



**CITY OF LOS ANGELES  
BUSINESS COMPLIANCE FORMS**



## **Business Tax Application**



City of Los Angeles  
Office of Finance  
200 North Spring St. Rm 101  
Los Angeles, CA 90012

Print Form

Submit by Email

# BUSINESS TAX APPLICATION

PLEASE NOTE that if you are involved with any type of SALES ACTIVITIES, either RETAIL or WHOLESALE, you are REQUIRED to also fill out the Tobacco Retailer's Questionnaire/Application

The following information is subject to disclosure.

FOR OFFICE USE ONLY. FUND/CLASS \_\_\_\_\_ FUND/CLASS \_\_\_\_\_

**Business Type** (check one):  Individual  Partnership  Corporation  LLC  Trust

Please print or type:

**Legal Name:** \_\_\_\_\_

Do not use DBA (fictitious name) here

**Business Address:** \_\_\_\_\_

Do not use P. O. Box here Street Address City State Zip Code

Please check appropriate box  Commercial Location  Residence

**Business Name (DBA):** \_\_\_\_\_

**Care Of (C/O):** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

If different from Business Address Street Address or P.O. Box City State Zip Code

Please check appropriate box  Commercial Location  Residence

**Starting Date of Business:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**Social Security No. (SSN) - OR - Federal Employer Identification No. (FEIN):** \_\_\_\_\_

**Sales Tax Number (Seller's Permit):** \_\_\_\_\_

**Description of Business:** \_\_\_\_\_

(Provide in Detail)

**Web Address (optional):** \_\_\_\_\_ <sup>1</sup>Primary Business/Professional Activity Code: \_\_\_\_\_

**Business Phone Number:** \_\_\_\_\_ <sup>2</sup>Secondary Business/Professional Activity Code: \_\_\_\_\_

**Gross Receipts<sup>2</sup>:** (if your business began prior to the current year, please complete the gross receipts information below)

Activity:	2007	2008	2009	2010	2011	2012	2013	2014
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____

**Please Note:** A minimum business tax may be due based on your business activity(ies) for the first year of operation.

**Contact Person:** \_\_\_\_\_ **Title:** \_\_\_\_\_

**Contact Phone Number:** \_\_\_\_\_

I declare, under penalty of perjury under the laws of the State of California, that to the best of my knowledge the foregoing is true, correct and complete.<sup>4</sup>

Signature of Owner or Agent \_\_\_\_\_ Date \_\_\_\_\_

Print name of Owner or Agent \_\_\_\_\_

Daytime Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_

<sup>1</sup> This is the 6-digit Primary / Principal Business or Profession Activity Code reported on your Federal Tax Return. A Secondary business activity is one that comprises at least \$1,000,000 and 40% of your gross receipts. Go to [lacity.org/finance/pdf/NAICSCODES.pdf](http://lacity.org/finance/pdf/NAICSCODES.pdf) for a NAICS code listing.

<sup>2</sup> If your business is located within the City of Los Angeles and a portion of your gross revenue is derived from outside the City, or your business is located outside the City and a portion of your gross revenue is derived from inside the City, then applicable apportionment formulas may reduce your tax liability.

<sup>3</sup> Due to the large number of various business activities described under LAMC Section 21.53 to 21.197, it is not practical to list each separately. For specific activities and rates, contact the Office of Finance or visit our website @ [www.lacity.org/finance](http://www.lacity.org/finance).

<sup>4</sup> By completing this form and submitting it to the Office of Finance in an electronic format, such as email, you agree that the submitted form has the same legal effect, validity and enforceability of a form submitted to us via US mail or in person. You also agree that the aforementioned form legally represents a document sent by you or your legal representative.



**Certificate of Compliance  
With Child Support Obligations**

**City of Los Angeles  
Department of Water and Power  
CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT  
OBLIGATIONS**

This document must be returned with the Proposal/Bid Response

The Undersigned hereby agrees that \_\_\_\_\_ will:  
Name of Business

1. Fully comply with all applicable State and Federal employment reporting requirements for its employees.
2. Fully comply with and implement all lawfully served Wages and Earnings Assignment Orders and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally. "Principal owner" means any person who owns an interest of 10 percent or more of the business or of a subcontractor assigned to City work. If there are no principal owners, please so indicate with an X here: \_\_\_\_\_(no principal owners)
4. Certify that the business will maintain compliance with Child Support Obligations Ordinance provisions.

