

# REPORT OF THE CHIEF LEGISLATIVE ANALYST

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DATE: December 5, 2016

TO: Honorable Members of the Rules, Elections, Intergovernmental Relations,  
and Neighborhoods Committee

FROM: Sharon M. Tso   
Chief Legislative Analyst

Council File No: 10-0002-S36  
Assignment No: 16-06-0537

## REVIEW AND STATUS OF THE CITY OF LOS ANGELES ARIZONA POLICY RELATIVE TO CONTRACTING AND TRAVEL

### SUMMARY

On June 17, 2016, the Rules, Elections, Intergovernmental Relations and Neighborhoods Committee (Committee) considered several items related to exemptions to the Arizona Policy which restricts contracting and travel to Arizona. As a result, the Committee instructed this Office to: A) provide an update on the actions of the State of Arizona regarding Senate Bill (SB) 1070, specifically discussing whether the bill is still in effect and whether the actions of the state regarding the bill are still discriminatory; B) provide the number of travel exemptions that have been made and prepare an analysis on what conditions the exemptions were made; and C) compare the Arizona contracting and travel restrictions with the North Carolina and Mississippi restrictions. In addition, at the request of Councilmember Huizar, we have included an update relative to the status of City contracts with businesses headquartered in Arizona. As requested by Committee, this report includes an update of Arizona SB 1070, provides information relative to City travel to Arizona, and compares the Arizona contracting and travel restrictions to those of North Carolina and Mississippi. This report also provides brief background information on prior City policies or travel restrictions.

### ARIZONA

In 2010, the City Council established a policy to restrict contracting and City travel (Policy) to Arizona in response to the enactment of Arizona SB 1070 which contained provisions considered discriminatory and anti-immigrant by the U.S. Department of Justice (DOJ) and civil rights organizations. As part of the Policy, the City suspended City travel to Arizona and called for City departments to “refrain from entering into any new or amended contracts with companies that are headquartered in Arizona” (C.F. 10-0002-S36, Attachment 1). At the request of the Council, the City Attorney prepared and submitted a draft ordinance, dated June 17, 2011, addressing City contracting with businesses based or headquartered in Arizona. In July 2013, this Council File expired per Council policy. While no action was taken on the ordinance, the policy was and remains in effect.

#### Update on Arizona SB 1070

In April 2010, the Arizona legislature enacted SB 1070 to address concerns related to illegal immigration and the impact on crime and the economy in Arizona. The U.S. Department of Justice and various civil rights organizations challenged the State of Arizona on the constitutionality of the law. The U.S. District Court and the Arizona Supreme Court struck down most provisions on the basis of preemption but upheld Section 2 (B) which “requires Arizona state police to investigate the immigration status of an individual that is stopped, detained, or arrested if there is reasonable suspicion that the individual is in the country illegally” and Section 2 (D) relative to the transport of undocumented immigrants to federal detention centers. A summary of major provisions of SB 1070 and Court disposition is included in Table 1 in Attachment 2.

In September 2015, in the case *Valle Del Sol et al. vs. Whiting*, where the plaintiffs challenged the constitutionality of SB 1070, a U.S. District Court ruled in favor of Section 2 (B) stating that without facts, it would be “speculative to decide as a matter of law that Section 2 (B) would be enforced in an unconstitutional manner.” Subsequently, on September 15, 2016, the American Civil Liberties Union

(ACLU), the Mexican American Legal Defense and Education Fund (MALDEF) and the National Immigration Law Center (NILC) reached an agreement with the Arizona Attorney General, in the presence of the U.S. District Court, relative to implementation of Sections 2 (B) and 2 (D).

As part of the Agreement, the Arizona Attorney General issued guidelines regarding the manner in which Section 2(B) and 2(D) would be implemented (See Table 2 in Attachment 2). The agreement prescribes the conditions under which law enforcement may use “reasonable suspicion” to determine whether an individual is in the country legally and provides the criteria by which an individual is presumed not to be an alien unlawfully present in the U.S. (such as provision of a valid driver’s license). The courts have ruled that using “reasonable suspicion” to arrest an individual cannot be ruled unconstitutional because there is no evidence that law enforcement will enforce in an unconstitutional manner.

