a social purpose or a specific public benefit. Examples of a social purpose or a specific public benefit include, but are not limited to, strengthening local economies, supporting community economic development, addressing infrastructure and housing needs for localities, and providing banking services to the unbanked or underbanked.
- 5) Provides that a public bank may, but is not required to, incorporate as a benefit corporation or a social purpose corporation and shall comply with existing law when doing so.
- 6) Requires a public bank to obtain and maintain deposit insurance approved by the Commissioner of Business Oversight, either by the Federal Deposit Insurance Corporation (FDIC), private share insurance, or self-insurance.
- 7) Specifies that in seeking and retaining insurance, a public bank may do all things and assume and discharge all obligations required of it that are not in conflict with state law.
- 8) Requires a public bank to comply with all requirements of the Financial Institutions Law and the Banking Law, except to the extent that a requirement of those laws is inconsistent with this bill, in which case the provisions of this bill shall prevail.
- 9) Provides that a public bank shall comply with existing deposit limitations.
- 10) Authorizes a county to lend its credit to any public bank.
- 11) Provides that a local agency may invest in commercial paper, debt securities, or other obligations of a public bank.
- 12) Specifies that any local agency that does not pool money in deposits or investments with other local agencies that have separate governing bodies may invest in debt securities or other obligations of a public bank.
- 13) Provides that any local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body, may invest in debt securities or other obligations of a public bank.

- 14) Authorizes a public bank to be eligible to receive local agency money.
- 15) Requires that wherever possible, any retail service of a public bank shall be conducted in partnership with local financial institutions.
- 16) Provides that a public bank may do both of the following:
  - a) Engage in banking activities, including but not limited to, infrastructure lending, wholesale lending, and participation lending; and,
  - b) Engage in retail activities that are not provided by local financial institutions in the jurisdiction of the local agency or agencies that own the public bank.
- 17) Specifies that any person or entity, including a local agency, that owns, controls, or holds ownership interest in a public bank is not a bank holding company by reason of that ownership interest.
- 18) Exempts a public bank from all other taxes and licenses, state, county, and municipal, imposed upon a public bank, except taxes upon its real property, local utility user taxes, sales and use taxes, state energy resources surcharges, state emergency telephone surcharges, motor vehicle and other vehicle license fees, and any other tax or license fee imposed by the state upon vehicles, motor vehicles, or the operation thereof.

#### **EXISTING LAW:**

- 1) Gives the Department of Business Oversight (DBO) jurisdiction over banks, industrial banks, trust companies, credit unions, money transmitters, issuers of payment instruments and traveler's checks, savings associations, business and development corporations, premium finance companies, and a variety of nondepository unsecured and secured lenders, broker-dealers, and investment advisers.
- 2) Provides for the formation of a corporation for the purpose of conducting a commercial banking business.
- 3) Requires a corporation to apply for a charter with the Commissioner of Business Oversight in order to become a bank.
- 4) Specifies that banks must secure specified collateral to protect deposits received from local agencies.
- 5) Requires specified banks to insure deposits with the FDIC.
- 6) Establishes the California Infrastructure and Economic Development Bank (IBank) with the authority to issue bonds, provide guarantees, and leverage state and federal funds using techniques that target public investment to facilitate economic development.
- 7) Authorizes state-chartered banks to join the Federal Reserve System in existing federal law.

**FISCAL EFFECT:** This bill is keyed fiscal.

#### **COMMENTS:**

- 1) **Local Government Finances.** Local elected and appointed officials are charged with a fiduciary duty to the public. They are responsible for guiding multi-million dollar county and municipal agencies that depend on numerous sources of revenues and have multiple layers of policy and management responsibilities. Understanding their financial fiduciary responsibilities is one of their most important duties.

Many factors dictate how a local agency manages its funds, including: the amount of revenue the agency receives annually; the source of the revenue, whether it be property taxes, sales taxes, fee-based revenue, utility taxes, grants, loans, bond funding, etc.; restrictions on how these funds can be used; and, many other dynamics in which each local agency is accountable. No two local agencies manage their finances in the

same way. In order to balance the individual agency needs, the state, both constitutionally and statutorily, has provided local agencies with decision-making flexibility in how finances can be managed.

