

1 [Supporting California State Assembly Bill No. 1177 (Santiago) - The Public Banking Option
2 Act]

3 **Resolution supporting California State Assembly Bill No. 1177, authored by Assembly**
4 **Member Miguel Santiago, the California Public Banking Option, to expand access to**
5 **banking services for unbanked and underbanked Californians by providing a zero-fee,**
6 **zero-penalty public option for essential financial services.**

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8 WHEREAS, Removing key barriers to financial stability is a touchstone of an equitable
9 economic recovery for the low-wage workers and workers of color who have been especially
10 hard hit by the pandemic and historically excluded from financial services and face greater
11 rates of financial insecurity; and

12 WHEREAS, Nearly 1 in 4 Californians are unbanked, meaning they lack a bank
13 account altogether, or are underbanked, meaning they have a bank account but still largely
14 rely on alternative financial services, such as payday lenders, prepaid debit cards, and pawn
15 shops; and

16 WHEREAS, Unbanked or underbanked households pay proportionally more for their
17 financial services, lack savings accounts, have fewer opportunities to build credit, and face
18 increased rates of loan rejection; and

19 WHEREAS, Limited access to financial services is a problem that disproportionately
20 impacts low-income communities and communities of color, with nearly half of Black and
21 Latino California households unbanked or underbanked, and workers who make just under
22 \$15 an hour make up 80.7 percent of the unbanked in our state; and

23 WHEREAS, Not only have low-income communities and communities of color suffered
24 greater rates of infection and fatalities from COVID-19, but they also face disproportionately
25 greater challenges to recover financially; and

1 WHEREAS, Providing banking services to the unbanked and underbanked is too
2 expensive for community banks, credit unions, and CDFIs to do comprehensively; and

3 WHEREAS, AB 1177 (Santiago, Carrillo, Chiu, Garcia, Gipson, Gonzalez, Kalra, Lee,
4 Ting, Wicks; Co-authors: Assembly Members Bonta, Friedman, Jones-Sawyer, L Rivas,
5 Senators Durazo, Gonzalez, Hueso and Wiener) is pending in the state legislature and would
6 help close the financial services divide, bolster the economy and ensure an equitable recovery
7 by creating a stable, accessible financial services platform with the BankCal program; and

8 WHEREAS, BankCal builds on the success of California’s other financial programs,
9 CalSavers and CalKids, and would allow all Californians, no matter how much money they
10 make or where they live, to create a BankCal account, use a BankCal debit card, access a
11 vast network of ATMS, deposit funds, automate bill pay, and set up direct deposit with no fees
12 and penalties; and

13 WHEREAS, AB 1177 reduces Californians’ risk of falling into catastrophic debt traps
14 and brings us closer to bridging the racial wealth gap; and

15 WHEREAS, AB 1177 is sponsored by Service Employees International Union (SEIU)
16 California, which represents more than 700,000 workers who work to make our state, cities,
17 and counties safe and healthy places to live and raise our families and who nurse our sick,
18 educate our children, clean our schools, and care for our seniors and developmentally
19 disabled; and

20 WHEREAS, AB 1177 is sponsored by the California Public Banking Alliance and the
21 California Reinvestment Coalition, two organizations that advocate for public banking and
22 community reinvestment; now, therefore, be it

23 RESOLVED, That the City and County of San Francisco supports California State
24 Assembly Bill 1177 and urges the Assembly and Senate to pass the bill; and, be it

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1 FURTHER RESOLVED, That the Board of Supervisors hereby directs the Clerk of the
2 Board to send a copy of this Resolution to the California State Assembly and the California
3 State Senate.

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 210430

Date Passed: April 27, 2021

Resolution supporting California State Assembly Bill No. 1177, authored by Assembly Member Miguel Santiago, the California Public Banking Option, to expand access to banking services for unbanked and underbanked Californians by providing a zero-fee, zero-penalty public option for essential financial services.

April 27, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210430

I hereby certify that the foregoing Resolution was ADOPTED on 4/27/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Unsigned

London N. Breed
Mayor

5/7/2021

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board

05/07/2021

Date