In light of the court’s actions and the settlement reached on remaining provisions, the Council is now in a position to determine whether or not to continue to restrict contracting and travel with companies that are headquartered in Arizona. The Recommendations section of this report includes options for Council to either rescind or continue the current contracting and City travel restrictions with companies that are headquartered in Arizona.

#### City Travel Exemptions

The Policy suspended City travel to Arizona “unless special circumstances can be demonstrated to the Council that the failure to authorize such travel would seriously harm City interests.” Since inception of the Policy, City departments have made six travel exemption requests. Of the six requests, three were approved and three were received and filed. With respect to the conditions under which the exemptions were made, the Council considered information provided by requesting departments or agencies for conformance with the adopted Policy (See Table 3 in Attachment 2). Data submitted by the City Controller indicates that between 2014 and 2016, additional flights were made to Arizona for which no exemption requests were found in the Council File Management System. Further information about these trips requires additional research. This figure does not include layover trips, where the final destination was not Arizona.

#### City Contracts with Companies Headquartered in Arizona

A recent review of data provided by the Controller shows that approximately \$38 million was paid by City departments to entities with addresses in Arizona between 2012 and 2015. City Controller staff has stated that while the payments were sent to addresses in Arizona, that in itself is not an indication that the company for which the payment was mailed, is actually headquartered in Arizona. Preliminary research shows that many of the addresses to which payments were mailed are payment centers for companies that are headquartered in other states. The \$38 million in payments also includes: 1) contracts with proprietary departments, 2) payments for non-contractual one-time purchases, and, 3) competitive bid contracts subject to City Charter Section 371. Additional information is provided below.

#### Proprietary Departments

Proprietary departments are not subject to the Policy. While the Council requested proprietary departments to adopt a similar policy with regard to companies headquartered in Arizona, departments have expressed that a policy will be considered after the Council adopts an ordinance. No proprietary departments have adopted a policy to restrict travel or contracting with companies headquartered in Arizona at this time.

Of the \$38 million, \$27.3 million is attributed to payments made by proprietary departments as follows:

#### **PROPRIETARY DEPARTMENTS – ARIZONA EXPENSES**

<b>DEPARTMENT</b>	<b>CONTRACT AMOUNT</b>
Los Angeles World Airports Department	\$3 million
Harbor Department	\$5 million
Department of Water and Power	\$19.3 million
<b>TOTAL</b>	<b>\$27.3 million</b>

### Non-Contractual One-Time Purchases

Non-contractual one-time purchases are not addressed by the Policy. The Policy provides that “to the extent practicable, and in instances where there is no significant additional cost to the City nor conflict with the law, to refrain from entering into any new or amended contracts to purchase goods or services from any company that is headquartered in Arizona.”

### Competitive Bid Contracts

In the June 17, 2011 transmittal, the City Attorney notes “because of the constraints imposed by the Charter requiring that contracts subject to competitive bidding be awarded to the lowest bidder...the ordinance must contain an exemption for contracts that are subject to the competitive bidding requirements of Los Angeles City Charter Section 371.” We note that under the City’s South Africa Contracting Ordinance, competitive bid contracts were exempted from that policy.

If the Council continues the Arizona Policy, the Council may instruct the City Administrative Officer (CAO) to work with the Bureau of Contract Administration and other City departments, as needed, to report on expenses made to companies headquartered in Arizona to ensure compliance with the Arizona Policy. The Council may further request the City Attorney to report on Charter Section 371 relative to competitive bid contracts.

### COMPARISON OF NORTH CAROLINA, MISSISSIPPI AND ARIZONA CONTRACTING POLICIES

On April 15, 2016, the City Council took action (C.F. 16-0379) as follows: that City departments “shall refrain from conducting business with the states of North Carolina and Mississippi, including participating in any conventions or other business that requires City resources,” until such time that North Carolina House Bill (HB) 2 and Mississippi HB 1523, respectively, are repealed (See comparison in Table 4 in Attachment 2).