Traditionally, large, commercial banks provide most of the banking services for local agencies. Agencies with larger budgets often require the services of these national banks due to the size and complexity of their banking needs. These banks are for-profit entities, and services are not free. Some local governments also receive banking services from credit unions and community banks. However, the amount that can be deposited in these entities is strictly limited, often making it more difficult and less efficient for local agencies to utilize the services provided by credit unions and community banks.

Banks are subject to a number of requirements when they receive funds from local agencies. Requirements, such as federal insurance and collateralization, decrease the amount of risk local agencies assume when making investments. Local agencies are authorized to invest surplus revenues in many different types of financial mechanisms. However, due to the financial fiduciary duty that local officials carry, they are obligated to make reliable investments.

Investing public dollars carries risk. For example, Orange County filed for federal bankruptcy protection in 1994 because of a \$1.7 billion loss to its investment pool, a depository for County surplus and borrowed funds and funds of 196 other cities, school districts and special districts. Subsequent hearings of the Senate Special Committee on Local Government Investments brought to light questionable investment practices and lack of prudent oversight on the part of some local officials.

As a result of the hearings, the Legislature enacted a number of bills to increase protections and address these problems, including SB 866 (Craven), Chapter 784, Statutes of 1995, and SB 109 (Kopp), Chapter 749, Statutes of 1996, which, among other requirements:

- a) Provided that a county treasurer is a trustee and fiduciary subject to the prudent investment rule;
  - b) Established a local investment oversight committee;
  - c) Called for treasurers to render annual investment policy statements to their governing boards required to be considered at a public meeting; and,
  - d) Defined the permitted investment instruments that local agencies can invest in.
- 2) **Orange County Bankruptcy.** On December 6, 1994, Orange County became the largest municipality in U.S. history to declare bankruptcy at the time. The county treasurer had lost \$1.7 billion of taxpayers' money through investments in risky Wall Street securities. In 1994, the Orange County investment pool had about \$7.6 billion in deposits from the county government and almost 200 local public agencies (cities, school districts, and special districts). Borrowing \$2 for every \$1 on deposit, the County Treasurer increased the size of the investment pool to \$20.6 billion. While in bankruptcy, every county program budget was cut, about 3,000 public employees were discharged, and all services were reduced. Orange County did not make its final payment on the \$1 billion bond that helped it get out of bankruptcy until 2017.

In 1998, the Public Policy Institute of California shared recommendations that may help prevent, or at least ameliorate, future crises:

- a) Local governments need to maintain high standards for fiscal oversight and accountability;
- b) State government should closely monitor the fiscal conditions of its local governments, rather than wait for serious problems to surface; and,
- c) Local officials should be wary about citizens' pressures to implement fiscal policies that are popular in the short run but financially disastrous over time.

- 3) **What is Public Banking?** A “public bank” is a national or state-chartered depository institution owned by a government entity. Except for public ownership, other features and purposes of public banks are not universally agreed upon. When voicing support for public banks, proponents have cited the following potential benefits:
- a) Providing capital at a lower cost than the private sector to preferred uses (e.g., public infrastructure projects, affordable housing, small businesses, unbanked/underbanked);
  - b) Reducing costs to the government for banking services;
  - c) The opportunity to invest public funds in a way that reflects the values of the electorate; and,
  - d) The ability to divest public funds from commercial banks that provide financing to industries that advocates do not like (e.g., fossil fuel producers, prison operators, gun manufacturers).
- 4) **Public Banks in Operation.** There is only one public bank operating at scale in the United States – the Bank of North Dakota (BND). BND was founded in 1919 by the state legislature to support the state’s farmers. BND is the state’s exclusive depository institution and also serves local governments, which can voluntarily elect to deposit funds in the bank. Importantly, BND does not compete with private financial institutions. Rather, it partners with local banks and credit unions. These private financial institutions originate the loans, apply to participate in one of BND’s programs, and then BND provides capital to participate in the loan with the private financial institution.

