

EXHIBIT A

ORDINANCE NO. 23-_____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA ANA, AMENDING
SECTION 8-6 OF CHAPTER 8 OF ARTICLE 1 OF THE SANTA ANA MUNICIPAL CODE
RELATING TO DISCLOSURE OF LICENSE AND INSURANCE REQUIREMENTS OF
CONTRACTORS AND SUBCONTRACTORS

WHEREAS, the City Council of the City of Santa Ana has previously adopted changes and improvements to the baseline requirements of the California Building Codes, as reflected in Section 8-6 of the Santa Ana Municipal Code; and

WHEREAS, Section 8-6 of the Santa Ana Municipal Code contains a series of existing requirements, disclosures, and penalties for non-compliance relating to the identification of contractors who will be utilized in connection with work authorized by City-issued permits; and

WHEREAS, the disclosure mandated by Section 8-6 can be strengthened and enhanced by (i) expanding the scope of disclosure to include whether each subcontractor or its principals has any pending and/or prior enforcement actions for any state or federal labor violations or paid any penalties to a government agency related to the provisions of the California Labor Code, (ii) clarifying that subcontractor disclosures must be updated prior to the commencement of work on a project, and prior to adding or replacing a subcontractor after work commences, and (iii) allowing the City the right to issue a stop work order if a contractor fails to comply with its disclosure obligations.

NOW, THEREFORE, the City Council of the City of Santa Ana DOES HEREBY ORDAIN as follow:

SECTION 1. The above recitals are true and correct and are incorporated here.

SECTION 2. Section 8-6 of Chapter 8 of Article 1 of the Santa Ana Municipal Codes is hereby amended, with additions shown in double underlining read in its entirety as follows:

Sec. 8-6. - License requirements of contractors and subcontractors.

A) No person shall be issued a permit to perform work requiring a permit under this Code, unless they are:

1. A licensed contractor;
2. An employee, agent or authorized representative of a licensed contractor;
3. A representative of an electronically subscribed service acting on behalf of a licensed contractor;
or
4. The property owner performing their own work;
5. An employee of the owner, provided that the owner shows evidence of workers' compensation insurance required by state and city law, and their federal tax identification number.

B) Subsections (C) and (D) of this Section shall apply to permits involving:

1. Twenty (20) or more dwelling units, including single-family dwelling units in a subdivision, in a new residential or mixed-use development.

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2. Twenty-thousand (20,000) square feet of tenant improvements, or 20,000 square feet of additional gross floor area, in new or existing commercial or industrial developments.
- C) At the time of permit issuance and prior to the commencement of work, the applicant shall submit a list of all subcontractors and provide verification of each subcontractor's workers' compensation insurance, state contractor license and license category, city business license and federal tax identification number and show verification whether each subcontractor or its principals has any pending and/or prior enforcement actions for any state or federal labor violations or paid any penalties to a government agency related to the provisions of the California Labor Code. No person shall contract or subcontract construction work without a valid contractor's license pursuant to applicable provisions of the state business and professions code.
- D) In the event that the applicant cannot provide a list of valid subcontractors upon permit application or later at the time of adding or replacing a subcontractor, the applicant shall provide to the city, within two business days after issuance of each permit but prior to commencement of any work pursuant to said permit, all information required by subsection (C). Failure to provide valid and current subcontractor listings prior to commencing work shall result in:
1. Stop Work Order
 2. Revocation of any permit issued by the city; and
 3. The permit applicant paying a penalty for default to the city in an amount equal to the original permit fee for each violation in order to defray city costs of enforcement of this section prior to the issuance of any new permit.

Any work performed prior to satisfying the requirements of this section shall be deemed performed without the required permits.