



Legislation Text

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ORIGINAL

ALD. SANCHEZ AND HINES

Resolution relating to the termination of the "lock box" contract between the City of Milwaukee and U.S. Bank/Firststar.

This resolution directs that, upon the expiration of the "lock box" contract between the City of Milwaukee and Firststar/US Bank on October 30, 2002, that the City terminate the contract and withdraw all funds from that institution as a result of the bank's support of recently-enacted state legislation that placed financial institutions ahead of employees in the priority list of those who have filed liens against bankrupt corporations.

Whereas, On October 27, 1999, the Wisconsin State Legislature enacted 1999 Wisconsin Act 9 which, among its provisions, placed financial institutions ahead of employees in the priority list of those who have filed liens against bankrupt companies; and

Whereas, Firststar/US Bank had a primary role in lobbying the legislature for this change; and

Whereas, This change has led to extreme hardship for workers throughout the State of Wisconsin, including 600 former employees of Pfister-Vogel Tannery, A.L. Gebbach and Steeltech; and

Whereas, By its actions, Firststar/US Bank has taken the position that human labor becomes part of the collateral for its loans, a position that is illogical, unethical and immoral; and

Whereas, The City of Milwaukee has a current "lock box" contract with Firststar/US Bank that runs through October 31, 2002; and

Whereas, Firststar/US Bank has demonstrated that it is not worthy of this designation; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that, upon the expiration of the "lock box" contract between the City of Milwaukee and Firststar/US Bank on October 31, 2002, that the contract be terminated and all City funds deposited with Firststar/US Bank pursuant to this contract be withdrawn.

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