#### *North Carolina – HB 2*

The Council action taken to restrict contracting with North Carolina was done as a result of the enactment of HB 2 which: 1) requires that individuals use public bathrooms based on the gender assigned at birth; and 2) prohibits local governments from enacting laws protecting Lesbian Gay Bisexual Transgender (LGBT) communities from discrimination. This has raised concerns with regard to discrimination of LGBT communities and individuals including transgender individuals.

On August 26, 2016, in the case *Joaquin Carcano vs. the Governor of the State of North Carolina et al.*, the United States District Court for the Middle District of North Carolina issued a preliminary injunction based on violation of Title IX of the of the Education Amendments of 1972, United States Code Section 1681 (Title IX). However, the Court denied a request for a preliminary injunction based on presumed violations of Equal Protection; and, reserved ruling on a third claim related to Due Process pending briefing from the parties (See Table 4, Attachment 2).

#### *Mississippi – HB 1523*

The Mississippi contracting policy, established as a result of the enactment of HB 1523, provided that: “1) marriage is or should be recognized as the union of one man and one woman, 2) sexual relations are properly reserved to such a marriage; and, 3) that “male” or “female” refer to an individual’s immutable biological sex as objectively determined by anatomy and genetics at time of birth.” HB 1523 also protects from legal liability businesses and individuals who decline to provide services to LGBT and/or transgender individuals because of these beliefs mentioned above. On June 30, 2016, the United States District Court for the Southern District of Mississippi preliminarily enjoined enforcement of HB 1523 on the basis of violating the Establishment Clause of the First Amendment and Equal Protection Clause of the Fourteenth Amendment of the U.S. Constitution. On August 12, 2016, the United States Court of Appeals for the Fifth Circuit denied an appeal filed by Governor of the State of Mississippi.

The current language adopted by Council restricts City departments from doing business with the States of North Carolina and Mississippi. The Arizona Policy is different inasmuch as it restricts doing business with companies that are headquartered in Arizona. Also, the North Carolina and Mississippi policies do not explicitly prohibit City travel to such states as does the Arizona Policy.

## PRIOR CITY CONTRACTING POLICIES

In the past, the City Council has opted to impose contracting restrictions on countries and U.S. states that enact discriminatory laws that violate the human and civil rights of their respective populations. For example, the City has restricted its contracting with South Africa; companies participating in the Arab Boycott of Israel; the State of Colorado; and others. Most of these contracting policies have now been repealed due to the repeal of the laws or court rulings against those laws for which the City had initially restricted its contracting. Below is a summary of the City's contracting restrictions with regard to South Africa, Colorado and the contracting restrictions against companies participating in the Arab Boycott of Israel which could serve as a framework to follow should the Council wish to provide more guidance to City departments for implementation of current and future contracting policies.

### *South Africa Contracting Ordinance*

On July 2, 1986, in opposition to racial segregation laws created by the South African government in the late 1980s, the City Council adopted Ordinances No. 161466 and No. 162336 prohibiting City departments from entering contracts associated with South Africa or businesses based in South Africa, with some exceptions (C.F. 84-2311-S4).

As part of the vetting process, the City Council took input from City departments to determine the potential impact of contract cancellation and divestment from banking institutions. The South Africa Contracting Ordinance initially did not apply to proprietary departments or the City's retirement systems. However, in time, proprietary departments and the retirement systems canceled contracts and divested from banking institutions wherever possible. As part of the ordinance, interested contractors were required to submit an affidavit declaring, under penalty of perjury, any business relationships with the South African government or with any entity doing business in South Africa.

Additionally, the CAO provided periodic updates on the types and amounts of transactions in which the City engaged with companies based in South Africa or with the South African government.

In 1989, due to economic sanctions and political pressure applied worldwide, the South African government repealed most of the legislation that had formed the basis for apartheid. In 1993, in response to the new constitution adopted in South Africa, the Los Angeles City Council repealed the City's South Africa Contracting Ordinance (Ordinance No. 169063; C.F. 93-1947).

