




COUNCILMEMBER DAVID ALVAREZ
City of San Diego
Council District Eight

MEMORANDUM

DATE: December 11, 2015

TO: Honorable City Councilmembers

FROM: Councilmember David Alvarez 

SUBJECT: Amendment to State and Federal Legislative Priorities for Calendar Year 2016

As the City's 2016 State and Federal legislative priorities package moves forward to City Council, I would like to propose the following item be included in the legislative package.

Recent bank closures along the Southwest border have negatively impacted the community of San Ysidro. Closures have been linked to added costs associated with regulatory compliances enactment through federal agencies. As a result, banks are conducting greater due diligence to understand who their customers are and what their stated business activities are. In some cases, banks find it easier to close accounts than spend the time and money necessary to achieve certainty that an account is safe.

As a consequence, San Ysidro, a vital commercial center of cross border economy, has recently experienced 53% of its banks closed. It is critical that the City work closely with federal and state legislators to address this issue in order to ensure that financial institutions, so vital to the health of any commercial region, remain accessible to residents and business that rely on them to conduct day-to-day business transactions and allow our border economy to continue to grow. As such, the City's lobbying team should focus on the following:

1. Request federal government to clarify the regulations to banks;
2. Urge federal agencies to increase education efforts with the banks on requirements and clarify misconceptions;

3. Federal agencies should create an economic benefit to incentivize banks to remain open in border communities across the country.

CC: Honorable Mayor Kevin Faulconer

Andrea Tevlin, IBA

Kristin Tillquist, Director of State Government Affairs and Innovation Policy