FILE NO. 221147

ORDINANCE NO. 042-23

[Administrative Code - Removing Construction Agreements from the Prohibition on Contracting in States with Certain Types of Discriminatory Laws]
Ordinance amending the Administrative Code to remove agreements let under Chapter
6 for Public Works or Improvement from the prohibitions in Chapter 12X on the City's

entering into a contract with a contractor that has its United States headquarters in a

state that allows discrimination against LGBT individuals, has restrictive abortion laws,

or has voter suppression laws, or where any or all of the contract would be performed

in such a state.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

The Board of Supervisors finds that due to the COVID-19 pandemic, its aftermath, and supply chain limitations, the construction sector lacks availability of bidders. Increasing the number of bidders will reduce cost and ensure that enough bidders respond to deliver the City's critical infrastructure projects.

Section 2. Chapter 12X of the Administrative Code is hereby amended by revising Sections 12.X.2, 12X.12, and 12X. 22, to read as follows:

SEC. 12X.2. DEFINITIONS.

* * * *

Supervisors Safai; Mandelman BOARD OF SUPERVISORS

"Contract" means an agreement between a Contracting Department and any person or entity that provides, at the expense of the City, *for public works or public improvements to be purchased under Chapter 6 of the Administrative Code, or* for commodities or services to be purchased under Chapter 21 of the Administrative Code. Notwithstanding the foregoing, "Contract" shall not include:

(a) Agreements for the investment of trust money or relating to the management of trust assets, agreements to invest City moneys in U.S. government securities, or agreements for the investment, deposit, or safekeeping of City moneys, where, for any such agreement, the Treasurer, as a fiduciary of the City, determines that entering into the agreement is in the interest of soundly investing public assets; or

(b) Agreements entered into for underwriting services for the purchase and sale of City bonds, notes, and other forms of indebtedness; or

(c) Agreements advertised, solicited, or initiated prior to the Operative Date of this Chapter 12X, including amendments to existing Contracts.

* * * *

SEC. 12X.12. DEFINITIONS.

* * * *

"Contract" means an agreement between a Contracting Department and any person or entity that provides, at the expense of the City, *for public works or public improvements to be purchased under Chapter 6 of the Administrative Code, or* for commodities or services to be purchased under Chapter 21 of the Administrative Code. Notwithstanding the foregoing, "Contract" shall not include:

(a) Agreements for the investment of trust money or relating to the management of trust assets, agreements to invest City moneys in U.S. government securities, or agreements for the investment, deposit, or safekeeping of City moneys, where, for any such agreement, the Treasurer, as a fiduciary of the City, determines that entering into the agreement is in the interest of soundly investing public assets; or

(b) Agreements entered into for underwriting services for the purchase and sale of City bonds, notes, and other forms of indebtedness; or

(c) Agreements advertised, solicited, or initiated prior to the Operative Date of this Article II, Chapter 12X, including amendments to existing Contracts.

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SEC. 12X.22. GENERAL DEFINITIONS.

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"Contract" means an agreement between a Contracting Department and any person or entity that provides, at the expense of the City, *for public works or public improvements to be purchased under Chapter 6 of the Administrative Code, or* for commodities or services to be purchased under Chapter 21 of the Administrative Code. Notwithstanding the foregoing, "Contract" shall not include:

(a) Agreements for the investment of trust money or relating to the management of trust assets, agreements to invest City moneys in U.S. government securities, or agreements for the investment, deposit, or safekeeping of City moneys, where, for any such agreement, the Treasurer, as a fiduciary of the City, determines that entering into the agreement is in the interest of soundly investing public assets; or

(b) Agreements entered into for underwriting services for the purchase and sale of City bonds, notes, and other forms of indebtedness; or

(c) Agreements advertised, solicited, or initiated prior to the operative date of this Article III, Chapter 12X, including amendments to existing Contracts.

* * * *

Supervisors Safai; Mandelman BOARD OF SUPERVISORS

Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: <u>/s/ Gustin R. Guibert</u> GUSTIN R. GUIBERT Deputy City Attorney

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City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 221147

Date Passed: March 21, 2023

Ordinance amending the Administrative Code to remove agreements let under Chapter 6 for Public Works or Improvement from the prohibitions in Chapter 12X on the City's entering into a contract with a contractor that has its United States headquarters in a state that allows discrimination against LGBT individuals, has restrictive abortion laws, or has voter suppression laws, or where any or all of the contract would be performed in such a state.

February 13, 2023 Rules Committee - REFERRED WITHOUT RECOMMENDATION

February 28, 2023 Board of Supervisors - CONTINUED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

March 14, 2023 Board of Supervisors - PASSED ON FIRST READING

Ayes: 7 - Dorsey, Engardio, Mandelman, Peskin, Ronen, Safai and Stefani Noes: 4 - Chan, Melgar, Preston and Walton

March 21, 2023 Board of Supervisors - FINALLY PASSED

Ayes: 7 - Dorsey, Engardio, Mandelman, Peskin, Ronen, Safai and Stefani Noes: 4 - Chan, Melgar, Preston and Walton File No. 221147

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/21/2023 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

London N. Breed Mayor

3/28/23

Date Approved