I declare under penalty of perjury that the foregoing is true and was executed at:

\_\_\_\_\_  
City/County/State

\_\_\_\_\_  
Date

**Please check if company has already submitted to DWP certification relative to Child Support Obligations Ordinance.**

\_\_\_\_\_  
Name of Business                          Address

\_\_\_\_\_  
Signature of Authorized Officer or Representative                          Print Name

\_\_\_\_\_  
Title    Telephone Number





**Non-Discrimination  
Equal Employment Practices**

# CITY OF LOS ANGELES

## NONDISCRIMINATION • EQUAL EMPLOYMENT PRACTICES CONSTRUCTION & NON-CONSTRUCTION CONTRACTOR

Los Angeles Administrative Code (LAAC), Division 10, Chapter 1, Article 1, Section 10.8 stipulates that the City of Los Angeles, in letting and awarding contracts for the provision to it or on its behalf of goods or services of any kind or nature, intends to deal only with those contractors that comply with the non-discrimination and Affirmative Action provisions of the laws of the United States of America, the State of California and the City of Los Angeles. The City and each of its awarding authorities shall therefore require that any person, firm, corporation, partnership or combination thereof, that contracts with the City for services, materials or supplies, shall not discriminate in any of its hiring or employment practices, shall comply with all provisions pertaining to nondiscrimination in hiring and employment, and shall require Affirmative Action Programs in contracts in accordance with the provisions of the LAAC. The awarding authority and/or Office of Contract Compliance of the Department of Public Works shall monitor and inspect the activities of each such contractor to determine that they are in compliance with the provisions of this chapter.

### **I. Los Angeles Administrative Code Section 10.8.2 All Contracts: Non-discrimination Clause**

Notwithstanding any other provision of any ordinance of the City of Los Angeles to the contrary, every contract which is let, awarded or entered into with or on behalf of the City of Los Angeles, shall contain by insertion therein a provision obligating the contractor in the performance of such contract not to discriminate in his or her employment practices against any employee or applicant for employment because of the applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition. All contractors who enter into such contracts with the City shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

### **II. Los Angeles Administrative Code Section 10.8.3. Equal Employment Practices Provisions**

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the **EQUAL EMPLOYMENT PRACTICES** provision of such contract:

**A.** During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

**B.** The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

**C.** As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

**D.** The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.

**E.** The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract compliance program.

I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Hiring practices;
2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
3. Training and promotional opportunities; and
4. Reasonable accommodations for persons with disabilities.

L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

**Equal Employment Practices Provisions Certification – The Contractor by its signature affixed hereto declares under penalty of perjury that:**

1. The Contractor has read the Nondiscrimination Clause in Section I above and certifies that it will adhere to the practices in the performance of all contracts.
2. The Contractor has read the Equal Employment Practices Provisions as contained in Section II above and certifies that it will adhere to the practices in the performance of any construction contract or non-construction contract of \$1,000 or more.

\_\_\_\_\_  
COMPANY NAME

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
NAME AND TITLE (TYPE OR PRINT)

\_\_\_\_\_  
CITY, COUNTY, STATE, ZIP

\_\_\_\_\_  
TELEPHONE/E-MAIL





## Affirmative Action Plan

City of Los Angeles  
Department of Public Works  
Bureau of Contract Administration  
Office of Contract Compliance  
1149 S. Broadway, Suite 300, Los Angeles, CA 90015  
Phone: (213) 847-2625 E-mail: [bca.eeoe@lacity.org](mailto:bca.eeoe@lacity.org)

**AFFIRMATIVE ACTION PLAN**  
**NON-CONSTRUCTION CONTRACTOR**

The following contracts are subject to the City of Los Angeles Affirmative Action Program as required by the Los Angeles Administrative Code (LAAC) Section 10.8.4 et seq.:

- Every non-construction contract of \$100,000 or more;
- Every construction contract of \$5,000 or more.

