

LEGISLATIVE DIGEST

[Administrative Code - PUC Social Impact Partnership Program]

Ordinance amending the Administrative Code to expand the San Francisco Public Utility Commission’s (PUC) Social Impact Partnership Program by requiring that all covered contracts that include a Social Impact commitment, including those contracts that were solicited before April 22, 2023, increase such commitment upon amendment or modification of the contract and by removing the minimum threshold for applicable amendments or modifications.

Existing Law

By adopting Administrative Code Chapter 21F (Ordinance No. 261-22 (File No. 221126)), the Board of Supervisors authorized the San Francisco Public Utilities Commission to implement a Social Impact Partnership Program within certain parameters. The ordinance applied to Covered Contracts (as so defined) first solicited on or after the operative date of the ordinance, or April 22, 2023.

Among the parameters in the existing law is under Section 21F.5, *Contract Requirements*. Under Section 21F.5(b)(1), an amendment or modification of a Covered Contract increasing the contract amount requires a proportionate increase in the Social Impact Commitment amount but only where the cumulative increase in the Covered Contract amount was 10% or more than the original contract amount.

Amendments to Current Law

This ordinance adds a new subsection 21F.1(c) *Applicability* to clarify the applicable date of the original ordinance enacting Chapter 21F and to expand the applicability of Section 21F.5, *Contract Requirements*, subsection (b)(1), *Contract Amendments or Modifications*, to Covered Contract awarded before the original operative date of Chapter 21F (April 22, 2023).

This ordinance also adds clarifying language to Section 21F.5 to confirm that the subsection applies only to Covered Contracts that include a Social Impact Commitment.

Additionally, this ordinance removes the threshold for applicable amendments or modifications and renders all amendments or modifications of Covered Contracts approved after the effective date of this ordinance subject to the proportionate increase provision of Section 21F.5(b)(1).

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Background Information

As the Board of Supervisors found in enacting Chapter 21F, the SFPUC had a pre-existing Social Impact Partnership Program and had awarded contracts that included a Social Impact Commitment.

This ordinance expands the applicability of Section 21F.5 to such Covered Contracts first solicited before April 22, 2023 that already included a Social Impact Commitment. The provisions of Section 21F.5 will apply to such Covered Contracts that the SFPUC amends or modifies after the effective date of this ordinance regardless of the amount of the amendment or modification.

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