

Doing Business Accountability

What is the purpose of Local Law 34?

Local Law 34 of 2007 (LL 34), is New York City's campaign finance law that limits municipal campaign contributions from Principal Officers, Owners and Senior Managers of entities doing business with the City. It mandates the creation of a Doing Business Database to allow the City to enforce the law. Entities that are proposing upon and/or are awarded contracts covered under LL 34 must complete a certification process via PASSPort or through a Doing Business Data Form (DBDF).

Why must I make this Local Law 34 Certification?

The contract, franchise, concession, grant or economic development agreement you are proposing on, applying for or have already been awarded is considered a business dealing with the City under LL 34. No proposal or application will be considered, and no award will be made unless the Local Law 34 Certification is completed. Most transactions valued at more than \$5,000 are considered business dealings and require LL 34 Certification. Exceptions include transactions awarded on an emergency basis or by "conventional" competitive sealed bid (i.e. bids that do not use a prequalified list or "Best Value" selection criteria.) Other types of transactions that are considered business dealings include real property and land use actions with the City.

What individuals will be included in this Local Law 34 Certification?

The Principal Officers, Owners and certain Senior Managers of organizations listed in the Doing Business Database are themselves considered to be doing business with the City and will be included in the Database.

- **Principal Officers** are the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Operating Officer, or their functional equivalents. CEO equivalents include: President, Executive Director, and Chairperson of the Board; for CFO: Treasurer, Comptroller, Finance Director and VP for Finance; for COO: Chief Planning Officer, Director of Operations and VP for Operations.
- **Principal Owners** are individuals who own or control 10% or more of the organization. This includes stockholders, partners and anyone else with an ownership or controlling interest in the entity. As of 2018, this also includes any organization, as well as individual, that owns 10% or more.
- **Senior Managers** include anyone who, either by job title or actual duties, has substantial discretion and high-level oversight regarding the solicitation, letting or administration of any contract, concession, franchise, grant or economic development agreement with the City. At least one Senior Manager must be included, or the LL 34 Certification will be considered incomplete.

Why am I asked if I wish to exclude Officers?

Entities doing business with the City of New York can be individuals, sole proprietors, limited liability corporations, S corporations, not-for-profit volunteer organizations and other types of organization. How many officers there are depends upon the type of entity making the Local Law 34 Certification. Each LL 34 Certification made in PASSPort must include all Officers, Owners and Senior Managers. In some cases, there is no CEO, CFO and/or COO or equivalent to certify and the PASSPort user certifies this by excluding the Officer position/positions that does/do not exist.

I have already completed a Local Law 34 Certification; do I have to submit another one?

Yes. An organization is required to submit a LL 34 Certification each time it enters into a transaction considered a business dealing with the City, including contract, concession and franchise proposals. Each LL 34 Certification made in PASSPort must include all Officers, Owners and Senior Managers.

I provided some of this information on the Doing Business Data Form; do I have to provide it again?

Yes. Although a Doing Business Data Form and PASSPort requires some of the same information, each PASSPort LL 34 Certification must include all the required information regardless of previous forms.

No one in my organization plans to contribute to a candidate; do I have to make this Certification?

Yes. All organizations are required to make this Local Law 34 Certification, regardless of the history or intention of the entity or its Officers, Owners or Senior Managers to make campaign contributions.

What organizations will be included in the Doing Business Database?

Organizations that are seeking and/or have been awarded grants, franchises, concessions or contracts for goods or services, with a value of total \$100,000 (\$500,000 for construction contracts), or that hold any economic development agreement or pension fund investment contract, are considered to be doing business with the City for the purposes of LL 34.

Because the value of the business that an organization does or proposes to do with the City will be added together, a Local Law 34 Certification must be completed for all transactions valued at more than \$5,000, even if the organization doesn't currently do enough business with the City to be listed in the Database.

How long will an organization and its Officers, Owners and Managers remain listed on the Doing Business Database?

- **Contract, Concession and Economic Development Agreement holders:** generally, for the term of the transaction, plus one year.
- **Franchise and Grant holders:** from the commencement or renewal of the transaction, plus one year.
- **Pension investment contracts:** from the time of presentation on an investment opportunity or the submission of a proposal, whichever is earlier, until the end of the contract, plus one year.
- **Line item and discretionary appropriations:** from the date of budget adoption until the end of the contract, plus one year.
- **Contract proposers:** for one year from the proposal date or date of public advertisement of the solicitation, whichever is later.
- **Franchise and Concession proposers:** for one year from the proposal submission date.

What are the campaign contribution limits for people doing business with the City?

Contributions to City Council candidates are limited to \$250 per election cycle; \$320 to Borough President candidates; and \$400 to candidates for citywide office. Please contact the NYC Campaign Finance Board for more information at www.nycctfb.info, or 212-409-1800.

Will the personal information supplied through PASSPort be available to the public?

No. The names and titles of the Officers, Owners and Senior Managers certified will be made available to the public, as will information about the organization itself.

However, personal identifying information, such as home address and date of birth, will not be disclosed to the public, and home address will not be used for communication purposes.

How does a person remove him/herself from the Doing Business Database?

When an organization stops doing business with the City, the people associated with it are removed from the Database automatically. However, any person who believes that s/he should not be listed may apply for removal by completing and submitting a Request for Removal Form. Reasons that a person would be removed include his/her no longer being the Principal Officers, Owners or Senior Manager of the organization. Organizations may also update their database information by submitting an Update Form.

Request for Removal and Update Forms are available online in the Doing Business Accountability Forms section here <https://www.nyc.gov/site/mocs/opportunities/dba.page> or by calling 212-298-0600.

How can we remove previously reported Officers, Owners and Managers?

Removal of previously certified Officers, Owners and Managers cannot be completed in PASSPort. To make such removals, contact Doing Business Accountability at 212-298-0600 or doingbusiness@mocs.nyc.gov.

I'm not sure what information is currently on file in the Doing Business Database. How can I find out?

DBA can provide a report with all the currently certified Officers, Owners and Managers.

If you have any questions about Local Law 34 or the Doing Business Data Form please contact Doing Business Accountability at 212-298-0600 or doingbusiness@mocs.nyc.gov.