**Purpose** - An affirmative action program is a management tool designed to ensure equal employment opportunity. A central premise underlying affirmative action is that, absent discrimination, over time a contractor's workforce, generally, will reflect the gender, racial and ethnic profile of the available labor pools. Therefore, as part of its affirmative action program, a contractor monitors and examines its employment decisions and compensation systems to ensure equal employment practices, and takes steps to correct underutilization of women and minorities.

**Contractors are subject to all provisions contained in LAAC Section 10.8.4 et seq. which can be found at <http://bca.lacity.org>. The excerpts below are provided to serve as a starting point for satisfying these requirements:**

*LAAC Section 10.8.4 (B)* The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

*LAAC Section 10.8.4(K)* The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract.

*LAAC Section 10.8.4(M)* The Affirmative Action Plan required to be submitted shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors, and suppliers of all racial and ethnic groups, provided, however that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

*LAAC Section 10.8.4(Q)* All contractors subject to the provisions of the section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor.

## CONTRACTOR DECLARATION

In pursuit of accomplishing the intent of the City's Affirmative Action Program, the contractor certifies and agrees to immediately implement good faith efforts, measures to recruit and employ minority, women, and other potential staff in a nondiscriminatory manner including, but not limited to, the following actions. The contractor shall:

- (a) Recruit and make efforts to obtain such employees.
- (b) Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in a nondiscriminatory manner so as to achieve and maintain a diverse work force.
- (c) Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in such training programs to enhance their skills and advancement.
- (d) Maintain such records as are necessary to determine compliance with equal employment and affirmative action obligations, and make such records available to City, State and Federal authorities upon request.
- (e) Said policies shall be provided to all employees, subcontractors, vendors, unions and all others with whom the contractor may become involved in fulfilling any of its contracts.

**By its execution hereof, the contractor accepts and submits the foregoing as its Affirmative Action Plan. I certify under penalty of perjury under the laws of the State of California that I have read and understood the foregoing requirements of LAAC Section 10.8 et seq. and agree to comply with them while under contract as set forth therein.**

Executed this \_\_\_\_ day of \_\_\_\_\_, in the year 20\_\_\_\_, at \_\_\_\_\_, \_\_\_\_\_.  
(City) (State)

\_\_\_\_\_  
COMPANY NAME

\_\_\_\_\_  
TELEPHONE/E-MAIL

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
NAME AND TITLE (TYPE OR PRINT)

\_\_\_\_\_  
CITY, COUNTY, STATE, ZIP



## Living Wage Ordinance

## **Living Wage Ordinance and Service Contractor Worker Retention Ordinance**

Unless approved for an exemption, contractors under contracts primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three (3) months, lessees and licensees of City property, and certain recipients of City financial assistance, shall comply with the provisions of Los Angeles Administrative Code Sections 10.37 et seq., Living Wage Ordinance (LWO) and 10.36 et seq., Service Contractor Worker Retention Ordinance (SCWRO). Bidders/Proposers shall refer to Attachment/Appendix \_\_\_\_, "Living Wage Ordinance and Service Contractor Worker Retention Ordinance" for further information regarding the requirements of the Ordinances.

Bidders/Proposers who believe that they meet the qualifications for one of the exemptions described in the LWO List of Statutory Exemptions shall apply for exemption from the Ordinance by submitting with their proposal the Bidder/Contractor Application for Non-Coverage or Exemption (Form OCC/LW-10), or the Non-Profit/One-Person Contractor Certification of Exemption (OCC/LW-13). The List of Statutory Exemptions, the Application and the Certification are included in the Attachment/Appendix.

**CITY OF LOS ANGELES**  
**LIVING WAGE ORDINANCE**  
**(Los Angeles Administrative Code Section 10.37 et seq.)**

**1. What is the Living Wage Ordinance?**

The Living Wage Ordinance (LWO) requires employers who have agreements with the City to pay their employees at least a minimum “living wage” and to provide certain benefits. If the agreement is subject to the LWO, the employer must do the following:

- Pay employees working on the subject agreement a wage rate that is at least equal to the “living wage” rate. The “living wage” is adjusted annually and becomes effective July 1 of each year. Employers can obtain information about the living wage rate currently in effect by going to Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website at [www.lacity.org/bca/OCCmain.html](http://www.lacity.org/bca/OCCmain.html).
- Provide employees with at least 12 paid days off per year for sick leave, vacation, or personal necessity; and at least 10 unpaid sick days off per year.
- Tell employees who make less than \$12.00 per hour that they may qualify for the federal Earned Income Tax Credit and provide them with the forms required to apply for the credit.
- Cooperate with the City by providing access to the work site and to payroll and related documents so that the City can determine if the employer is complying with the LWO.
- Pledge to comply with federal laws prohibiting an employer from retaliating against employees for union organizing.
- Not retaliate against any employee who makes claims about non-compliance with the LWO.

