



Office of the City Clerk

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Legislation Text

File #: O2016-6730, Version: 1

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 2-32-400 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

2-32-400 Bids awarded annually - Conditions.

a) Advertising, transmittal and award of bids. It shall be the duty of the comptroller at least once m each year before the first day of December to advertise for bids_A from national and state banks and federal and state savings and loan associations seeking to be designated as municipal depositaries, for the payment of interest upon the funds ofthe City of Chicago and the Chicago Board of Education, ~~to be deposited in banks and savings and loan associations provided~~ Provided, however, that Chicago local school funds which are designated by the Chicago Board of Education as school internal accounts which, in general, are funds raised and expended for educational programs and for the benefit of students, ~~are specifically~~ shall be excluded from the funds ofthe Chicago Board of Education that are subject to the provisions of this Article V.

Such bids shall be reported by the comptroller to the city council for its information and consideration net no later than the fifteenth day of December of each year, to the end that an award or awards may be made upon such bids by the city council before the beginning of each fiscal year.

Such awards shall be made to the highest and best responsible bidder or bidders. The city council shall have the power to reject any or all bids and to designate as many depositaries as it deems necessary ~~for the protection of~~ to protect the city's interests. Only ~~regularly organized~~ state or national banks ~~insured by the Federal Deposit Insurance Corporation~~ or federal or state savings and loan associations ~~insured by the Federal Savings and Loan Insurance Corporation~~ may that are regularly organized, and are federally insured under the Federal Deposit Insurance Act, and maintain an office within the corporate limits of the City of Chicago shall be designated as depositaries.

b) Duplicate copy of bid to be submitted to the treasurer. Each bank or savings and loan association that submits a bid to the comptroller pursuant to subsection (a) of this section shall simultaneously submit a duplicate copy of its bid submission, including any subsequent amendments thereto, to the treasurer.

Cc) Failure to designate - Legal effect. If, prior to the beginning of any fiscal year, the city council fails to enact an ordinance designating municipal depositaries for such fiscal year, the municipal depositaries in existence as of 11:59 P.M. on the last day of the year immediately preceding commencement of the applicable fiscal year shall retain their designation as municipal depositaries until ten days after any such ordinance takes legal effect.

(d) Acquisition, merger or consolidation - Legal effect on municipal depositary designation. If a municipal depositary acquires or is acquired by, or merges or consolidates with, any other bank or savings and loan association or subsidiary thereof, regardless of whether such bank or savings and loan association or subsidiary thereof is a municipal depositary, such newly created or successor bank or savings and loan association shall be deemed, by operation of law, to be a municipal depositary as of the date of acquisition, merger or consolidation. Such designation shall remain in effect until ten days after an ordinance designating municipal depositaries for the next applicable fiscal year takes legal effect.

SECTION 2. Section 2-32-410 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

2-32-410 Federal insurance required.

In advertising for bids from ~~regularly established~~ banks and savings and loan associations for the payment of interest upon funds to be deposited in such banks or savings and loan associations, it shall be the duty of the comptroller to inform the prospective bidders that for the protection of the public interest, awards shall be made only to ~~federally insured~~ national and state banks, and to federal and state savings and loan associations, ~~located in~~ that are regularly organized, and are federally insured under the Federal Deposit Insurance Act, and maintain an office within the corporate limits of the City of Chicago.

SECTION 3. This ordinance shall take full force and effect upon its passage and approval.

To the President and Members of the City Council:

Your Committee on Finance having had under consideration

An ordinance concerning the authority to amend Chapter 2-32 of the Municipal Code of Chicago regarding Municipal Depositories.

Direct Introduction

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

This recommendation was concurred in by (afviva voce vote J)
of members of the committee with **dissenting vote(s):**

Respectfully submitted

(signed)

Chairman