

*Barbara J. Lee*  
City Attorney

FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

# OAKLAND CITY COUNCIL

2009 JUL -2 PM 4:35 RESOLUTION No. 82152 C.M.S.

Introduced by Councilmember Kernighan

## Resolution In Opposition to Assembly Bill 155 (Mendoza) Which Would Require Local Agencies To Obtain Approval From The California Debt And Investment Advisory Commission (CDIAC) Prior To Filing For Bankruptcy

WHEREAS, under existing state law, local public entities can petition the federal government directly to file for bankruptcy protection under Chapter 9; and

WHEREAS, municipal bankruptcy is rarely used and when it is used, it is a last resort; and

WHEREAS, since the adoption of Chapter 9 of the Bankruptcy Code in 1949, only two cities have petitioned for its use; and

WHEREAS, local governments should be able to exercise control over their own finances and rely on their locally-elected officials to make critical financial decisions; and

WHEREAS: AB 155, would require local public entities to submit a request to the CDIAC for the authority to petition the federal bankruptcy court for financial relief under Chapter 9 in federal law; and

WHEREAS: AB 155 would allow the CDIAC to require changes to the relief that a city seeks, therefore be it

RESOLVED: that the City of Oakland declares its oppositions to AB 155 (Mendoza); and be it

FURTHER RESOLVED: that the City Council hereby directs the City Administrator and the City's legislative lobbyist to advocate for the above position in the California State Legislature.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 7 2009, 20    

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, DE LA FUENTE , KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT BRUNNER - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

*LaTonda Simmons*  
ATTEST:

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California