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How to Interrupt the Public Funds to Private Profits Pipeline: A California Story

Suppose you park your car in a parking lot. You pay the parking attendant for the service, and they use your car while you are gone to get paid for rideshares, grocery deliveries, or even “services” you might object to, such as running errands for gun shop owners. Essentially, the attendant has made money from an asset that belongs to you and has charged you for it.

This happens daily when local governments “park” public funds in banks. Public funds amounting to billions of dollars are turned into private profits for “services” using your assets.

Today, our communities face multiple challenges—ranging from accelerating climate change to growing income inequality, from refugee crises to housing crises, and from basic food access to self-serving financial systems. And while banking may not be the first solution to come to mind, it is a crucial piece of the puzzle.

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