



Legislation Text

File #: 20-0017, **Version:** 1

Recommendation to request City Manager conduct a feasibility study on Public Banking in Long Beach. This study should explore a possible partnership with the County of Los Angeles as they consider a regional public banking program. (Citywide)

During this legislative session, the California State Legislature passed Assembly Bill 857, the Public Banking Act. After the bill's passage, I wrote Governor Gavin Newsom and gave my support for the bill (letter attached). The Governor signed AB 857 into law, allowing cities and counties in California to create their own public banks.

The Legislature's intent is to achieve cost savings, strengthen local economies, support community economic development and address infrastructure and housing needs. Under AB 857, there will be a pilot program with up to two licenses issued each year.

City staff are requested to provide a review of the concept of public banking, including the State legislation that has created the program, a review of the current pilots, the process for becoming a public bank, and any information on the benefits, costs or other features of this new concept.

This recommendation is a request for a feasibility study. This would be a moderate use of staff time and dependent on possible Los Angeles County partnerships. Any additional study costs would come back to the Council to be discussed. Information on the potential costs and benefits of public banking would be included in the report.

Approve recommendation.

ROBERT GARCIA
MAYOR