Amendment B to CB 118905 by Councilmember González

WHEREAS, in 2016, it was widely reported that Wells Fargo employees ~~after creating~~may have created over 2,000,000 ~~“millions of unauthorized~~ bank and credit card accounts~~,~~ without the knowledge or consent of ordinary consumers. These allegations were the subject of Congressional Hearings in the U.S. Senate’s Committee on Banking, Housing and Urban Affairs on September 20, 2016, and in the House of Representatives’ Financial Services Committee on September 29, 2016.~~”~~ On September 4, 2016, the Consumer Financial Protection Bureau (“CFPB”) placed Wells Fargo under a Consent Order (“Order”) related to its unfair consumer practices. In the Order, the CFPB found that Wells Fargo “opened, among other potentially fraudulent accounts, 1,534,280 deposit accounts that may not have been authorized and that may have been funded through simulated funding, or transferring funds from consumers’ existing accounts without their knowledge or consent.” The CFPB also found that Wells Fargo “terminated roughly 5,300 employees for engaging in Improper Sales Practices.” However, the Order also found that Wells Fargo~~,~~ “set sales goals and implemented sales incentives, including an incentive-compensation program, in part to increase the number of banking products and services that its employees sold to its customers,~~…~~” and these employees engaged in this behavior to satisfy the demands of Wells Fargo’s incentive compensation program. Since September 2016, former Wells Fargo employees have filed a multi-billion dollar class action (case number BC634475 in the California Superior Court) lawsuit claiming they were wrongfully terminated for failing to meet unreasonable quotas while not engaging in improper sales practices. That class action lawsuit has not been resolved; ~~CNN Money reported on September 8, 2016, that Wells Fargo National Bank (“Wells Fargo”) “fired 5,300 employees~~

~~over the last few years related to the shady behavior;" and *Vanity Fair* reported on January 24, 2017, that those employees "were thrown under the bus for the scandal while management walked away scot-free;"~~ and,

WHEREAS, In the Public Interest ("ITPI"), a non-profit research and policy center, issued ~~'s~~ a report in November 2016 entitled, "*The Banks That Finance Private Prison Companies*." ITPI's stated commitment is to equip "citizens, public officials, advocacy groups, and researchers with information, ideas, and resources on best practices in government contracting and other types of public-private agreements." ITPI is a project of Partnership for Working Families, which is "a national network of leading regional advocacy organizations who support innovative solutions to our nation's economic and environmental problems." The national network includes reputable and well-respected organizations such as Puget Sound Sage based in Seattle. ~~(November 2016) stated, "Wells Fargo is complicit with private prison companies in contributing to and enabling mass incarceration and the criminalization of immigration" and expounded how Wells Fargo provides financial services to~~ GEO Group~~, which~~ owns and operates the Northwest Detention Center, a private ~~prison~~ detention center located in Tacoma, Washington, and utilized to detain ~~near~~ immigrants and refugees~~,~~ from all over the state including Seattle, who are undergoing removal proceedings. According to the ITPI report, GEO Group depends on "debt financing to conduct their day-to-day business operations and acquire smaller companies." An analysis of U.S. Securities and Exchange Commission (SEC) filings over the past 10 years, which is detailed in ITPI's report "The Banks That Finance Private Prison Companies," shows that Wells Fargo has played a leading role in financing these debts"; ~~incarcerating immigrant detainees;~~ and