### *Colorado - Amendment 2 (C.F. 92-2343)*

On December 16, 1992, the City Council adopted Resolution (Woo-Hernandez) which banned City travel to the State of Colorado in response to the enactment of Colorado Amendment 2 which repealed local protections from discrimination on the basis of sexual orientation. The Resolution adopted by the Council stated that:

“No City official shall be authorized to travel at City expense to the State of Colorado to conduct City business unless special circumstances can be demonstrated to the Council that the failure to authorize such travel would seriously harm City interests. This ban is to be lifted upon the repeal of Amendment 2 in the State of Colorado.”

Additionally, the City Council adopted a Motion (Woo-Hernandez) instructing the City Attorney to draft an ordinance that would accomplish the following:

“The City of Los Angeles in exercising its power to make economic decisions as a participant in the market shall restrict, to the extent permissible and consistent with the City's interests, its contracting relative to goods and services to persons or entities which are not based in the State of Colorado.”

The Motion, and the draft ordinance were referred to the City Attorney for further review pursuant to Motion (Wachs-Galanter), which was ultimately not adopted due to a court ruling against Amendment

2. On December 14, 1993, the Denver District Court issued a permanent injunction prohibiting enforcement of Amendment 2. On January 20, 1994, the City and County of Denver issued a letter addressed to the Los Angeles City Council, requesting that the City repeal its boycott based on the court ruling.

On March 18, 1994, the Council suspended the ban on travel to Colorado with the caveat that “the restriction shall automatically be reinstated if future events result in the re-imposition of Amendment 2.” On May 12, 1996, the U.S. Supreme Court permanently enjoined Colorado Amendment 2. On June 28, 1996, the City Council “rescinded the currently suspended December 16, 1992 City Council Resolution restricting City-financed travel to the State of Colorado inasmuch as the U.S. Supreme Court has ruled unconstitutional the State’s anti-gay rights initiative ‘Amendment 2’.”

*City Policy Regarding Companies Participating in the Arab Boycott of Israel*

On November 25, 1992, the City Council adopted Ordinance No. 168372 (C.F. 91-2401), which provided that the City “refuse to do business with any and all businesses and individuals participating in the Arab Boycott against Israel.” Effective May 22, 2000, the Council repealed the City’s contracting restrictions regarding the Arab Boycott of Israel, pursuant to Ordinance No. 173186 (C.F. 97-1344). Subsequently, on June 12, 2013, the Council adopted Resolution (Koretz-Englander-Zine) stating as follows:

“The City of Los Angeles will continue to make contracting decisions based on the best interests of the City, its residents, businesses and taxpayers and in accordance with the City Charter and applicable State and Federal law and hereby affirms that issues related to the Arab-Israeli conflict will not be considered and will have no impact on the awarding of contracts with the City of Los Angeles.”

*Other City Policies*

Pursuant to the Los Angeles Administrative Code, the City currently requires disclosure with respect to Slavery Disclosure Requirements, Sweat Free Procurement and compliance with the Iran Contract Act of 2010.

In addition to contracting restriction policies, the City Council has also expressed its opposition to discrimination and inhumane treatment by way of resolutions, letters and motions that denounce the behavior and potential ramifications of said discriminatory laws. As an option for future contracting policies, the City Council may wish express its opposition through the passage of a resolution and subsequently adopt rules and regulations that enable the development of contract restricting policies where the Council deems appropriate.

The following recommendations are provided for Council consideration that may assist City departments implement the existing contracting policies in a manner that is consistent with Council intent.

RECOMMENDATIONS

The following options are provided for the City Council to consider with regard to contracting policies relative to Arizona. Option 1 would rescind the Arizona Policy. Option 2 continues the Arizona Policy.

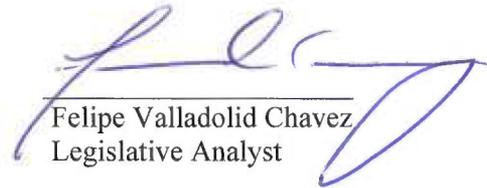
- OPTION 1) If the Council wishes to rescind the Arizona Policy inasmuch as the courts have ruled against most provisions and a settlement agreement has been reached on the provisions upheld, then, the following actions may be considered:
- a) Rescind the Council action of May 12, 2010 (C.F. 10-0002-S36), in relation to Arizona Senate Bill 1070 restricting City travel to the State of Arizona and contracting, inasmuch as the courts have ruled against most provisions and a settlement agreement has been reached on the provisions upheld;

- b) Instruct the City Clerk to notify City departments of the Council's action to rescind the Arizona Policy; and,
- c) Instruct the CLA to continue to monitor implementation of Arizona Senate Bill 1070.