**2. When was the Ordinance adopted?**

The LWO was adopted in May, 1997 and amended in January, 1999.

**3. What types of agreements are subject to the Ordinance?**

Generally, the LWO covers the following types of agreements:

- An agreement in an amount over \$25,000.00 and for at least three months in which an employer will provide services to or for the City.
- An agreement for the lease or license of City property if the service being performed on the property is something that City employees would otherwise do.
- An agreement for the lease or license of City property that is in a location where a substantial number of the general public might visit.
- An agreement in which the City gives financial assistance for the purpose of promoting economic development or job growth.
- An agreement in which the City determines that applying the LWO would be in the best interest of the City.



#### **4. Is an agreement subject to the LWO if it was entered into before May, 1997?**

Agreements executed after May, 1997 are subject to the LWO. An agreement entered into before May, 1997 may become subject to LWO if it is later amended or modified in order to add time or money to the original agreement.

#### **5. Are there any requirements that would apply to an employer who does not have an agreement with City that is subject to the LWO?**

All employers are required to comply with the LWO's prohibition against retaliation, even if the employer does not have an agreement with the City that is subject to the Ordinance.

#### **6. Are all employees covered by the Ordinance?**

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#### **7. Are an employer's subcontractors subject to the requirements of the Ordinance?**

A subcontractor may be covered by the Ordinance if the subcontractor performs work on the subject agreement. If so, the subcontractor must also comply with the requirements of the LWO, including all reporting requirements. The prime contractor is responsible for the making sure that the subcontractor complies with the LWO.

#### **8. What happens if an employer is found to be in violation of the Ordinance?**

Payments due may be withheld. Also, the employer may be deemed to be in material breach of the agreement. When that happens, the City may take the following steps:

- Terminate the agreement and pursue all available contractual remedies.
- Debar the employer from doing business with the City for three (3) years or until all penalties and restitution have been fully paid, whichever occurs last.
- Bring a lawsuit against the employer for all unpaid wages and health benefit premiums and/or seek a fine of up to one hundred dollars (\$100.00) for each day the violation remains uncorrected.

#### **9. What if a subcontractor is found to be in violation of the Ordinance?**

Because the prime contractor is responsible for making sure that all its subcontractors comply with the LWO, the sanctions listed in answer #8 may be applied to the prime contractor if the subcontractor does not correct the violation(s).

#### **10. What can an employee do if an employer is in violation of the Ordinance?**

The employee can submit a complaint to the Office Contract Compliance which will investigate the complaint. Also, the employee can bring his or her own lawsuit against the employer for:

- Back pay for failing to pay the correct wages or correct health benefit premiums.
- Reinstatement and back pay for retaliation.
- Triple the amount of the back pay that is owed if the violation was found by the court to be willful.

## **11. Are there any exemptions available under the Ordinance?**

An employer may apply for an exemption based on the following categories:

- Service agreements that are less than 3 months or \$25,000 or less.
- Agreements for the purchase of goods, property, or the leasing of property (with City as the lessee).
- Construction contracts that do not meet the definition of a service agreement.
- Employees who are required to have an occupational license in order to provide services to or for the City are exempt.
- Employers who are party to a collective bargaining agreement (CBA) that has language stating that the CBA shall supersede the LWO.
- Financial assistance recipients who meet the requirements stated in Section 10.37.1(c) of the LWO.
- Employers (contractors, subcontractors, financial assistance recipients) organized under IRS Code, Section 501(c)(3) whose chief executive officer's hourly wage rate is less than eight times the hourly wage rate of the lowest paid worker are be exempt. However, this exemption does not apply to child care workers.
- Lessees or licensees who have no more than a total of seven employees and who have annual gross revenue of less than \$454, 016 (effective July 1, 2010). The qualifying annual gross revenue is adjusted every July.
- One-person contractors, lessees, licensees or financial assistance recipients who employ no workers.
- Agreements that involve other governmental entities.

