

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 1993**

No. 75

Introduced by the Speaker (Council Member Vallone) and Council Members Pinkett, Foster, Povman, Robinson, Freed, Clarke, Eisland, Linares, Warden, Berman, Castaneira-Colon, Cruz, Malave-Dilan, Fields, Fisher, Harrison, Horwitz, Koslowitz, Leffler, Marshall, McCaffrey, Michels, O'Donovan, Pagan, Rivera, Robles, Ruiz, Sabini, Spigner, Watkins, White, Williams and Wooten (By the request of the Mayor). - Read and referred to the Committee on Governmental Operations. (Passed under a Message of Necessity from the Mayor).

A LOCAL LAW

To amend the New York City Charter and the Administrative Code of the City of New York, in relation to lifting restrictions on City business with banks, trust companies and contractors that do business in South Africa, and to repeal section 1523 of the Charter and section 6-115 of the Administrative Code, related thereto.

Be it enacted by the Council as follows:

Section 1. Declaration of legislative intent and findings. New York City has been in the forefront of those states and localities that have adopted selective purchasing and investment policies to reflect their support of the struggle of the people of South Africa against apartheid. That Nelson Mandela and the African National Congress have chosen New York City to make the clarion call for the lifting of sanctions is a testament to New York's leadership role in support of the aspirations of the people of South Africa.

On September 24, 1993, Mr. Mandela called for the lifting of sanctions. Accordingly, this local law provides for the repeal of the City's anti-apartheid law, effective retroactively to the date of the request by Mr. Mandela on behalf of the Africa National Congress.

The City urges the business community to respond to calls from the new leadership of South Africa for help in building a new democratic society in South America. It is incumbent upon corporations to engage in responsible investment, conducting business in South Africa in a manner that comports with the laws established by the new government, and any code of corporate citizenship which the new South African government may define for itself.

§2. Subdivision 3 of section 1523 of the charter of the city of New York is REPEALED.

§3. Subdivision 2 of section 1524 of such charter is amended to read as follows:

2.a. Except as provided in paragraph b of this subdivision, no bank or trust company shall be designated pursuant to this section unless:

(1) it shall agree to pay into the city treasury interest or to provide the city with equivalent value on the daily balances at a rate which the banking commission shall negotiate according to the current rate of interest upon like balances deposited in banks and trust companies in the city by private persons or corporations; *and*

(2) it shall file with the banking commission and city clerk a certificate signed by the president or other duly authorized officer of such bank setting forth that its board of directors has established and will adhere to a policy of hiring and promotion of employees and officers without regard to sex, race, color, religion, religious affiliation, national origin, disability, age, marital status, or sexual orientation, which certificate shall further set forth affirmatively the steps taken by the bank or trust company to implement said policy[;].

[(3) it does not provide the following services, either directly or through a subsidiary or agent, to the government of the Republic of South Africa; (a) advertising or otherwise promoting the sale, outside of the Republic of South Africa, of krugerrands or other coins minted in the Republic of South Africa, (b) underwriting securities of the government of the Republic of South Africa, or (c) making loans to such government.

b. The commission may designate a bank or trust company which does not meet the criteria set forth in clause three of paragraph a of this subdivision upon a determination, made in writing and forwarded to the council, that deposit of city moneys in such bank or trust company is necessary to obtain essential services which are not reasonably obtainable from another bank or trust company.]

b. If the banking commission by majority vote shall decide that such policy not to discriminate [or provide services to the government of the Republic of South Africa] has been violated after giving the bank or trust company an opportunity to be heard, then upon giving thirty days' notice to the bank or trust company such designation may be revoked.

§4. Section 6-115 of the administrative code of the city of New York is REPEALED.

§5. a. Notwithstanding any provision of sections 1523 or 1524 of the charter of the city of New York, no bank or trust company shall be deemed ineligible for certification or for the deposit or investment of city funds on the basis of actions related to South Africa taken on or after September 24, 1993.

b. Notwithstanding any provision of a contract entered into prior to the effective date of this local law, a person who has stipulated that it would comply with the anti-apartheid contract provisions set forth in such contract pursuant to section 6-115 of the administrative code of the city of New York shall not be deemed to be in violation of such section or in breach of such contract on the basis of any action taken or business conducted by such person or its affiliates on or after September 24, 1993.

§6. This local law shall take effect immediately and shall be deemed to have been in effect on September 24, 1993.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on October 13, 1993, and approved by the Mayor on October 26, 1993.

CARLOS CUEVAS, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 75 of 1993, Council Int. No. 800) contains the correct text and:

Received the following vote at the meeting of the New York City Council on October 13, 1993: 46 for, 0 against.

Was approved by the Mayor on October 26, 1993.

Was returned to the City Clerk on October 27, 1993.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel