Penalties
Anyone who violates a provision of the laws regarding contracts, gifts, or campaign contributions—or who aids and abets another person in a violation—may be liable for administrative enforcement penalties of up to the greater of $5,000 per violation or three times the amount of money at issue.

Reporting Violations
You may report possible violations by calling (800) 824-4825, or by submitting a complaint online at ethics.lacity.org/enforcement.

This is an overview of the laws that apply to bidders and contractors. The laws are very fact-specific, and the way they must be applied can vary with each contract opportunity.

Please contact us with questions before taking action.

ethics.lacity.org

200 North Spring Street
City Hall 24th Floor
Los Angeles CA 90012

(213) 978-1960
Bidder
A bidder is an individual or organization that seeks a contract with the City. You become a bidder by applying for a contract or submitting a proposal or other response to a City contract solicitation.

Contract
A contract includes any agreement, lease, easement, franchise, concession, or non-regulatory permit that is awarded or entered into by a City department. A contract may be related to performing work, selling or purchasing property, making a grant, providing equipment or supplies, being added to a pre-qualified list of vendors, or rendering any service to the City or the public.

Limitations
To help ensure transparency, equity, and integrity in City contracting processes, gifts and campaign contributions from certain bidders are limited.

Gifts
Under City law, a bidder is a “restricted source” and must limit gifts to elected City officials and all other City officials in the department that has offered or awarded the contract. A City official is someone who is required to file California Form 700.

As a restricted source, a bidder may not offer or give gifts totaling more than $100 per calendar year to a single City official. This restriction lasts from the date the bid is submitted until the date the contract is awarded or, for successful bidders, the final expiration date of the contract.

Campaign Contributions
If you bid on a City contract that has an actual or anticipated value of at least $100,000 you may also be limited in your ability to make campaign contributions or engage in political fundraising.

- If the contract must be approved by the City Council, you cannot make campaign contributions or engage in prohibited fundraising for any individual who holds or seeks any elected City office.

- If the contract must be approved by the Mayor, City Attorney, or City Controller, you cannot make campaign contributions to or engage in prohibited fundraising for any individual who holds or seeks that elected City office.

The restrictions apply from the date you submit your bid until the date the contract is awarded or, for successful bidders, 12 months after the contract is awarded. The restrictions apply to you, your principals, any subcontractor expected to have a subcontract worth at least $100,000, and the principals of those subcontractors.

Disclosure
If you are bidding on a contract that has an anticipated value of at least $100,000 and must be approved by an elected City office, you must disclose information about yourself, your principals, your subcontractors who are expected to have a subcontract worth at least $100,000, and the principals of those subcontractors. To do this, you must submit Form 55 (Prohibited Contributors [Bidders])—or Form 56 (Prohibited Contributors [Underwriters]) for the noncompetitive sale of revenue bonds—with your bid documents. If you do not submit the required form with your bid documents, your bid may be deemed non-responsive. Both forms must be amended within 10 days after there is a change in information that was previously disclosed.

You may also be required to submit Form 50 (Bidder Certification) with your bid documents. When this form is required, you must certify that you will abide by the restrictions and requirements in the Municipal Lobbying Ordinance if you qualify as a lobbying entity.

Departments
Every City department is required to disclose their procurement processes on a quarterly basis. They must identify all contracts, solicitations, bidders, and contractors that were active during each calendar quarter.

Disclosure filings are publicly available online. To search for, view, and download Department Contract Quarterly Reports, visit the Ethics Commission's Public Data Portal at:

ethics.lacity.org/data/contracts