**OR**

OPTION 2) If the Council wishes to continue with implementation of the Arizona Policy, then, the following actions may be considered:

- a) Instruct the City Administrative Officer (CAO) with the assistance of the Bureau of Contract Administration, City Attorney, CLA, and any other City departments, as needed, to develop rules, regulations, contracting procedures, and criteria by which to grant exemptions, for similar policies using the South Africa Contracting Ordinance as a guide;
- b) Instruct the CAO to conduct a fiscal analysis including implementation costs, staffing and contract procurement and report on expenses made to companies headquartered in Arizona to ensure compliance with the Arizona Policy.

  
Felipe Valladolid Chavez  
Legislative Analyst

Attachments: 1) Council Action of May 12, 2010 (C.F. 10-0002-S36);  
2) Tables 1-4

SMT:fvc

**VERBAL MOTION**

I HEREBY MOVE that Council ADOPT the following recommendations of the Chief Legislative Analyst (CLA) in connection with Resolution (Reyes - Hahn - Garcetti, et al.) opposing Arizona SB 1070, (Item No. 13, CF 10-0002-S36), **SUBJECT TO THE CONCURRENCE OF THE MAYOR:**

1. **ADOPT the accompanying Revised RESOLUTION which provides that the City include in its 2009-10 Federal Legislative Program OPPOSITION to federal funds that support the implementation of Arizona SB 1070 and HB 2162, which promote racial profiling, discrimination and harassment.**
2. **SUSPEND all City travel to the State of Arizona to conduct City business unless special circumstances can be demonstrated to the Council that the failure to authorize such travel would seriously harm City interests, with this ban lifted upon the repeal of SB 1070 and HB 2162 in the State of Arizona.**
3. **DIRECT all City Departments, to the extent practicable, and in instances where there is no significant additional cost to the City nor conflict with the law, to refrain from entering into any new or amended contracts to purchase goods or services from any company that is headquartered in Arizona.**
4. **INSTRUCT the City Administrative Officer (CAO) to review the terms of all contracts with Arizona-based companies and report to Council in one week on which of those contracts can be legally terminated immediately.**
5. **REQUEST the City Attorney to prepare and present an ordinance to accomplish the following purpose:**

The City of Los Angeles in exercising its power to make economic decisions as a participant in the market shall restrict, to the extent permissible and consistent with the City's interests, its contracting relative to goods and services to persons or entities which are not based in the State of Arizona, subject to review by the City Attorney and CAO.

6. **INSTRUCT the CLA to continue to monitor the status of SB 1070 and HB 2162 any court actions and report to Council in 60 days.**

