



Legislation Text

File #: Res 1199-2019, **Version:** *

Res. No. 1199

Resolution calling upon the Mayor to not renew or issue new contracts with any entity that results in a direct financial benefit to President Donald Trump.

By Council Members Levine, Chin, Rivera and Louis

Whereas, On January 20, 2017, President Donald Trump took an oath to preserve, protect, and defend the Constitution of the United States; and

Whereas, Article II, § 1, Clause 7 of the Constitution of the United States prohibits the President from receiving any “Emolument from the United States, or any of them”; and

Whereas, According to the Congressional Research Service, an emolument is defined as any benefit, gain or advantage, that does not arise from the President’s fixed salary; and

Whereas, According to a 1981 Department of Justice memorandum on the Emoluments Clause, the purpose of the Emoluments Clause is “to prevent Congress or any of the states from attempting to influence the President through financial awards or penalties”; and

Whereas, Supreme Court Justice Rehnquist ruled in *United Building & Construction Trades Council v. Mayor and Council of Camden*, “that what would be unconstitutional if done directly by the State can no more readily be accomplished by a city deriving its authority from the State”; and

Whereas, The Domestic Emoluments Clause’s prohibition on the President receiving benefits from “any of them” therefore applies to cities and counties; and

Whereas, Before becoming President of the United States, Donald Trump was the president of the Trump Organization; and

Whereas, According to Donald Trump’s Executive Branch Personnel Disclosure Report filed on July 15,

2015, he was the sole or principal owner of approximately 500 separate entities; and

Whereas, As president of the Trump Organization Donald Trump entered into contracts with the City of New York; and

Whereas, In 1986, Donald Trump entered into a contract with the Department of Parks and Recreation to rebuild and operate the Wollman Ice Rink; and

Whereas, The contract between the Department of Parks and Recreation and Wollman Rink Operations LLC, which is owned by the Trump Organization, was extended to last until 2021; and

Whereas, According to Donald Trump's Executive Branch Personnel Financial Disclosure Form to the U.S. Office of Government Ethics, Donald Trump earned over \$12 million dollars from Wollman Rink Operations LLC operating the Wollman Ice Rink; and

Whereas, City Comptroller William C. Thompson released an audit report in 2007 on the Compliance of Wollman Rink Operations LLC with its License Agreement, and found that Wollman Rink Operations owes the Department of Parks and Recreation over \$146,000 in additional license fees and over \$50,000 in late charges; and

Whereas, Wollman Rink Operations LLC has physically removed the Trump name brand from the ice rink although it is still owned by the Trump Organization; and

Whereas, According to Pro Publica, the Trump Organization signed a 20-year contract in 2011 to manage a golf course in the Bronx that cost the City over \$120 million dollars to develop; and

Whereas, The New York State Attorney General's office conducted a nearly two-year investigation into the Donald J. Trump Foundation; and

Whereas, The New York State Attorney General's office found that the Trump Foundation operated in persistent violation of state and federal laws; and

Whereas, On November 7, 2019, Manhattan Supreme Court Justice Saliann Scarpulla decided the lawsuit brought by the New York State Attorney General's office by ordering Donald Trump to pay \$2 million

in damages for misusing funds from a tax-exempt charity; and

Whereas, Donald Trump's organizations have a history of violating state and federal laws and defrauding the City; and

Whereas, On February 22, 2016, Donald Trump created a blind trust to oversee his companies and divest his financial benefit from his organization; and

Whereas, According to a Pro Publica report from 2017, Donald Trump has continued to financially benefit from his past business dealings; and

Whereas, As President, Donald Trump has expressed a lack of concern for his potential violation of the Emoluments Clause, characterizing the Clause as "phony" during a cabinet meeting on October 21, 2019; and

Whereas, According to the Constitutional Accountability Center, business contracts that predate a President's term in office that result in the President receiving profits beyond the President's fixed income may conflict with the Domestic Emoluments Clause; and

Whereas, The House Committee on Oversight and Reform has therefore been conducting investigations into possible violations of the Emoluments Clause by Donald Trump; and

Whereas, The City of New York should not contract with any organization that is linked with the President of the United States, or any organization that violates state and federal laws; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Mayor to not renew or issue new contracts with any entity that results in a direct financial benefit to President Donald Trump.

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