<u>O R D I N A N C E</u>

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Chapter 2-68 of the Municipal Code of Chicago is hereby amended by inserting a new Section 2-68-050, as follows:

2-68-050 Data Residency Requirements for City Data.

(a) Notwithstanding anything in this Code to the contrary, any contract entered into by the City that provides for the storage of any City data, including any City data that has been shared with a third-party or incorporated into a cooperative work created with a third-party, shall include a requirement that such City data must be processed, stored, transmitted, and disposed of within the jurisdiction of the United States, and that City data, systems, and services will not be accessible from outside of the United States.

(b) Unless otherwise prohibited by any federal, state, or local law, for any contract for the storage of City data, a bid preference of: (i) six percent of the contract base bid shall be allocated to any contractor for ensuring that all such City-data is stored within the State of Illinois; and (ii) eight percent of the contract base bid shall be allocated to any contractor for ensuring that all such City-data is stored within the City limits. Any contractor that receives a bid preference under this section but that fails to ensure that all City data is stored within the State or City limits, as applicable, during the term of the contract for which the bid incentive was awarded shall be fined in an amount equal to three times the amount of the bid incentive awarded.

SECTION 2. The City encourages all Sister Agencies, as defined in Section 1-23-010 of the Municipal Code of Chicago, to adopt similar data residency policies as provided for in this ordinance.

SECTION 3. This ordinance shall take effect upon passage and publication.

GILBERT VILLEGAS Alderman, 36th Ward