PRESENTED BY \_\_\_\_\_  
ED P. REYES  
Councilmember, 1st District

SECONDED BY \_\_\_\_\_  
JANICE HAHN  
Councilmember, 15th District

**ADOPTED**

MAY 12 2010  
*As Amended*  
LOS ANGELES CITY COUNCIL  
*See Attached Motion*

May 12, 2010 **TO THE MAYOR FORTHWITH**

CF 10-0002-S36

**TABLE 1 – Court Rulings on Major SB 1070 Provisions**

<b>SB 1070</b>	<b>LANGUAGE</b>	<b>DISPOSITION BY THE COURT</b>
Section 2 (B)	Requires Arizona state police to investigate the immigration status of an individual stopped, detained, or arrested if there is reasonable suspicion that the individual is in the country illegally.	<p><i>Settlement Agreement reached between civil rights organizations and Arizona Attorney General with regard to the implementation of this Section in 2016.</i></p> <p><i>U.S. District Court denied injunction in 2015.</i></p> <p><i>U.S. Supreme Court did not grant injunction 2012.</i></p> <p><i>U.S Appeals Court affirmed preliminary injunction in 2011.</i></p> <p><i>Preliminary injunction by U.S. District Court in 2010.</i></p>
Section 2 (D)	Allows law enforcement agency to transport a person who is deemed to be undocumented to a federal facility.	<p><i>Settlement Agreement reached between civil rights organizations and Arizona Attorney General with regard to the implementation of this Section in 2016.</i></p> <p><i>U.S. District Court denied injunction in 2015.</i></p> <p><i>U.S. Supreme Court did not grant injunction 2012.</i></p> <p><i>U.S Appeals Court affirmed preliminary injunction in 2011.</i></p> <p><i>Preliminary injunction by U.S. District Court in 2010.</i></p>
Section 3	Made the failure to comply with federal alien registration requirements a state misdemeanor.	<p><i>Permanently enjoined by U.S. Supreme Court in 2012.</i></p> <p><i>U.S Appeals Court affirmed preliminary injunction in 2011.</i></p> <p><i>Preliminary injunction granted by U.S. District Court in 2010.</i></p>
Section 4	Allowed officers enforcing Arizona’s human smuggling statute to stop any person who is operating a motor vehicle if the officer has reasonable suspicion to believe that the person is in violation of any civil traffic law.	<p><i>Permanently enjoined by U.S. District Court in 2014.</i></p>
Section 5	Made it unlawful for an occupant of a motor vehicle that is picked up on the street, to attempt to hire or hire and pick up passengers for work at a different location.	<p><i>Permanently enjoined by U.S. District Court in 2015.</i></p> <p><i>Permanently enjoined by U.S. Supreme Court in 2012.</i></p>
Section 5 (C)	Made it a misdemeanor for an unauthorized alien to seek or engage in work in Arizona.	<p><i>Permanently enjoined by U.S. District Court in 2015.</i></p> <p><i>Struck down by the U.S. Supreme Court in 2012 on the basis of preemption.</i></p>
Section 6	Authorized the warrantless arrest of a person where there was probable cause to believe the person had committed any public offense that made the person removable from the United States.	<p><i>Permanently enjoined by U.S. Supreme Court in 2012.</i></p>

*\*SB 1070 Sections 2 (A) which prohibits limiting the enforcement of federal immigration laws, 2 (C) which requires notification to federal immigration agencies when an undocumented immigrant is discharged, 2 (E) – 2 (J) relative to warrantless arrests and allows exchange of information, Sections 7-9 which impose sanctions on employers that hire unlawfully present aliens, and Sections 11-13 which create a gang and immigration intelligence team enforcement fund, provides for the severance of any unconstitutional provisions and provide for a short title, were upheld by the U.S. District Court on July 28, 2010.*

*\* SB 1070 Section 10 which allows for the impoundment of vehicles used in the transport of unlawfully present aliens was enjoined as part of the Settlement Agreement on September 15, 2016.*

**TABLE 2 - Arizona Settlement Guidelines – Major Items**

<ul style="list-style-type: none"> <li>• Law enforcement officers shall conduct contacts with individuals suspected of being unlawfully present in the United States in a manner consistent with federal and state laws.</li> </ul>
<ul style="list-style-type: none"> <li>• Officers shall protect the civil rights, privileges, and immunities of all persons.</li> </ul>
<ul style="list-style-type: none"> <li>• Officers shall not prolong a stop, detention, or arrest solely for the purpose of verifying immigration status.</li> </ul>
<ul style="list-style-type: none"> <li>• Officers shall not contact, stop, detain, or arrest an individual based on race, color, or national origin, except when it is part of a suspect description linking that individual to a particular unlawful incident and said description is timely, reliable and geographically relevant or when otherwise authorized by law.</li> </ul>
<ul style="list-style-type: none"> <li>• During a consensual contact, Officers may ask, but not demand, that an individual produce immigration documents.</li> </ul>
<ul style="list-style-type: none"> <li>• Officers shall not arrest an individual simply because the individual lacks proper documentation.</li> </ul>
<ul style="list-style-type: none"> <li>• If an Officer has reasonable suspicion that an arrestee is unlawfully present in the United States, a reasonable attempt shall be made to contact Immigration Customs Enforcement/Border Patrol to verify the arrestee’s immigration status prior to releasing the arrestee, but release may not be delayed in order to request or obtain verification.</li> </ul>
<ul style="list-style-type: none"> <li>• Officers that violate the guidelines must inform a supervisor of the nature of the violation.</li> </ul>

