



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

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## Statement from California Treasurer John Chiang on Governor's Signing of Senate Bill 33 (Forced Arbitration)

**SACRAMENTO, Calif.** -- Victims of fraud by Wells Fargo Bank and other financial institutions finally can have their day in court thanks to Senate Bill 33, sponsored by State Treasurer John Chiang and consumer advocates.

The governor today signed SB 33, authored by Sen. Bill Dodd, D-Napa, into law. The legislation frees bank customers, who filed claims for damages, from being forced into closed-door, often-biased arbitration proceedings.

"Wells Fargo opened phony accounts for 3.5 million customers and then rubbed salt in the wounds of its victims by wrongly forcing them into arbitration," Chiang said.

"Today, California has leveled the playing field and restored an urgently needed measure of fairness by giving victims the opportunity to plead their cases before judges and juries. Banks like Wells Fargo that commit fraud will no longer be able to deny customers the right to be made whole by coercing them into a secretive process that tilts in favor of corporations.

"I applaud Governor Brown for signing this important pro-consumer legislation and for the leadership and support of Senator Dodd, the Consumer Attorneys and the Consumer Federation of California."

The governor's signing of SB 33 coincides with the one-year anniversary of sanctions against Wells Fargo Bank issued by Treasurer Chiang.

A decision as to whether the sanctions are lifted, extended or modified is pending a review of actions Wells Fargo has taken over the past year to make its customers whole and to cure its corporate culture of callousness toward customers.

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