There are several examples of public banks operating outside of the United States. Germany’s Sparkassen and Landesbanken networks serve consumers, businesses, and governments. The Japan Finance Organization for Municipalities provides funds to local governments in Japan. While international examples show that public banks are possible, the differences in regulatory and legal frameworks between countries may inhibit these examples from providing much information for how public banking could work in California.

- 5) **Recent Efforts on Public Banking.** On the heels of the 2007-08 financial crisis, renewed interest in public banking has sparked legislation or feasibility studies in state and local governments around the United States. Except for the BND, no state or local government has established a public bank. Feasibility studies often find significant start-up costs and high levels of financial and operational risk associated with public banks.
- a) **California.**  
Two bills were introduced in the 2011-12 legislative session. AB 750 (Hueso) would have created a task force to study a public bank at the state level. The bill was approved by the California Legislature but vetoed by Governor Brown who said the matter was “well within the jurisdiction and competence of the Assembly and Senate Banking Committees.” AB 2500 (Hueso) would have established a public bank at the state level. The bill was never heard in policy committee by request of the author.
  - b) **Los Angeles.**  
In 2017, the City Council of Los Angeles requested a report on the feasibility of a Municipal Bank of Los Angeles. The report was written by the Chief Legislative Analyst and submitted to the Council in February 2018. The report identified a number of risks associated with establishing and operating a municipal bank and necessary legislative changes prior to establishing a bank. Following this report, Council placed an initiative on the November 2018 ballot to amend the city charter as a first step to establishing a public bank. The initiative was rejected by voters with 44% voting “yes” and 56% voting “no”.
  - c) **San Francisco.**  
The City and County of San Francisco established a task force in 2017, facilitated by the County Treasurer and Tax Collector’s Office, to investigate the feasibility of a municipal bank owned by the

City. The task force has convened stakeholder meetings and solicited opinions from banking experts to inform its analysis and recommendations. The final report was published in March of this year. The task force investigated three different models of potential public banks, including a bank to only provide loans (option one),

a bank to provide cash management and investment services (option two), and a bank that provides both (option three).

d) ***Seattle.***

The City of Seattle commissioned a feasibility study that was published in October 2018. The report concluded that “creating a public bank in Seattle would be at best a long-term process, requiring numerous layers of regulatory review and eventual compliance with a restrictive slate of limitations on its capacity to lend and raise capital.”

e) ***Washington.***

The Washington State Legislature provided \$480,000 in 2018 to fund a feasibility study, which is ongoing. Separate from the feasibility study, the State Treasurer conducted a “study of studies” which analyzed twelve studies that had been produced by cities and states around the country. Based on that study, the Treasurer concluded that he does “not support public banking because of the higher risk and lower return on investment compared to the current private banking system.”

6) **Bill Summary.** This bill allows local agencies to establish a public bank that can provide cash management, commercial banking, and lending services. This bill requires a public bank to follow the requirements of the Financial Institutions Law and the Banking Law. This bill specifies that a public bank must obtain and maintain deposit insurance, approved by the Commissioner of Business Oversight, either by the FDIC, public share insurance, or self-insurance. Lastly, this bill allows a public bank to incorporate as a benefit corporation or a social purpose corporation. This bill is sponsored by the California Public Banking Alliance.

7) **Author’s Statement.** According to the author, “AB 857 provides more local control, transparency, and self-determination in how local taxpayer dollars are leveraged in the banking system by allowing local government to charter their own public banks. These public banks would have oversight from the DBO and a separate, professional board. In contrast to profit-driven commercial banks, the public bank’s board of directors will have a fiduciary duty to protect taxpayers’ assets.

“AB 857 also requires partnerships between a public bank and existing local financial institutions to provide retail services, enabling public banks to provide affordable loans and lines of credit to local businesses and nonprofits, and increase the lending capacity of the local banking system. By creating a public bank, taxpayer money will be held by an insured financial institution that measures its return on investment not only by profits, but also by its success in supporting communities.”

8) **Policy Considerations.** The Committee may wish to consider the following:

a) **Divestment.** Supporters state that, “Since the financial crisis, the country’s largest banks paid a total of \$321 billion in fines in response to bad banking practices. Yet, fines do little to dissuade banks from predatory practices. Since the adoption of the Paris agreement, big banks have financed fossil fuels with \$1.9 trillion, in increasing amounts each year, accelerating climate disaster at a rapid rate. Additionally, big banks have provided \$3.4 billion in current debt financing to the two leading companies in the

private prison industry.” The Committee may wish to consider the partnerships that public agencies have with these banks and the impacts of financing of certain industries.

