

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2016 Legislative Session

Bill No. CB-75-2016

Chapter No. 70

Proposed and Presented by Council Members Franklin, Davis, Glaros, Harrison, Lehman,
Patterson, Taveras and Toles

Introduced by Council Members Franklin, Davis, Glaros, Harrison, Lehman,
Patterson, Taveras, Toles and Turner

Date of Introduction October 18, 2016

BILL

1 AN ACT concerning

2 County Fund Deposits in County-based, Minority, and Small Banking Institutions or
3 Depositories

4 For the purpose of requiring that at least 50% of County funds be deposited and maintained in
5 county-based, minority, or small banking institutions; defining County-based Banking Institution
6 or Depository, Minority Banking Institution or Depository, and Small Banking Institution or
7 Depository; defining County funds; and generally relating to the deposit of County funds.

8 BY repealing and reenacting with amendments:

9 SUBTITLE 10. FINANCE AND TAXATION.
10 Section 10-115,
11 The Prince George's County Code
12 (2015 Edition).

13 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
14 Maryland, that Section 10-115 of the Prince George's County Code be and the same is hereby
15 repealed and reenacted with the following amendments:

16 **SUBTITLE 10. FINANCE AND TAXATION.**

17 **DIVISION 2. DIRECTOR OF FINANCE.**

18 **Sec. 10-115. - Selection of County Depositories.**

19 (a) Definitions. In this Section, the following terms have the following meanings:

20 (1) County funds means any unexpended monies received by the County or appropriated

1 or approved by the Council or to which the County may at any time have legal or equitable title,
 2 provided such funds are not needed for disbursement to pay for the daily operation of
 3 government. "County funds" does not include "United States Agency Securities" (defined
 4 herein as "bonds issued or guaranteed by United States federal government agencies or bonds
 5 issued by United States government-sponsored enterprises (GSEs)"). "County funds" shall not
 6 include the unspent proceeds of debt issued by the County, provided that the Office of Finance
 7 shall deposit unspent proceeds of debt issued by the County in county-based banking institutions
 8 or depositories, minority banking institutions or depositories, or small banking institutions or
 9 depositories to the extent it deems fiscally practicable.

10 (2) **County-based Banking Institution or Depository** is a banking institution or
 11 depository classified under North American Industry Classification System (NAICS) Code
 12 522110 whose principal place of business (and location of principal executive offices) is within
 13 Prince George's County, MD.

14 (3) **Minority Banking Institution or Depository** is a banking institution or depository
 15 classified under NAICS Code 522110 and recognized by the Federal Deposit Insurance
 16 Corporation (FDIC) as a minority depository institution in accordance with the FDIC's operating
 17 statement of policy.

18 (4) **Small Banking Institution or Depository** is a banking institution or depository
 19 classified under NAICS Code 522110 and defined as a "small bank" in accordance with 12 CFR
 20 Part 228.12.

21 (b) The Director of Finance shall select the banking institutions or depositories, with one or
 22 more branch locations within the County, for the deposit of County funds, subject to approval
 23 of the Council as to acceptable depositories, without relieving the Director of Finance of
 24 liability for security of such deposits according to law.

25 (1) By July 1, 2017, subject to compliance with state law and regulation, at least fifty
 26 percent (50%) of County funds, shall be deposited and maintained in

27 (A) county-based banking institutions or depositories,

28 (B) minority banking institutions or depositories, or

29 (C) small banking institutions or depositories.

30 (2) If the Director of Finance determines in writing that the percentage requirement of
 31 Subparagraph (1), above, is not practical, it may be adjusted by resolution of the County Council,

1 with concurrence of the County Executive, after public hearing.

2 SECTION 2. BE IT FURTHER ENACTED that the deposit or management of County funds
3 through the Certificate of Deposit Account Registry Service (CDARS) program shall satisfy the
4 requirements of Section 10-115(b)(1) of this Act.

5 SECTION 3. BE IT FURTHER ENACTED that the provisions of this Act are hereby
6 declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph,
7 sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of
8 competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining
9 words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this
10 Act, since the same would have been enacted without the incorporation in this Act of any such
11 invalid or unconstitutional word, phrase, clause, sentence, subparagraph, subsection, or section.

12 SECTION 4. BE IT FURTHER ENACTED that this Act shall take effect within forty-five
13 (45) calendar days after the date of enactment.

Adopted this 15th day of November, 2016.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Derrick L. Davis
Chair

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____

BY: _____
Rushern L. Baker, III
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks *** indicate intervening existing Code provisions that remain unchanged.