Article 2: Administrative Code

Division 43: Equal Benefits Ordinance
(“Equal Benefits Ordinance” added 11-16-2010 by O-20002 N.S.)

§22.4301 Title and Purpose

This Division shall be known as the “Equal Benefits Ordinance.” The purpose of this Division is to protect and further the public health, property, and welfare by requiring that the City contract only with contractors that offer the same employment benefits to employees with spouses and employees with domestic partners.
(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)

§22.4302 Definitions

For purposes of this Division, defined terms appear in italics. The following definitions apply in this Division:

Benefits means all remuneration other than wages, salary, bonuses, commissions, and stock options offered to an employee as part of the employee’s total compensation package, including bereavement leave, family leave, no-additional-cost services, health and medical benefits, employee discounts, memberships or membership discounts, moving expenses, pension and retirement benefits, transportation and travel benefits, and any other employment or fringe benefits.

Cash Equivalent means the amount of money paid to an employee with a domestic partner in lieu of providing benefits to the employee’s domestic partner. The cash equivalent is equal to the direct expense to the employer of providing benefits to an employee for his or her domestic partner or the direct expense to the employer of providing benefits for the dependents and family members of an employee with a domestic partner.

City means the City of San Diego, its organizational subdivisions, agencies, offices, commissions, or boards, but does not include independent agencies, such as the Housing Authority, Redevelopment Agency, and the Retirement Board.
Contract means any agreement between the City and another party for provision of goods, services, consultant services, grants from the City, leases of City property, or construction of public works.

Contractor means any person or persons, firm, partnership, corporation, joint venture, or any combination of these, that enters into a contract with the City. Contractor does not include subcontractors.

Domestic partners means any two adults in a relationship pursuant to the requirements for filing as domestic partners under California Family Code section 297 and who have registered as domestic partners with a governmental entity pursuant to state or local law authorizing such registration, or with an internal registry maintained by the employer of at least one of the domestic partners.

Equal benefits means equality of benefits between employees with spouses and employees with domestic partners, between spouses of employees and domestic partners of employees, and between dependents and family members of employees with spouses and dependents and family members of employees with domestic partners.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)
(Amended 12-15-2011 by O-20116 N.S.; effective 1-14-2012.)

§22.4303 Application

This Division shall apply to any contract entered into, awarded, amended, renewed, or extended on or after January 1, 2011. This Division shall apply to:

(a) A contractor’s operations located within the City’s geographical limits, regardless of whether there are employees at those locations performing work on a contract.

(b) A contractor’s operations on real property located outside of the City’s geographical limits if the property is owned by the City or the City has a right to occupy the property, and if the contractor’s presence at or on that property is connected to a contract.

(c) The contractor’s employees located outside of the City limits but in the United States, if those employees are performing work on the contract.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)
§22.4304 Equal Benefits Requirements

(a) The City shall not execute, award, or amend any contract with any contractor that discriminates in the provision of benefits between employees with spouses and employees with domestic partners, between spouses of employees and domestic partners of employees, or between dependents and family members of spouses and dependents and family members of domestic partners, or with any contractor that discriminates in the provision of these benefits based on the gender or sexual orientation of the spouses or domestic partners.

(b) Contractors shall notify employees of their equal benefits policy at the time of hire and during open enrollment periods, and shall post a copy of the following statement in a conspicuous manner in an area frequented by employees:

During the performance of a contract with the City of San Diego, this employer will provide equal benefits to its employees with spouses and its employees with domestic partners.

The posted statement shall also include a City contact telephone number which will be provided each contractor when the contract is executed, awarded, or amended.

(c) Contractors shall give the City access to documents and records sufficient for the City to verify compliance with this Division.

(d) A contractor shall not use a separate contracting entity to evade the requirements of this Division.

(e) Contracts shall include a provision stating that failure to maintain equal benefits is a material breach of the contract.

(f) Contracts shall include a provision requiring contractors to certify that contractor will maintain equal benefits for the duration of the contract.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)
§22.4305 Other Options for Compliance

As an alternative to providing equal benefits, a contractor may do either of the following:

(a) Provide an employee with the cash equivalent if the City determines that either:

(1) The contractor has made a reasonable, yet unsuccessful effort to provide equal benefits; or

(2) Under the circumstances, it would be unreasonable to require the contractor to provide equal benefits.

(b) Provide benefits neither to employees’ spouses nor to employees’ domestic partners.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)

§22.4306 Administration

The Mayor shall promulgate rules and regulations as may be necessary for the implementation of this Division.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)

§22.4307 Violations and Penalties

(a) It is unlawful for any contractor to knowingly submit any false information to the City regarding equal benefits or cash equivalent associated with the execution, award, amendment, or administration of any contract.

(b) If a contractor violates the terms of a contract regarding equal benefits or cash equivalent and fails to cure such violation within a reasonable time after receiving written notice from the City, the City may cancel, terminate, or suspend the contract in whole or in part, in addition to any other remedies or actions provided in the contract or this Code.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)
§22.4308  Exceptions

This Division does not apply to:

(a)  Contracts with a sole source or with the State of California, counties, districts, public authorities, joint power agencies, and any other public entity. This exception does not apply to non-profit organizations or non-profit corporations awarded a contract per section 22.3210.

(b)  Cooperative procurement contracts, as defined in Section 22.3003.

(c)  Contracts with a contractor that is subject to a collective bargaining agreement in effect prior to January 1, 2011.

(d)  Contracts for gifts or donations to the City.

(e)  Contracts where the application of this Division would violate or be inconsistent with the laws, rules, or regulations of federal or state law.

(Added 11-16-2010 by O-20002 N.S.; effective 12-16-2010.)
(Amended 12-15-2011 by O-20116 N.S.; effective 1-14-2012.)