

# The “No Sweat” City Procurement Ordinance

Sample Ordinance Based on the Milwaukee Ethical Purchasing Bill

## *Summary*

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### **An Ordinance Relating to the Procurement Of Items of Apparel From Responsible Manufacturers**

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**Analysis:** This ordinance provides that all contracting departments shall award contracts in excess of \$5000 related to the purchasing, renting, laundering and dry cleaning of items of apparel to contractors and subcontractors who are able to provide for the fulfillment of the contracts from establishments able to demonstrate compliance with all applicable laws regarding wages and benefits, workplace health and safety, forced and child labor and freedom of association. The requirements of this ordinance may be waived under certain conditions.

#### **The Mayor and Common Council of the City do ordain as follows:**

Part 1. Section 310-17 of the code is created to read:

310-17. Procurement of Items of Apparel.

1. PURPOSE. The common council finds that:

- a. It is in the city's best interest to procure items of apparel from responsible vendors and manufacturers who provide a safe, non-discriminatory work environment, and who compensate their employees with non-poverty wages.
- b. There has been a recent resurgence of exploitive and abusive workplaces in the apparel industry.
- c. The apparel and textile industries, in particular, are engaged in practices that result in poverty wages, violations of workers<sup>1</sup> rights and unsafe and unhealthy working conditions.
- d. As a participant in the marketplace, the city chooses to allocate its purchasing dollars to enhance the economic and social well-being of people, while acquiring the best possible quality goods at the lowest cost.

2. DEFINITIONS. In this section:

- a. <sup>3</sup>Apparel<sup>2</sup> means all items of clothing and cloth produced by weaving, knitting and felting, and shall include uniforms, coveralls, footwear, linens and entrance mats.

b. <sup>3</sup>Manufacture<sup>2</sup> means to process, fabricate, assemble, treat or package.

c. <sup>3</sup>Non-poverty wage<sup>2</sup> means the following for:

c-1. Domestic manufacturers. A base hourly wage adjusted annually to the amount required to produce, for 2,080 hours worked, an annual income equal to or greater than the U.S. department of health and human services' most recent poverty guideline for a family of 3 plus an additional 20 percent of the wage level paid either as hourly wages or health benefits.

c-2. Outside the United States. A nationwide wage and benefit level which is comparable to the non-poverty wage for domestic manufacturers as defined in subdiv. 1 after being adjusted to reflect the country's level of economic development by using a factor such as the relative national standard of living index in order to raise a family of 3 out of poverty. In addition, workers shall not be subject to disciplinary wage deductions.

d. <sup>3</sup>Responsible manufacturer<sup>2</sup> means an establishment engaged in manufacturing, distributing, laundering or dry cleaning that can demonstrate all of the following:

d-1. Compliance with all applicable local and international labor laws and workplace regulations regarding wages and benefits, workplace health and safety, as well as the fundamental conventions of the international labor organization, including those regarding forced and child labor and freedom of association.

d-2. Payment to its employes of non-poverty wages as defined in par. c-1 for domestic manufacturers and par. c-2 for manufacturers located outside of the United States.

d-3. Termination of its employes only with just cause.

d-4. Establishment of a mechanism for the resolution of workplace disputes.

3. REQUIREMENTS. a. Application. Contracting departments shall award contracts in excess of \$5000 relating to the purchasing, renting, laundering and dry cleaning of items of apparel to responsible manufacturers.

b. Affidavits. b-1. No contracts for the purchasing, renting, laundering and dry cleaning of items of apparel shall be entered into by contracting departments unless the lowest responsible bidders first submit to the purchasing director sworn reports or affidavits which include the following information for the specified time periods of the contracts:

b-1-a. The names and addresses of the companies and facilities in which the items of apparel have been or will be manufactured, distributed, laundered or dry cleaned.

b-1-b. The names and addresses of all owners of the facilities in which the items of apparel have been or will be manufactured, distributed, laundered or dry cleaned.

b-1-c. The base hourly wage and the percent of wage level paid as health benefits for persons working at the facilities in which the items of apparel have been or will be manufactured or distributed, laundered or dry cleaned.

b-1-d. Sworn statements by the contractors that facilities identified pursuant to this paragraph are responsible manufacturers as defined in sub. 2-d.

b-1-e. Any other information deemed necessary by the purchasing director for the enforcement of this section.

b-2. Contractors shall procure and submit sworn reports or affidavits from every subcontractor employed by the contractor during the specified time period of the contract for the fulfillment of contracts covered under this section.

b-3. In the event that any information provided by the contractor or subcontractor pursuant to this paragraph changes during the specified time period of the contract, the contractor shall submit or cause to be submitted to the purchasing director sworn reports or affidavits relating to the updated information.

b-4. The purchasing director shall maintain and make available for public inspection any sworn report or affidavit submitted pursuant to this paragraph.

4. **CONTRACT BID SPECIFICATIONS.** Contracting departments shall add a digest of the provisions of this section to all specifications for apparel purchasing, renting, laundering and dry cleaning upon which they issue invitations to bid.

5. **SPECIFICATION FOR APPAREL CONTRACTS.** No contract for the purchasing, renting, laundering and dry cleaning of items of apparel covered under this section shall be entered into by the city unless the contract contains a stipulation stating that the contractor agrees to provide in fulfillment of the contract items of apparel which have been manufactured, laundered and dry cleaned by responsible manufacturers, and that the contractor agrees to include an equivalent stipulation in all subcontracts.

6. **MONITORING AND ENFORCEMENT.** a. **Responsibility.** The business operations division -procurement services section - department of administration shall be responsible for monitoring contracts for compliance with this section. The department shall review and monitor the sworn reports or affidavits submitted by apparel contractors, receive and investigate complaints relating to compliance with this section, and impose appropriate sanctions upon any contractor who provides false information to the department or fails to comply with the provisions of this section.

b. **Notice.** The department shall provide in a timely manner on the city's website notice and related documentation regarding the following:

b-1. The issuance of invitations to bid and the awarding of contracts relating to the purchasing, renting, laundering and dry cleaning of items of apparel covered by this section.

b-2. The receipt of sworn reports or affidavits submitted pursuant to sub. 3-b.

c. **Sanctions.** Any contractor or subcontractor engaged in an apparel contract who has been found by the business operations division-procurement services section-department of administration to have submitted any false, misleading or fraudulent information, or to have failed to comply with the provisions of this section, may be subject to any of the following sanctions imposed by the business operations division:

c-1. Withholding of payments.

c-2. Termination, suspension or cancellation of the contract in whole or in part.

c-3. After a due process hearing, denial of the right of the contractor or subcontractor to bid on future city contracts, by himself or herself, partner or agent, or by any corporation

of which he or she is a member, for a period of one year after the first violation is found and for a period of 3 years after a second violation is found.

7. WAIVER. The requirements of this section may be waived in writing by the purchasing director if any of the following are true:

- a. All bidders to a contract are deemed ineligible under this section.
- b. The contract is necessary in order to respond to an emergency which endangers the public health and safety, and no contractor who complies with the requirements of this section is immediately capable of responding to the emergency.

8. APPEALS. Any apparel contractor who objects to any decision or action of the business operations division relative to specifications and recommendations for purchasing, renting, laundering or dry cleaning of items of appeal may appeal the decision to the purchasing appeals board pursuant to s. 310-19.