

## **LEGISLATIVE DIGEST**

[Administrative Code – Transferring Benefit Corporation Discount Program from Human Rights Commission to City Administrator]

**Ordinance amending the Administrative Code by transferring the implementation of the California Benefit Corporation Discount program from the Human Rights Commission to the Contract Monitoring Division of the City Administrator.**

### **Existing Law**

Administrative Code Chapter 14C provides a four percent (4%) bid discount or rating bonus to bids or proposals submitted by eligible California Benefit Corporations for purposes of determining the apparent low bid or highest ranked proposal during the acquisition of certain commodities and services or the procurement of public works construction or design services subject to Chapters 6 or 21 of the Administrative Code. To be eligible for the bid discount or rating bonus, the entity, among other requirements, must be incorporated as a Benefit Corporation in California. The discount or bonus only applies to contracts less than \$10 million and greater than the Threshold Amount in Chapter 6 (\$400,000) or the Minimum Competitive Amount in Chapter 21 (\$100,000). The Human Rights Commission (HRC) is tasked with the program's implementation.

### **Amendments to Current Law**

The proposed ordinance would transfer the authority to implement the California Benefit Corporation Discount program from the HRC to the City Administrator's Contract Monitoring Division (CMD).

### **Background Information**

In July 2012, the Chapter 14B Local Business Enterprise contracting programs and administration of the Chapter 12B Equal Benefits Ordinance were transferred from the HRC to the CMD of the Office of the City Administrator. As part of this transfer of duties and functions, the majority of the HRC's contract compliance staff positions were also transferred to the City Administrator. The proposed Ordinance would consolidate related contract compliance functions and duties within the CMD.