- b) **Local Banking.** One of the supporting arguments for the creation of public banks is the potential impact on small, local banks. Supporters proclaim that public banks will revive the local banking sector by purchasing local bank stock, partnering with them on large loans, and providing other support, citing that the state of North Dakota, which has a public bank, has six times as many local banks and credit unions per capita as the rest of the country.

However, the opposition claims the contrary saying, “The public bank would take away the local agency deposits from these private community banks, upon which they depend to issue loans and lines of credit to businesses within the community. AB 857 could ultimately eliminate community banks, which provide a valuable resource of capital, revenue, and jobs for the communities they serve.” There is a stark contrast in views on how the local banking sector will be impacted. The Committee may wish to consider the effect public banks may have on small, community banks and credit unions.

- c) **FDIC Insurance.** Establishing a public bank is likely a long-term commitment. Taxpayer dollars that are deposited in commercial or locally owned banks are protected if there is another economic downturn or other factors by FDIC insurance and collateral requirements. If accepted by the FDIC, the public bank would be subject to its supervision and regulation. A public bank without this insurance could expose local agency deposits (up to the FDIC insurance amount of \$250,000) to a greater risk of loss. This bill authorizes the DBO to approve the type of deposit insurance a public bank must acquire including, FDIC insurance, private share insurance, or self-insurance. Although DBO makes the final decision on insurance requirements, operating a public bank without FDIC protection could be risky. The Committee may wish to consider if FDIC deposit insurance should be a requirement of any public bank performing commercial banking functions.
- d) **Present Versus Future.** As discussed in the San Francisco Task Force’s report, starting a bank and keeping it operational is not a cheap endeavor. San Francisco studied three different models for a public bank. San Francisco estimated that a public bank that accepts deposits, performs cash management and commercial banking services, as well as provides affordable housing and small business lending (option three), will take an estimated 56 years to break even operationally. To achieve financial sustainability, it was estimated that \$119 million in start-up costs and \$2.2 billion in subsidies from the City would be needed to maintain operations until the public bank can break even. The task force did not specify where these funds would come from but did note that General Fund appropriations would likely be critical to its success. Any funds dedicated to funding a public bank could otherwise be used in a myriad of different ways, whether it be social programs, affordable housing or other infrastructure development, or even economic development programs. The Committee may wish to consider the long-term benefit of establishing a public bank versus the immediate needs of California’s communities.
- e) **Public Study.** San Francisco conducted a very thorough financial and economic analysis to determine the benefits and potential fiscal impact of creating a public bank. However, this bill does not require a local agency to perform a comparable analysis to determine whether establishing a public bank is the right decision for a particular entity. While the DBO must also approve any application to form a bank, the Committee may wish to consider if a local agency should be required to conduct an in-depth, public analysis prior to applying for a state license.
- f) **Fiscal Commitment.** San Francisco noted in its report that the model that provides cash management, commercial banking, and lending services (option three):

“Struggles to achieve sustainability because it combines the high start-up and overhead costs of performing the City’s cash management with the reduced profit resulting from a lower-margin but high-impact lending portfolio. The slowness of Model Three’s path to profitability increases the operational, political, and regulatory risks. Each year, there is a concern that the bank will lose political support and thus its subsidy or that regulators will intervene. Over the course of 56 years,

economic conditions may force the bank to change its business model or may stymie its growth. Additionally, the longer the time frame modeled, the less reliable the model results.”

