

Bond Case Briefs

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BANKRUPTCY - CALIFORNIA

In re City of San Bernardino

United States District Court, C.D. California - June 4, 2014 - Not Reported in F.Supp.2d - 2014 WL 2511096

City filed for Chapter 9 municipal bankruptcy.

City sought, in Bankruptcy Court, to prevent state agencies from withholding disputed tax revenues accrued by the City's Redevelopment Agency (RDA) from both the debtor City and the third-party non-debtor Successor Agency established when the state abolished all RDAs.

The Bankruptcy Court denied the state agencies' claim that they were immune from suit under the Tenth and Eleventh Amendments.

State agencies appealed and the District Court reversed, finding that the state agencies were immune from suit.