ORDINANCE

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

SECTION 1. Chapter 2-8 of the Municipal Code of Chicago is hereby amended by inserting a new Article V, as follows:

ARTICLE V. CITY COUNCIL REVIEW OF DEPARTMENTAL RULEMAKING

2-8-900 Definitions; Purpose; Application.

- (a) As used in this article, the term "rule" shall have the meaning ascribed to that term in Section 1-4-090 of the Code, provided that for the purpose of this article, "rule" shall not include: (i) statements or communications that relate only to the internal management or personnel of a City department and do not materially affect the private rights of or procedures available to the public; (ii) an intergovernmental or interdepartmental memorandum, directive, or communication that does not affect the private rights of or procedures available to the public; (iii) statements or communications concerning the allocation of City department resources or personnel; (iv) statements that establish criteria or guidelines to be used by the staff of a City department in performing audits, investigations, or inspections, settling commercial disputes, negotiating commercial agreements, or defending, prosecuting, or settling cases, if disclosure of the criteria or guidelines would enable persons violating the law to avoid detection, facilitate disregard of requirements imposed by law, or give an improper advantage to persons that are in a position that is adverse to the City; or (v) rules relating to the use of public ways and property when the substance of such rules is indicated to the public by means of signs or signals.
- (b) It is the purpose of this article to promote the promulgation of adequate and proper rules by City departments and an understanding on the part of the public respecting those rules by ensuring that rulemaking by City departments is transparent and open to public participation, and that such rules are clear and accessible to the public so that residents and businesses in the City are aware of the rules governing their conduct.
- (c) This article shall apply to all rules promulgated by a City department from and after the effective date of this article, including the adoption of any new rule and the amendment or repeal of any existing rule. In the event that any federal or State law expressly requires a procedure that is inconsistent with any provisions of this article, the procedure required by such federal or State law shall control.

2-8-910 City Council Oversight of Rules.

(a) In addition to any other requirement under applicable law, before any rule may take effect, the City department promulgating such rule shall submit to each member of City Council, the Mayor, the Corporation Counsel, the Legislative Reference Bureau, and the Council Office of Financial Analysis a report containing: (i) a copy of the proposed rule; (ii) a concise general statement relating to the rule, including a short explanation of the purpose of the proposed rule; (iii) a citation or reference to the specific legal authority authorizing the City department to promulgate the rule; and (iv) the proposed effective date of the rule.

- (b) Following the submission of such report, any Alderman may file a resolution rejecting the proposed rule at the next regular City Council meeting occurring at least five business days following submission of the report required under subsection (a) of this section. Such resolution may reject the rule based upon one or more of the following reasons: (i) the potential effects of the proposed rule, including any direct economic effects on the persons regulated by the proposed rule, any anticipated effect on the promulgating City department's budget or the budget of another City department, and any effect on City revenues; (ii) whether the proposed rule is within the legal authority upon which it is based; (iii) whether the proposed rule is in proper form; (iv) whether adequate notice was given to the public or the persons regulated by the proposed rule; (v) whether the City department has considered alternatives to the proposed rule that are consistent with the stated objectives of the legal authority on which it is based; (vi) whether the proposed rule is designed to minimize economic impact on small businesses; and (vii) the effectiveness of the proposed rule.
- (c) Each resolution rejecting a proposed rule shall be referred to the City Council committee with jurisdiction over the subject matter of the applicable rule. If such subject matter falls under the jurisdiction of more than one City Council committee, the resolution may be referred to a joint committee. If a resolution rejecting a proposed rule is not passed by City Council at the next subsequent regular City Council meeting, the rule shall become effective in accordance with this section.
- (d) No rule may take effect until after the next regular City Council meeting following the submission of the report required under subsection (a) of this section. If no resolution rejecting the rule is introduced pursuant to this section, the rule shall become effective on the date indicated in such rule, but no earlier than the day after such regular City Council meeting. If a resolution rejecting the final rule is introduced at the next regular City Council meeting pursuant to this section, the rule shall not become effective until: (i) the resolution rejecting such rule fails to pass at the next subsequent regular City Council meeting, unless such resolution is postponed or deferred, whether pursuant to the City Council's Rules of Order and Procedure or State law, at the next subsequent regular City Council meeting, the resolution rejecting the rule fails to pass at the second subsequent regular City Council meeting or the next subsequent regular City Council meeting or the next subsequent regular City Council meeting or the next subsequent regular City Council meeting after the time certain indicated in the motion to postpone; or (iii) in the event that such resolution is passed by the City Council, until City Council authorizes the promulgation of such rule, with or without any amendments, by resolution or ordinance.
- (e) A City department may not promulgate a rule that is in substantially the same form to any rule rejected by City Council under this section within 24 months of the passage of a resolution rejecting such rule, unless the new rule is specifically authorized by ordinance or resolution enacted after the date of the resolution rejecting the original rule.
- (f) Notwithstanding any provision of this section to the contrary, a City department may promulgate an emergency rule without complying with this Section if the promulgation of such a rule is necessary to address an imminent peril to the public health, safety, or welfare, the loss of federal or state funding, or in order to comply with a judicial order requiring promulgation of a rule in a manner more expeditious than required under this section. A finding of such imminent threat and the specific reasons for such finding must be made in writing by the City department promulgating such rule. The City department shall submit such written finding, together with the report required under subsection (a) of this section, as soon as practicable given the nature of the emergency, to each member of City Council, the Mayor, the Corporation Counsel, the Legislative Reference Bureau, and the Council Office of Financial Analysis. No emergency rule promulgated

under this subsection (f) may be effective for longer than 90 days, unless the City department has begun the process to promulgate a non-emergency rule in accordance with this section within such 90-day period, in which case the emergency rule shall continue in effect until the non-emergency rule takes effect or is rejected by City Council in accordance with this section. No finding of an emergency may be made with respect to the same or a substantially similar subject matter of an emergency rule promulgated within the previous 24 months. The promulgation of an emergency rule under this section does not preclude the promulgation of a non-emergency rule in accordance with this section.

SECTION 2. This ordinance shall take effect 120 days after passage.

BRENDAN REILLY

Alderman, 42nd Ward