The Committee may wish to consider if the potential social and financial benefits outweigh the risk of such a long-term commitment.

g) **Political Influence.** The political structure of a public bank has been identified as an important factor when it is created. The FDIC has expressly noted that applications from public banks will be examined closely because public banks present “unique supervisory concerns that do not exist with privately owned depository institutions.” The *Los Angeles Times* proclaimed that, “A public bank runs the risk of political interference, as elected officials might put pressure on the bank to make risky loans to and investments in favored individuals, causes, and communities.” Ensuring a public bank is properly insulated from political pressures may be important to its success. The Committee may wish to consider if this bill should include safeguards to avoid such political pressures.

h) **Investment Restrictions.** The supporters of this bill argue that the creation of a public bank allows for the investment of public funds in a way that reflects the values of the electorate, and provides the ability to divest public funds from commercial banks that provide financing to controversial industries. However, this bill does not expressly limit the types of industries a public bank can invest in. The Committee may wish to consider if certain investments should be explicitly restricted and enumerated in this bill.

9) **Committee Amendments.** In response to the policy considerations above, the Committee may wish to amend the bill in the following ways:

a) Require FDIC insurance:

**57602.** (a) A public bank shall obtain and maintain deposit insurance ~~approved by the Commissioner of Business Oversight, either provided~~ by the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act (12 U.S.C. Sec. 1811 et seq.), ~~private share insurance, or self-insurance.~~ **(b) In seeking and retaining insurance, a public bank may do all things and assume and discharge all obligations required of it that are not in conflict with state law.**

b) Delete the definition of “self-insurance”:

**57600.** ~~(c) “Self-insurance” means deposits guaranteed by the owners of the public bank in an amount approved by the Commissioner of Business Oversight.~~

c) Add a requirement that the local agency conduct a study prior to applying to the DBO:

**Government Code Section 57606.** (a) Prior to submitting an application to organize and establish a public bank pursuant to Section 1020 of the Financial Code, a local agency shall conduct a study to assess the viability of the proposed public bank. At a minimum, the study shall include the following elements:

(1) A discussion of the purposes of the bank which may include achieving cost savings, strengthening local economies, supporting community economic development, and addressing infrastructure and housing needs for localities.

(2) A fiscal analysis of costs associated with starting the proposed public bank.

(3) An estimate of the initial amount of capital to be provided by the local agency to the proposed public bank.

(4) Financial projections, including pro forma balance sheet and income statement, of the proposed public bank for at least the first five years of operation. The financial projections shall include an estimate of the time period for when expected revenues meet or exceed expected costs and an estimate of the total operating subsidy that the local agency may be required to provide until the proposed public bank generates sufficient revenue to cover its costs. In addition to projections that

assume favorable economic conditions, the analysis shall also include a downside scenario that considers the effect of an economic recession on the financial results of the proposed public bank. The projections may include the downside scenario of continuing to do business with the local government's current banker(s).

(5) A legal analysis of whether the proposed structure and operations of the public bank would likely comply with Section 6 of Article 16 of the California Constitution, provided that nothing herein shall compel the waiver of any attorney-client privilege attaching to such legal analysis.

(6) An analysis of how the proposed governance structure of the public bank protects the bank from unlawful insider transactions and apparent conflicts of interest.

(b) The study may include any of the following elements:

(1) A fiscal analysis of benefits associated with starting the proposed public bank, including but not limited to cost savings, jobs created, jobs retained, economic activity generated, private capital leveraged.

(2) A qualitative assessment of social or environmental benefits of the proposed public bank.

(3) An estimate of the fees paid to the local agency's current banker(s).

(4) A fiscal analysis of the costs, including social and environmental, of continuing to do business with the local agency's current banker(s).

(c) The study required by subdivision (a) must be presented and approved by the governing body of the local agency at a public meeting prior to the local agency submitting an application pursuant to Section 1020 of the Financial Code.

(d) The local agency shall make available to the public the financial models and key assumptions used to estimate the elements described in paragraphs (2) through (4) of subdivision (a) prior to presenting the study to the governing body of the local agency as required by subdivision (c).

