

IMPACT STATEMENT

Legislation title: *Update Procurement Code to conform to new state law that delegates broader authority to the City to protect the integrity of its social equity contracting programs (Ordinance; amend Code Chapters 5.33 and 5.34).

Contact name: Christine Moody, Chief Procurement Officer

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Presenter name: Christine Moody

Purpose of proposed legislation and background information:

New state law effective January 1, 2016, is the result of Senate Bill 584, a City of Portland initiative, which passed unanimously in both chambers. The new law gives local jurisdictions additional authority to sanction businesses engaged in fraud and abuse of the social equity contracting programs.

The proposed legislation is consistent with City's commitment to equal opportunity through policies that promote diversity and equity in contracting.

No revenues will be impacted by this legislation.

Financial and budgetary impacts:

Through enforcement actions, the City may recover certain liquidated damages against businesses that have defrauded the City. The liquidated damages will be used for the benefit of the Subcontractor Equity Program.

No present positions will be created, eliminated or re-classified as a result of this legislation.

Community impacts and community involvement:

SB 584, which the proposed legislation incorporates, was prompted by complaints from members of the public to the Procurement Services, City elected officials and the Ombudsman's Office. Community members testified in support of SB 584.

Effective enforcement of the City's social equity contracting programs will ensure that legitimate minority- and woman-owned businesses have access to City projects and are not displaced by businesses engaging in fraudulent conduct.

No known persons or groups will be testifying.

No future public involvement is anticipated for this request as these process changes will become effective upon passage.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount