

ORDINANCE NO. 175346

An ordinance adding a new Article 15 to Chapter 1 of the Los Angeles Administrative Code to provide information to the City regarding participation in or profits derived from slavery by any company doing business with the City.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. A new Article 15 is added to Chapter 1 of the Los Angeles Administrative Code to read:

CHAPTER 1, ARTICLE 15

**REGULATIONS REGARDING PARTICIPATION IN OR PROFITS DERIVED FROM
SLAVERY BY ANY COMPANY DOING BUSINESS WITH THE CITY**

Sec. 10.41. Definitions.

A. "Awarding Authority" means a subordinate or component entity or person of the City, such as a City Department or Board of Commissioners, that has the authority to enter into a Contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

B. "Company" means any person, firm, corporation, partnership or combination of these.

C. "Contract" means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies or rendering of any service to the City of Los Angeles or the public, which is let, awarded or entered into with or on behalf of the City of Los Angeles or any Awarding Authority of the City.

D. "Designated Administrative Agency (DAA)" means the Contract Enforcement Section of the Office of the City Administrative Officer.

E. "Enslaved Person" means any person who was wholly subject to the will of another and whose person and services were wholly under the control of another and who was in a state of enforced compulsory service to another during the Slavery Era.

F. "Investment" means to make use of an Enslaved Person for future benefits or advantages.

G. "Participation" means having been a Slaveholder during the Slavery Era.

H. "Predecessor Company" means an entity whose ownership, title and interest, including all rights, benefits, duties and liabilities were acquired in an uninterrupted chain of succession by the Company.

I. "Profits" means any economic advantage or financial benefit derived from the use of Enslaved Persons.

J. "Slavery" means the practice of owning Enslaved Persons.

K. "Slavery Era" means that period of time in the United States of America prior to 1865.

L. "Slaveholder" means holders of Enslaved Persons, owners of business enterprises using Enslaved Persons, owners of vessels carrying Enslaved Persons or other means of transporting Enslaved Persons, merchants or financiers dealing in the purchase, sale or financing of the business of Enslaved Persons.

M. "Slaveholder Insurance Policies" means policies issued to or for the benefit of Slaveholders to insure them against the death of, or injury to, Enslaved Persons.

Sec. 10.41.1. Purpose of Slavery Era Business Corporate/Insurance Disclosure.

Many early American industries including, but not limited to, insurance, banking, tobacco, cotton, railroads, and shipping, realized enormous Profits by utilizing the uncompensated labor of Enslaved Persons. Many individuals and business enterprises were directly enriched by the labor of Enslaved Persons or benefited from insurance policies insuring Enslaved Persons.

The City of Los Angeles, whose citizenry includes descendants of Enslaved Persons, is entitled to full disclosure of any Participation in or Profits derived through Slavery by Companies seeking to do business with the City.

The State of California has implemented Insurance Code Sections 13810-13813 requiring insurance companies to provide information to the California Department of Insurance regarding Slaveholder Insurance Policies sold during the Slavery Era as part of its licensing and renewal procedure.

In further support of this legislative act and to further promote the ideals the act embraces, this ordinance requires those seeking to do business with the City to fully and accurately disclose any and all Participation in or Profits derived from Slavery.

Sec. 10.41.2. Each Awarding Authority, shall require that any Company that enters into a Contract with the City, whether the Contract is subject to competitive bidding or not, shall complete an affidavit, prior to or contemporaneous with entering into the Contract, certifying that:

A. The Company has searched any and all records of the Company, or any Predecessor Company, regarding records of Participation or Investments in, or Profits derived, from Slavery, including Slaveholder Insurance Policies issued during the Slavery Era; and

B. Disclosed any and all records of Participation in or Profits derived by the Company, or any Predecessor Company, from Slavery, including issuance of Slaveholder Insurance Policies, during the Slavery Era, and identified the names of any Enslaved Persons or Slaveholders described in the records.

The Awarding Authority may terminate the Contract if a Company fails to fully and accurately complete the affidavit.

Sec. 10.41.3. Exceptions. This article shall not be applicable to the following Contracts:

A. Contracts for the investment of: (1) City trust moneys or bond proceeds; (2) pension funds; (3) indentures, security enhancement agreements for City tax-exempt and taxable financings; (4) deposits of City surplus funds in financial institutions; (5) the investment of City moneys in securities permitted under the California State Government Code and/or the City's investment policy; (6) investment agreements, whether competitively bid or not; (7) repurchase agreements; (8) City moneys invested in United States government securities; and (9) Contracts involving City moneys in which the Treasurer or the City Administrative Officer finds that the City will incur a financial loss or forego a financial benefit, and which in the opinion of the Treasurer or the City Administrative Officer would violate his or her fiduciary duties.

B. Grant funded Contracts if the application of this article would violate or be inconsistent with the terms or conditions of a grant or Contract with an agency of the United States, the State of California or the instruction of an authorized representative of any of those agencies with respect to any grant or Contract.

C. Contracts with a governmental entity such as the United States of America, the State of California, a county, city or public agency of one of these entities, or a

public or quasi-public corporation located in the United States and declared by law to have a public status.

D. Contracts awarded on the basis of exigent circumstances whenever any Awarding Authority finds that the City would suffer a financial loss or that City operations would be adversely impacted unless exempted from the provisions of this article. This finding must be approved by the DAA prior to Contract execution.

E. Contracts with any Company that has been designated as a non-profit organization pursuant to the United States Internal Revenue Code Section 501(c)(3).

F. Contracts for the furnishing of articles covered by letters patent granted by the government of the United States or where the goods or services are proprietary or only available from a single source.

G. Contracts awarded on the basis of urgent necessity in accordance with Charter Section 371(e) (5).

I. Contracts entered into pursuant to Charter Section 371 (e) (6).

J. Contracts entered into pursuant to Charter Section 371 (e) (7).

Sec. 10.41.4. Administration.

A. The DAA shall promulgate rules and regulations to implement this article within sixty days after the effective date of this ordinance.

B. The DAA shall develop an affidavit to be used by Awarding Authorities within sixty days after the effective date of this ordinance.

C. The DAA shall administer the requirements of this article and monitor compliance, including investigation of alleged violations.

Sec. 10.41.5 Application of this Article.

A. This article shall be applicable to Contracts entered into after the rules and regulations have been promulgated by the DAA.

B. This article shall be applicable to Contract amendments entered into after the rules and regulations have been promulgated by the DAA where the initial Contract was not subject to the provisions of this article.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located in the Main Street lobby to the City Hall; one copy on the bulletin board located at the ground level at the Los Angeles Street entrance to the Los Angeles Police Department; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that the foregoing ordinance was introduced at the meeting of the Council of the City of Los Angeles JUN 20 2003, and was passed at its meeting of JUN 27 2003.

J. MICHAEL CAREY, City Clerk

By Maia Kesteven
Deputy

Approved JUN 30 2003

James Hahn
Mayor

Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

By Kitty Reber
KITTY REBER
Deputy City Attorney

Date 6-19-03

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