

DOING BUSINESS ACCOUNTABILITY PROJECT
QUESTIONS AND ANSWERS ABOUT LOCAL LAW 34 AND THE DOING BUSINESS DATABASE

What is the purpose of the *Doing Business Database*?

Local Law 34 of 2007 (LL 34), the pay to play reform act, is designed to limit the actual or perceived influence that campaign contributions could have on the City's procurement and award processes. LL 34 limits municipal campaign contributions from principal officers, owners and senior managers of organizations that do business with the City and mandates the creation of a *Doing Business Database* to allow the City to enforce the law. As explained below, all organizations that have business dealings with the City are required to complete a *Doing Business Data Form*.

What organizations will be included in the *Doing Business Database*?

LL 34 covers organizations that propose on, apply for or are awarded various transactions with or by City agencies and other governmental entities, such as public benefit corporations. It also covers lobbyists. There are certain exceptions to these categories; call the Doing Business Accountability Project at 212-788-8104 for more information.

- **Contracts, Concessions and Franchises:** any organization proposing on or holding (either in the last 12 months or currently open) \$100,000 in contracts for goods or services, \$500,000 in contracts for construction, or \$100,000 in concessions or franchises; or receiving \$100,000 in City Council or Borough president discretionary allocations. LL 34 covers the unsuccessful proposers as well as the awardees. Certain contracts are not covered, most notably "conventional" competitive sealed bids (i.e. bids that do not use a prequalified list or "Best Value" selection criteria). Because all of the business that an organization does or proposes to do with the City will be added together, you must complete a *Data Form* for all transactions greater than \$5,000, even if you do not currently do enough business with the City to be listed in the *Database*.
- **Grants:** any organization that receives grants totaling \$100,000.
- **Economic development agreements:** any application or award (any value)
- **Contracts for the investment of pension funds:** any proposal or award (any value)
- **Contracts related to the City's debt:** any proposal or award (any value)
- **Real property transactions:** any sale, purchase, lease to the City, lease from the City (any value)
- **Land use actions:** Charter approvals under sections §§195, 197-a and 201
- **Lobbyists:** any firm or person required to submit a lobbyist registration statement.

What individuals will be included in the *Doing Business Database*?

The principal officers, owners and senior managers of organizations listed in the *Doing Business Database* are considered to be doing business with the City and will also be included in the *Database*.

- **Principal Officers** are the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Operating Officer (COO), or their functional equivalents.
- **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 organization.
- **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 of the transactions covered by LL 34.
- **Lobbyists:** any lobbyist included in a lobbyist registration statement.

How will this information be collected? Why have I received a *Doing Business Data Form*?

Each time an organization proposes on or enters a covered transaction, it will be required to fill out a *Doing Business Data Form*. Covered transactions include proposals for contracts, franchise and concessions of more than \$5,000. However, no organization will have to fill out the form in its entirety more than once. The *Data Form* has both a Change option, which requires only information that has changed since the last *Data Form* was filed, and a No Change option. Because all of the business that an organization does or proposes to do with the City will be added together, you must complete the *Data Form* for all covered transactions, including contract, franchises and concessions greater than \$5,000, even if you do not currently do enough business with the City to be listed in the *Database*. If an agency sends you a *Data Form*, you must complete it.

Will the personal information on the *Data Form* be available to the public?

No. The names and titles of the officers, owners and senior managers reported on the *Data Form* will be made available to the public, as will information about the organization itself. However, personal identifying information, such as home address, home phone and date of birth, is considered confidential and will not be disclosed to the public, and home address and phone number information will not be used for communication purposes.

What happens if an organization doesn't submit a complete and accurate *Data Form*?

No award for a covered transaction will be made, and no proposal for a covered transaction will be considered, unless the *Data Form* is completed.

I provided some of this information on the VENDEX Questionnaire; do I have to do provide it again?

Yes. Although the *Doing Business Data Form* and the VENDEX Questionnaire request some of the same information, they serve entirely different purposes. In addition, the *Data Form* requests information concerning senior managers, which is not part of the VENDEX Questionnaire.

No one in my organization plans to contribute to a candidate; do I have to fill out the *Data Form*?

Yes. All organizations are required to return this *Data Form* with complete and accurate information, regardless of the history or intention of the organization or its officers, owners or senior managers to make campaign contributions. The *Doing Business Database* must be complete so that the Campaign Finance Board can verify whether future contributions are in compliance with the law.

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. Reasons that a person would be removed include his/her no longer being the principal officer, owner or senior manager of the organization. Organizations may also update their database information by submitting an update form. Removal Request and Update forms are available online at www.nyc.gov/mocs (once there, click MOCS Programs) or by calling 212-788-8104.

How long will an organization and its officers, owners and senior 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.

For information on other transaction types, contact the Doing Business Accountability Project.

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, and are not matchable. Please contact the NYC Campaign Finance Board for more information at www.nyccfb.info, or 212-306-7100.

If you have any questions about Local Law 34, the *Doing Business Database* or the *Doing Business Data Form* please contact the Doing Business Accountability Project at 212-788-8104 or DoingBusiness@cityhall.nyc.gov.

