



# Office of the City Clerk

City Hall  
121 N. LaSalle St.  
Room 107  
Chicago, IL 60602  
www.chicityclerk.com

## Legislation Text

---

**File #:** SO2019-9497, **Version:** 1

---

### SUBSTITUTE ORDINANCE

WHEREAS, The City of Chicago (City) is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, Within specified limits, the City has the general right to exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety and welfare; and

WHEREAS, The City intends to ensure the uninterrupted provision of essential health and social services to City residents and communities with the greatest need who rely or can become reliant on these services that are funded and/or administered by the City through the Chicago Department of Public Health (DPH) and the Chicago Department of Family and Support Services (DFSS) (the Departments) but are provided by private service providers (Service Providers) with which the City contracts; and

WHEREAS, DFSS administers social services and programs and has the mission to connect City residents and families, particularly those most in need, to resources that build stability, support their well-being, and empower them to thrive; and

WHEREAS, DPH administers health services and programs and has as its mission to promote and improve the health of the City's citizens and communities by implementing policies and providing or arranging for the provision of services to residents and communities within the City that have the greatest need; and

WHEREAS, The City has determined that the provision of such services to its citizens and communities is necessary for the proper functioning of the City as healthy, safe, cohesive, and economically sustained; and

WHEREAS, By and through DPH and DFSS, the City has determined to provide many such services, at the expense of the City and taxpayers, by contracting with Service Providers to ensure the availability and delivery of such services to the citizens and communities most dependent on them; and

WHEREAS, The City has a financial and proprietary interest in contracts with Service Providers seeking to contract with the City through DPH and DFSS to undertake essential health and social services, such as Children's Services, Homeless Services, Domestic Violence Services, Senior Services, Youth Services, Workforce Development and Ex-Offender Services; and Physical, Mental and Behavioral Health Services (Essential Services); and ,

WHEREAS, Where Service Providers fail to appropriately or adequately provide such services, the City has an obligation to otherwise provide or arrange for their delivery through alternative means; and

WHEREAS, The City's investments in Essential Services represents significant City actions, and the City must make careful and efficient decisions to maximize benefits to City residents and minimize the risk of any gap in service for vulnerable residents and communities; and

WHEREAS, An interruption or the failure to Provide such services results in an immediate and detrimental impact on the recipients of the services, their families and communities, as well as additional costs to the City; and

WHEREAS, In the event of a cessation or disruption of Essential Services, City-run public mental health and public health clinics-which provide free services to residents-will be required to absorb the overflow at the expense of taxpayers; and

WHEREAS, A strike or other labor dispute resulting in economic interference with a Service Provider that contracts with the City to provide Essential Services, would be extremely costly to the City and burden taxpayers with additional costs, as the City would be required to find alternative means to provide the Essential Services to vulnerable City residents and communities, due to the excessive cost of locating and contracting with alternative service providers or by establishing and providing the services directly with City employees that would result in, among other costs, substantial overtime pay to City employees; and

WHEREAS, A strike or other labor dispute resulting in economic interference with a Service Provider that contracts with the City to provide Essential Services would impede the safe and efficient provision of these Services and will greatly harm residents and communities who rely on these Services; and

WHEREAS, The Essential Services provided by the City are directed to vulnerable populations including needy children, physically or mentally infirm individuals, and citizens afflicted by addiction, who, in the event of a labor dispute or other disruption, lack resources to find alternative services; and

WHEREAS, The City, as the grantor and/or administrator of funds, must ensure the provision of contracted Essential Services, has the right to place conditions on the delivery of services it has responsibility for obtaining, funding, and overseeing, as may be necessary for the safe, efficient, and economically responsible administration of Essential Services; and

WHEREAS, The City, as the grantor and/or administrator of funds over which it has the authority and responsibility to expend on the provision of the Essential Services, and has determined that requiring Service Providers, as a condition of receiving a contract to ensure that labor disputes, unrest or employee disaffection do not hinder the uninterrupted delivery of Essential Services arranged and funded by the City, to agree to commit entering into agreements with labor organizations representing or seeking to represent their employees which, at a minimum, prohibit the labor organizations and their members from engaging in work stoppages, boycotts, or other means of dispute resolution that interfere with the provision of Essential Services funded by the taxpayers or otherwise impede the Service Provider's ability to deliver contracted-for services; and

WHEREAS, The inclusion of such a labor peace commitment by DPH and DFSS as a component of the contracting process for provision of Essential Service shall ensure that the City's interest is limited to the direct provision of services to City residents and communities under contracts with the City;

NOW THEREFORE:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are hereby incorporated by reference as if fully set forth herein. Further, the following shall establish the Human Service Workforce Advancement Agreement (Ordinance), as follows:

SECTION 2. The Commissioner of the Department of Public Health (DPH) or their designee, and the

Commissioner of the Department of Family and Support Services (DFSS) or their designee (Commissioners), in the interest of preventing a disruption of Essential Services and protecting the City's financial and proprietary interest in the provision of such Services, shall ensure that any Contract between the City and a Service Provider (Contractor), must include a binding provision of the Contract that the Contractor be a party to a Labor Peace Agreement with any Labor Organization representing or seeking to represent employees directly performing the Essential Services on behalf of the Contractor for the City.

