May 14, 2019

The Honorable Lorena Gonzalez
Chair, Assembly Appropriations
State Capitol, Room 2114
Sacramento, CA 95814

**Re: AB 857 (Chiu & Santiago)** — **SUPPORT**

Dear Assemblymember Gonzalez:

On behalf of the California Association of Micro Enterprise Opportunity (CAMEO), I am writing to express our support for bill, AB 857, which creates a framework for public banking in California. Public banks bolster and enhance local bank and credit union activities, enabling lending capital for local businesses.

CAMEO is California’s statewide network made up of over 230 organizations, agencies, and individuals dedicated to furthering microbusiness development in the state. Annually, CAMEO members serve about 34,000 very small businesses with training, business and credit assistance and loans. These firms – largely start-ups with less than five employees – support or create 51,000 new jobs in California and generate a total of $2.5 billion in economic activity.

Public banks return interest and fee revenues to the communities they serve, creating value revenue reserves for local constituencies. A robust public banking network in California provides strong protections against insolvency of large banks in periods of economic duress.

I urge you to support AB 857 to pave the way for a locally-controlled banking system that promotes a transparent, independent and publicly governed finance system that is accountable to the people they serve. If you have any questions regarding this request, please feel free to contact Heidi Pickman, 415.992.4480 or at hpickman@microbiz.org.

Sincerely,

Carolina Martinez, CEO