MEMORANDUM

TO: Department Heads
    City Financial Officers
    Contracting Officers

FROM: Naomi M. Kelly, City Administrator

CC: Alaric Degrafinnerd, Purchaser and Director of Office of Contract Administration
    Clair Farley, Executive Director, Office of Transgender Initiatives

SUBJECT: Ban on City Contracts and Travel to States with Anti-LGBT Laws - Iowa added to list of Covered States.

DATE: September 18, 2019

On October 14, 2016, the Board of Supervisors passed Ordinance No. 189-16 (file No. 160425) ("Ordinance") which places a ban on city-funded travel and City contracts involving States with anti-LGBT laws. The Ordinance under Administrative Code Section 12X.5(a) declares that the City shall not enter into any Contract with a Contractor that has its United States headquarters in a state on the Covered State List or where any or all of the work on the Contract will be performed in a state on the Covered State List.

Generally:

The Ordinance bans all travel to states on the list of Covered States below. Furthermore, the City shall not enter into any Contract with a Contractor that has its headquarters in a state on the Covered State List or where any or all of the work on the Contract will be performed in a state on the Covered State list. Unless otherwise exempted, this contracting ban applies to all contracts entered into by the City (See Administrative Code Sec. 12X.5(b) for specific circumstances where the Ordinance is not applicable, exempted, or eligible for a waiver). However, please note that the contracting ban only applies to the prime contractor and does not extend to lower tier subcontractors, suppliers, or vendors. In addition, the Ordinance only applies to contracts that were first advertised, solicited, or initiated on or after February 11, 2017 and therefore does not apply to amendments to pre-existing contracts.
The following state will be added to the Covered State List based on recent legislative action meeting the definition above:

- Iowa:
  - HF 766 repeals existing protections under the Iowa Civil Rights Act that previously ensured Medicaid coverage for gender-affirming care. The new law makes it clear that coverage for this care is no longer required in Iowa.
  - The addition of Iowa to the Covered State List will be effective on October 4, 2019.

The list below indicates all the states currently on the Covered State List:

- Alabama (effective 6/30/2017)
- **Iowa (effective 10/4/2019)**
- Kansas (effective 2/11/2017)
- Kentucky (effective 6/30/2017)
- Mississippi (effective 2/11/2017)
- North Carolina (effective 2/11/2017)
- Oklahoma (effective 11/1/2018)
- South Carolina (effective 04/15/2019)
- South Dakota (effective 3/14/2017)
- Tennessee (effective 2/11/2017)
- Texas (effective 9/1/2017)

The Covered State List is reviewed on a semiannual basis. When a state is removed or added the Office of the City Administrator will make that information public and post the updated list on its website, available at [http://sfgsa.org/chapter-12x-anti-lgbt-state-ban-list](http://sfgsa.org/chapter-12x-anti-lgbt-state-ban-list).

If you have questions or require further clarification on City-funded travel, please contact your Financial Officer or accountant representative.