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Subject: PRO 01/20

Thank you for the opportunity to comment on these proposed regulations.

Under section 10.135.1 of AB 857 the adopted definition of "governing board" of a public bank would commit public officials charged with using public funds for the public's benefit to the same terms of confidentiality that apply to the meetings of the board of directors of private banks relating to loan or investment decisions, to meetings with banking regulators, and to meetings of the internal audit committee, the compliance committee and the governing board of the bank. This may cause costly litigation as it directly conflicts with other well established transparency laws relating to public records and public meetings, specifically the California Public Records Act and the Brown Act, which require meetings held by government agencies to be open to public participation, and require documents involving the expenditure of public monies to be regularly and reliably released.

These laws are in place because the public has a right to direct its own future through the officials it has charged with the stewardship of the wealth it produces. Public banks have been created because of a groundswell of public support aimed at increasing the democratic responsiveness of public institutions. We have an opportunity here to ensure that goal doesn't become lost in translation as we seek to practically apply the public's wishes to the institutions that carry them out.

I respectfully request that the definition of "governing board" of a public bank be distinct from the "board of directors" of a private bank as that distinction relates to the openness of meetings and the disclosure of records relating to investment decisions, to meetings with banking regulators, and to meetings of the internal audit committee, the compliance committee and the governing board of the public bank.

Thank you for your time and consideration,

George Uberti, Public Advocate