

ORDINANCE

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

SECTION 1. Chapter 2-92 of the Municipal Code of Chicago is hereby amended by inserting a new Section 2-92-338, as follows:

2-92-338 Contracts - Best Customer Price.

(a) For the purposes of this section:

“Best customer pricing” means the best price offered to any customer for the goods the City is seeking to buy, including any price, discounts, commissions, rebates, or any other incentives that impact the consideration paid by the City under a contract for goods.

“Contract for goods” means any contract, purchase order, or agreement for the purchase of goods awarded by the City and whose cost is to be paid from funds belonging to or administered by the City; provided that a “contract” does not include: (i) a delegate agency contract; (ii) a lease of real property; (iii) a collective bargaining agreement; or (iv) a construction contract as defined in Section 2-92-670.

“Letter of supply” means a document from the manufacturer to a supplier that indicates a supplier is able to secure the goods the City seeks to buy.

“Manufacturer” means a company that manufactures goods to be purchased by the City, but does not enter into a contract for goods to directly sell such goods to the City.

“Reseller” means a registered vendor of the City that sells, but does not manufacture, goods to be purchased by the City under a contract for goods.

“Supplier” means a registered vendor of the City that manufactures and sells goods to be purchased by the City under a contract for goods, including any vendor that sells both goods manufactured by such vendor and goods purchased from a manufacturer under the same contract for goods.

(b) Before the letting of any contract for goods, the Chief Procurement Officer or the commissioner of the applicable City department may require best customer pricing. If the Chief Procurement Officer or commissioner of the applicable City department requires best customer pricing under this section:

(1) the reseller or supplier, as applicable, shall attest that the price under the contract for goods is the best customer price;

(2) the reseller or, if applicable, supplier shall include a provision in the letter of supply from the manufacturer that the applicable reseller or supplier can secure the supply and quantity of goods to be purchased, and that the manufacturer has extended the same best customer pricing from the manufacturer to each reseller or, if applicable, supplier to provide the goods to be purchased; and

(3) if the Chief Procurement Officer or commissioner of the applicable City department does not believe the price contained in a bid is competitive or the best customer price, the Chief

Procurement Officer or commissioner of the applicable City department may decline to award the contract for goods to the applicable reseller or supplier.

(c) Nothing in this section shall:

(1) require a manufacturer, supplier, or reseller to obtain or extend best customer pricing to any supplier of reseller for any goods that are not purchased by the City;

(2) regulate or impact any commercial relationship between or among any manufacturers, resellers, or suppliers for any goods that are not the subject of a contract for goods; or

(3) require any manufacturer, reseller, or supplier to disclose any proprietary information in a letter of supply.

SECTION 2. This ordinance takes effect January 1, 2026.

A handwritten signature in black ink, appearing to read 'Gilbert Villegas', with a stylized flourish at the end.

Gilbert Villegas
Alderman, 36th Ward