## **12. Who is responsible for the administration and enforcement of the Ordinance?**

The Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance, located at 1149 S. Broadway Street, Suite 300, Los Angeles, CA 90015. For additional information, please call (213) 847-2625, or go to the Office of Contract Compliance website at <http://bca.lacity.org>.

## LIVING WAGE ORDINANCE STATUTORY EXEMPTIONS

Living Wage Ordinance (LWO) statutory exemptions are now divided into the following three categories:

1. Exemptions that do not require approval from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC).
2. Exemptions that do not require OCC approval but require a Contractor Certification of Exemption.
3. Exemptions that require submission of an Application for Exemption and OCC approval of the Application.

1. **The following exemptions do not require OCC approval or any Contractor Certification**: Departments only need to indicate the exemption in the appropriate category on the LWO Departmental Determination of Coverage Form.

- a. **Less than three months OR less than \$25,000 (LAAC 10.37.1(j))**. Service contracts or Authority for Expenditures that do not meet these thresholds are not covered by the LWO.
- b. **Other governmental entities (LAAC 10.37.1(g))**. Agreements with other governmental entities such as Los Angeles County, the State of California, or the University of California, are not covered by the LWO. Subcontractors to these entities are also not covered by the LWO.
- c. **Purchase of goods, property, or the leasing of property, with the City as lessee (LAAC 10.37.1(j))**. Such contracts are categorically exempt from the LWO unless they include a service component that is more than just incidental (regular and recurring services is required). Examples of such categorically exempt contracts include contracts to purchase office supplies or to lease space to be occupied by City departments.
- d. **Construction contracts, not conforming to the definition of a service contract (LAAC 10.37.1(j))**. Such contracts are categorically exempt from the LWO. Examples include construction of buildings and infrastructure.
- e. **City financial assistance not meeting thresholds (LAAC 10.37.1(c))**. Agreements to provide a contractor with City financial assistance (which typically mean grants or loans provided at interest rates that are lower than the Applicable Federal Rate) are categorically exempt from the LWO if they meet both of the following:
  - (1) The assistance given in a 12-month period is below \$1,000,000 AND less than \$100,000 per year.
  - (2) The assistance is not for economic development or job growth.
- f. **Business Improvement Districts (BID) (LWO Regulation #11)**. Service agreements are categorically exempt from the LWO if the services are funded with the BID's assessment money collected by the City after the formation of the BID. Service contracts in which City money is used to hire firms to help in forming the BID remain subject to the LWO unless the contractor otherwise qualifies for an exemption.

2. **The following exemption categories do not require OCC approval, but the contractor must still submit a Contractor Certification of Exemption from Living Wage (OCC/LW-13)**. No OCC approval is required for the exemption to be valid. However, the department must include the Contractor Certification of Exemption with the contract.

- a. **501(c)(3) Non-profit organizations (LAAC 10.37.1(g))**: Employers (contractors, subcontractors, financial assistance recipients) organized under IRS Code Section 501(c)(3) are exempt from the LWO if the hourly wage rate of the corporation's highest paid employee is less than eight times the hourly wage rate of the corporation's lowest paid worker. However, the exemption does not extend to Child Care Workers as defined in the LWO Rules and Regulations (an employee "whose work on an agreement involves the care or supervision of children 12 years of age and under."). A copy of the IRS 501(c)(3) Exemption Letter will be required.
- b. **One-person contractors with no employees (LAAC 10.37.1(f))**: Contractors, lessees, licensees or financial assistance recipients who employ no workers are exempt from the LWO.

## LIVING WAGE ORDINANCE STATUTORY EXEMPTIONS (Continued)

### 3. The following exemption categories require submission of an application for exemption and OCC approval of the application to be valid.