- a) **Arguments in Support.** Supporters argue, "Currently, California does not have any public banking options. As a result, many California local governments must hold their assets with large out of state commercial banks. Additionally, billions of taxpayer dollars are invested with commercial banks that have little incentive to use their assets for the betterment of the local community. Many of these private commercial banks engage in practices that may be inconsistent with the values of California communities, such as engaging in predatory lending practices and funding private detention centers. AB 857 would address this by providing more local control and transparency in how local taxpayer dollars are leveraged in the banking system and by allowing local governments to charter their own public banks. The DBO would have oversight over the public banks and the banks' board of directors would have a fiduciary duty to protect taxpayer's assets. By creating a public bank, taxpayer money will be held by an insured financial institution that invests in the local community."
- b) **Arguments in Opposition.** Opponents argue the bill, "Proposes a radical change in the financial market, not justified by any unmet need. The bill would authorize the creation of a 'public bank' that would require a significant amount of start-up money (presumably from the local agency general fund), jeopardize taxpayer funds in politically motivated investments, and would likely reduce, if not eliminate, the presence of community and small neighborhood banks, as well as small businesses' access to these valuable financial services. Two recent studies concluded that a municipal bank is a risky financial endeavor. Voters in Los Angeles recently rejected a proposal to establish a public bank."
- 3) **Double-Referral.** This bill was heard in the Banking and Finance Committee on April 22, 2019, and passed with a vote of 7-3.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

California Public Banking Alliance [SPONSOR]

AFSCME Council 57  
Alliance for Community Transit, Los Angeles  
Alliance of Californians for Community Empowerment Action  
American Indian Movement SoCal  
Asian Pacific Environmental Network  
Backbone Campaign  
Beneficial State Foundation  
California Democratic Party Delegates (97)  
California Environmental Justice Alliance  
California Faculty Association, San Francisco State University  
California Nurses Association  
California Progressive Alliance  
California Reinvestment Coalition

**Support (continued)**

Campaign for Sustainable Transportation, Santa Cruz  
Center for Community Action and Environmental Justice  
City and County of San Francisco  
City of Berkeley Mayor Jesse Arreguin  
City of Los Angeles  
City of Oakland  
City of San Jose  
Coleman Advocates for Children and Youth  
Commonomics  
Communities for a Better Environment  
Community Financial Resources  
Cooperation Humboldt, Eureka  
Courage Campaign  
Democracy Collaborative  
Democratic Party of the San Fernando Valley  
Democratic Socialists of America, Los Angeles  
Divest LA  
Friends of the Earth  
Friends of Public Banking Santa Rosa  
Fossil Free California  
Green Party of California  
Green Party of Santa Clara County  
Healthcare for All  
Hollywood NOW  
Home It  
Hubert H. Humphrey Democratic Club  
Idle No More – San Francisco Bay  
Indivisible, CA-33  
Indivisible California Green Team  
Indivisible California: StateStrong  
Indivisible East Bay  
Indivisible Los Angeles, CA-43  
Lawyers' Committee for Civil Rights of the San Francisco Bay Area  
Local Clean Energy Alliance  
Los Angeles County Democratic Party  
Media Alliance  
McGee-Spaulding Neighbors in Action  
NAACP, Santa Cruz Chapter

National Nurses United  
Orange County Poor People's Campaign  
Our Revolution Long Beach  
People for Public Banking Santa Cruz  
People Organizing to Demand Environmental and Economic Rights  
Progressive Asian Network for Action  
Public Bank East Bay  
Public Bank Los Angeles

**Support (continued)**

Public Bank San Diego  
Public Bank Santa Barbara  
Public Banking Institute  
Resistance – Northridge, Indivisible  
Revolution LA  
San Francisco Berniecrats  
San Francisco Living Wage Coalition  
San Francisco Public Bank Coalition  
San Francisco Rising  
Santa Cruz Climate Action Network  
Santa Cruz for Bernie  
Service Employees International Union, California  
SoCal 350 Climate Action  
South Bay Progressive Alliance  
Sunrise Movement Los Angeles  
Sustainable Economies Law Center  
Unites Educators of San Francisco  
Women's International League for Peace and Freedom  
350 Bay Area Action  
350 Conejo San Fernando Valley  
350 Riverside  
350 Santa Cruz  
350 Silicon Valley  
350 South Bay Los Angeles  
38 Individuals

**Opposition**

Bay Area Council  
California Association of Treasurers and Tax Collectors  
California Bankers Association  
California Chamber of Commerce  
California Community Banking Network  
California Credit Union League  
California Taxpayers Association  
Howard Jarvis Taxpayers Association

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