



## Legislation Text

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### Proposed Int. No. 499-A

By Council Members Powers, Restler, De La Rosa, Abreu, Hanif, Brewer, Cabán, Nurse, Avilés, Won, Rivera, Gutiérrez, Krishnan, Louis, Marte, Schulman, Bottcher, Ossé, Sanchez, Velázquez, Brannan, Barron, Hudson, Ayala, Fariás, Riley, Joseph, Narcisse, Brooks-Powers, Williams, Ung, Menin, Stevens and Richardson Jordan (in conjunction with the Brooklyn and Bronx Borough Presidents) (at the request of the Manhattan Borough President)

A Local Law to amend the administrative code of the city of New York, in relation to the reporting on non-depository city financial services

Be it enacted by the Council as follows:

Section 1. Subchapter 1 of chapter 1 of title three of the administrative code of the city of New York is amended to add new section 3-119.6 to read as follows:

§ 3-119.6 Quarterly Reports on Non-Depository City Financial Services. a. Definitions. For purposes of this section, the following terms have the following meanings:

City bond. The term “city bond” means the city’s general obligation bonds, the general obligation, tax-lien-asset-backed, appropriation-backed, revenue-backed, and legal-settlement-backed bonds of the city, its component units, and state instrumentalities whose accounts are subject to the supervision and audit of the city comptroller.

City note. The term “city note” means the city’s short term debts in the form of tax anticipation notes, bond anticipation notes, and revenue anticipation notes as authorized by section 266 of the charter.

Component unit. The term “component unit” means a financial reporting entity that is a legally separate organization from the city but for which the city is financially accountable.

Financial institution. The term “financial institution” means a bank, savings and loan association, thrift, credit union, investment company, mortgage banker, mortgage broker, trust company, savings bank, securities

broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, bank holding company, finance company or financial services holding company.

Non-depository city financial services. The term “non-depository city financial services” means all financial services provided to the city by financial institutions, including payroll, lockbox, advisory, management, bond underwriting services, but excluding depository services at financial institutions designated by the city banking commission.

b. Reports Required. Beginning no later than January 31, 2024, and no later than the last day of the month following each calendar quarter thereafter, the director of management and budget shall post on the office of management and budget’s website and submit to the speaker of the council a report regarding use of non-depository city financial services provided by financial institutions that includes, at a minimum, the following information for the immediately-preceding quarter:

1. End of quarter balances, quarterly fees, and quarterly returns on any money market account holding city funds;

2. For each city bond and city note, whether each bond or note issue was competitively bid or negotiated and its issuance costs, which include, but are not limited to, underwriting costs, underwriters’ discount, bond or note counsel fees, bond or note rating fees, or fees for letters of credit or other credit enhancements, and any other issuance cost typically included in bond or note official statements, aggregated by financial institution, by service type, and by bond or note series;

3. The amount and cost of any credit default swap payment, aggregated by swap and by counterparty; and

4. Any other non-depository city financial services cost, including any costs for managing money in non-pension city investment pools, aggregated by financial institution and disaggregated by expense.

§ 2. This local law takes effect immediately.

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