The Commissioners are authorized to administer and enforce this section as applicable, and to promulgate rules and regulations necessary to implement the requirements of this section.

Within 60 days of the passage of this Ordinance, and prior to implementation, the Commissioners shall submit such rules and regulations to the Committee on Health and Human Relations (or its successor Committee) for review. Within 30 days of the submission of such rules and regulations, the Committee shall hold a public subject matter hearing.

### SECTION 3. Definitions:

(a) A "Labor Peace Agreement" is defined as an agreement with a Labor Organization representing or seeking to represent the Employees of a Contractor which, at a minimum, contains:

(i) A provision prohibiting the Labor Organization and its members, and in the case of a collective bargaining agreement all employees covered by the agreement, from engaging in work stoppages, boycotts or any other activity that may interfere or hinder the performance of the Contract for the duration of the Contract; (ii) commensurate provisions on the part of the Contractor to ensure labor peace as may be agreed upon by the parties; and (iii) means of amicably and finally resolving disputes with any such Labor Organization.

(b) The term "Contractor" means entities contracting directly with the City, as a grantee or delegate agency with 20 or more Employees, to provide Essential Services to City residents.

(c) The term "Essential Services" means services provided pursuant to a contract entered into with the City or its departments by a Contractor (i) licensed by agencies of the State of Illinois including: Department of Public Health, Department of Human Services, Department of Child and Family Services, Department of Aging, and/or (ii) which receives a grant under Section 330 of the Public Health Service Act (Public Law 78-410) (42 U.S.C. 1395x(aa)(3)) or which has been determined to meet the requirements for receiving such a grant by the Health Resources and Service Administration, U.S. Department of Health and Human Services.

(d) The term "Employees" is defined as only those employees directly performing the Essential Services under the Contract for the City on a full-time, part-time, seasonal, or temporary basis, including those made available to work for the Contractor through a temporary service, staffing agency, or similar agency. This excludes employees who work for the Contractor, but do not provide Essential Services under the Contract, management or supervisory or other employees who do not enjoy a right to engage in strikes, work stoppages, or other concerted activities.

(e) A "Contract" is an agreement entered into with the City or its Departments with a Contractor to perform Essential Services paid for by or through the City from funds designated for such purposes. A Contract shall not include:

(i) Any agreement, entered into by the City with a hospital licensed pursuant to the Illinois Hospital Licensing Act (210 ILCS 85), any hospital affiliate as defined by the Act (210 ILCS 85/10.8 (b)), or any

hospital licensed pursuant to the University of Illinois Hospital Act (110 ILCS 330).

#### SECTION 4. Terms of Contracts.

Any Contract entered into by the Departments with a Contractor must contain the following:

- (a) A provision requiring the Contractor to comply with this Ordinance as a condition of the Contract;
- (b) A provision mandating written notice be provided immediately by the Contractor to the Commissioner administering the Contract, or their designee immediately upon the event of any of the following occurrences: (i) in the event of any threatened, imminent or actual strike, work stoppage or other concerted activity that may interfere or hinder the work performed by the Employees performing work under such Contract; (ii) in the event Employees join a Labor Organization, seek to be represented by a Labor Organization, or otherwise elect to self-organize for the purpose of engaging in concerted activity; (iii) in the event a notice or announcement by a Labor Organization that it represents or seeks to represent the Contractor's Employees; or (iv) upon entering into a Labor Peace Agreement, the expiration, or breach of any such Agreement; and
- (c) A provision guaranteeing to the City that the Contractor shall not prohibit, retaliate, or otherwise coerce Employees with respect to rights guaranteed by the First Amendment of the United States Constitution or any other rights afforded by federal or state laws.

SECTION 5. The provisions of Section 4 shall be material terms of any Contract entered into by the City, the breach of which on the part of a Contractor shall be grounds to terminate or decline to renew the Contract.

SECTION 6. Effective date. Within 30 days of the public hearing held pursuant to Section 2 of this Ordinance, the Commissioner of DPH, Commissioner of DFSS, or either of their designees shall require terms ensuring compliance with this Ordinance are agreed to and set forth in any Contract entered into, renewed, amended or otherwise issued on or after the Effective Date.

SECTION 7. Non-interference. Nothing in this Ordinance shall be construed as requiring Contractor, through mediation, arbitration, or otherwise, to change terms and conditions of employment for its employees, recognize a Labor Organization as the bargaining representative for its employees, adopt any particular recognition process, or enter into a collective bargaining agreement with a Labor Organization.

SECTION 8. This Ordinance shall take effect after its passage and publication.