**TABLE 3 – Arizona Travel Exemption Requests**

<b>COUNCIL FILE NO.</b>	<b>DATE</b>	<b>DEPARTMENT</b>	<b>PURPOSE OF REQUEST</b>	<b>AUTHOR</b>	<b>COUNCIL DISPOSITION</b>
10-0991	June 19, 2010	Police	Attend the Airborne Law Enforcement Association Conference	Smith-Parks	Receive & File
11-0612	April 19, 2011	Disability	Attend Community Work Incentives Coordinators (CWICs) training	LaBonge-Smith	Adopted
11-1745	October 18, 2011	Council	Attend the National League of Cities	Reyes-Krekorian	Receive & File
12-0491	April 10, 2012	Harbor	Attend meetings of the American Presidents Line (APL) terminal at Pier 300	Buscaino-LaBonge	Receive & File
14-1147	August 26, 2012	Council	Attend National League of Cities Public Safety Steering Committee	Englander-Buscaino	Adopted
16-0189 & 16-0189-S1	April 19, 2016	Building and Safety	Travel to the state of Arizona for City business	Cedillo-Fuentes	Adopted

TABLE 4 – Comparison of Contracting Restrictions

	ARIZONA	NORTH CAROLINA	MISSISSIPPI
Council File No.	10-0002-S36	16-0379	
Laws Enacted	SB 1070/HB 2162	HB 2	HB 1523
Reason for Policy	Anti-Immigrant	Anti-LGBT	Anti-LGBT
Contracting Actions Adopted by Council	Travel Suspension Refrain from entering into any new or amended contracts with any company that is headquartered in Arizona.	“Refrain from conducting City business with North Carolina, including participating in any conventions or other business that requires City resources”	“Refrain from conducting City business with Mississippi, including participating in any conventions or other business that requires City resources”
Status of Court Action	<p><b>Court Rulings</b></p> <ul style="list-style-type: none"> <li>Sections: 1, 2 (A), 2 (C), 2 (E) – 2 (K), 7-9, 11-13 } Upheld by the U.S. District Court for Arizona on July 28, 2010.</li> <li>Sections: 3, 5 (C), 6 } Permanently enjoined by the U.S. Supreme Court on June 25, 2012</li> <li>Sections: 4, 5 (A), 5 (B), 5 (C) } Permanently enjoined by the U.S. District Court on September 4, 2015.</li> <li>Sections: 2 (B), 2 (D) } Upheld as part of Settlement Agreement September 15, 2016</li> <li>Section: 10 } Enjoined as part of Settlement Agreement September 15, 2016</li> </ul>	<p><b>Court Rulings</b></p> <ul style="list-style-type: none"> <li><b>Part I:</b> Local boards of education shall require every single-sex multi occupancy bathroom to be used by students based on biological sex. } Preliminary Injunction granted by the United States District Court for the Middle District of N.C. August 26, 2016</li> <li><b>Part II:</b> Local governments are preempted from adopting ordinances that protect LGBT from discrimination in the workplace. } Preliminary Injunction based on Equal Protection denied. August 26, 2016</li> <li><b>Part III:</b> Established a policy that includes protections against discrimination on the basis of “biological sex.” } The Court reserves ruling on the Due Process claims pending further briefing from the parties. August 26, 2016</li> </ul>	<p><b>Court Rulings</b></p> <ul style="list-style-type: none"> <li><b>HB 1523</b></li> <li><b>Section 3:</b> <ul style="list-style-type: none"> <li>a) Marriage is or should be recognized as the union of one man and one woman.</li> <li>b) Sexual relations are properly reserved to such marriage; and</li> <li>c) Male or female refer to an individual’s immutable biological sex as objectively determined by anatomy and genetics at time of birth.</li> </ul> </li> <li>The United States District Court for the Southern District of Mississippi preliminarily enjoined HB 1523. June 30, 2016</li> <li>The United States Court of Appeals for the Fifth Circuit denied an appeal filed by the Governor of the State of Mississippi. August 12, 2016</li> </ul>