

Legislation Text

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Amending Chapter 19-200 of The Philadelphia Code, entitled “City Funds - Deposits, Investments, Disbursements”, by revising the list of City depositories; under certain terms and conditions.

WHEREAS, On July 26, 2013, the City of Philadelphia filed suits against nine major banks including Bank of America and Citibank for their manipulation of the London Interbank Offer Rate (LIBOR), which artificially suppressed its returns on interest rate swap agreements; and

WHEREAS, The complaint says, “As a result of this conduct, municipal entities like the City of Philadelphia were paid lower amounts during the life of their swaps, and they were subjected to huge - and sometimes devastating - financial penalties when they terminated the investments, which were artificially inflated by defendants’ misconduct”; and

WHEREAS, Council does not believe the City of Philadelphia should deposit or invest taxpayer funds in these institutions who have conspired to manipulate rates and defraud our institutions; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 19-201 of The Philadelphia Code is hereby amended to read as follows:

§19-201. City Depositories.

(1) Pursuant to the provisions of Section 6-300 of the Charter, the City Treasurer is authorized to deposit City funds in the following banks or institutions:

- (a) Wells Fargo Bank, N.A.;
- (b) PNC Bank, N.A.;
- (c) United Bank of Philadelphia;
- (d) TD Bank, National Association;
- (e) Citizens Bank;
- [(f) Bank of America;]
- [(g)] (f) Republic First Bank;
- [(h) Citibank, N.A.;
- [(i)] (g) Bank of New York Mellon;

[~~(j)~~] (*h*) U.S. Bank.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.