

Bond Case Briefs

Municipal Finance Law Since 1971

Citi Tells Texas It Doesn't Discriminate Against Gun Companies.

Citigroup Inc.'s public finance heads told the Texas Attorney General's office in mid-October that they believe the bank could comply with a new Republican-backed law seeking to punish Wall Street banks that have enacted restrictive gun policies.

The bank sent a letter to the office confirming it does not have a "practice, policy, guidance, or directive" that discriminates against a firearm entity or trade association, according to the letter obtained by Bloomberg through a public records request. Such a letter is a requirement for banks if they want to underwrite bonds sold by Texas and its local governments after the legislation went into effect Sept. 1.

The letter was signed by Daniel Tomson and Paul Creedon, co-heads of Citigroup's public finance department. A spokesperson for the bank declined to comment.

"The Office of the Attorney General of Texas may rely on this letter in its review and approval of public securities under Texas law," the letter says. "Should a change occur that renders this letter ineffective, Citigroup, Inc. will notify the Public Finance Division promptly."

Bloomberg Markets

By Amanda Albright

November 5, 2021, 10:10 AM PDT