- a. **Collective bargaining agreements (CBA) that supersede the LWO (LAAC 10.37.12):** Contractors whose employees are covered by a CBA that supersede the requirements of the LWO are not subject to the LWO. A copy of the CBA with the superseding language or a letter from the union indicating that the union has agreed to allow the CBA to supersede the LWO will be required to be submitted. Example: Labor agreement between parking contractor and a labor union with language that wages and benefits in the CBA shall supersede the LWO. Contractors must use the LWO Application for Non-Coverage or Exemption form (Form OCC/LW-10) and submit a copy of the CBA or a letter from the union.
- b. **Occupational license (LAAC 10.37.1(f)):** Employees required to possess an occupational license in order to provide the services under the City agreement are not subject to the LWO. However, only the individual employees who are required to possess an occupational license are exempt. Employees who work on the City contract and are not required to possess an occupational license remain subject to the LWO. Example: Under California Labor Code Sections 7375 – 7380, a person must be licensed by the State of California in order to inspect and certify cranes and derricks used in lifting services. Contractors must use the LWO Application for Non-Coverage or Exemption form (Form OCC/LW-10) and submit a listing of the employees who possess occupational licenses and a copy of the licenses.
- c. **Small business exemptions for Public Lessees/Licensees (LAAC 10.37.1(i)):** Small business that lease property from the City may apply for OCC approval for LWO exemption if the lessee or licensee: (1) employs no more than a total of seven employees; and (2) has annual gross revenues of less than \$454,016 (adjusted July 1, 2010). This applies only to lessees with lease agreements executed after February 24, 2001, and to amendments executed after February 24, 2001 that add monies or extend term. Use the Application for “Small Business” Exemption (Form OCC/LW-20) and submit the application with the documents requested on that form.
- d. **City financial assistance agreements that exceed the LWO monetary thresholds may apply for one of the exemptions below.** Applicants and departments should refer to Regulation #3(c) for the requirements and the documents that must be submitted with the LWO Application for Non-Coverage or Exemption (OCC/LWO-10).
  - (1) The City financial assistance recipient (CFAR) is in its first year of operation (LAAC 10.37.1(c)).
  - (2) The CFAR employs fewer than five employees (LAAC 10.37.1(c)).
  - (3) The CFAR would face undue hardship because it employs the long-term unemployed or provides trainee positions to prepare employees for permanent positions (LAAC 10.37.1(c)). REQUIRES COUNCIL APPROVAL.

## LWO – EMPLOYEE INFORMATION FORM

REQUIRED DOCUMENTATION FOR ALL CONTRACTS SUBJECT TO LWO

This form must be submitted to the **AWARDING DEPARTMENT** within **30 DAYS** of contract execution. **INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

**THE LIVING WAGE ORDINANCE (LWO) REQUIRES THAT SUBJECT EMPLOYERS PROVIDE TO EMPLOYEES:**

- As of July 1, 2014 a wage of at least **\$11.03 per hour with health benefits** of \$1.25 per hour, or **\$12.28 per hour without health benefits** (to be adjusted annually on July 1) (Regulation #4);
- At least **12 compensated days off per year** for sick leave, vacation or personal necessity at the employee's request (pro-rated for part-time employees) (Regulation #4); and
- At least **10 additional days off per year of uncompensated time off** for personal or immediate illness only (pro-rated for part-time employees) (Regulation #4). Refer to the LWO Rules and Regulations, available from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website, for details regarding the wage and benefit requirements of the Ordinance.
- Making **less than \$12.00 per hour** information of their possible **right to the federal Earned Income Tax Credit (EITC)** and make available the forms required to secure advance EITC payments from the employer (Regulation #4).

**THE LIVING WAGE ORDINANCE (LWO) ALSO REQUIRES EMPLOYERS:**

- **Not to retaliate** against any employee claiming non-compliance with the provisions of these Ordinances and to **comply with federal law** prohibiting retaliation for union organizing (Regulation #4).

**TO BE FILLED OUT BY THE CONTRACTOR:**

1. Company Name: \_\_\_\_\_ Email Address: \_\_\_\_\_
2. **STATE** the number of employees working ON THIS CITY CONTRACT: \_\_\_\_\_
3. **\*\*ATTACH** a copy of your company's 1<sup>st</sup> PAYROLL under THIS CITY CONTRACT.
4. **\*\*INDICATE** (highlight, underline) on the payroll which employees are working ON THIS CITY CONTRACT.
5. **\*\*Do you provide health benefits** (such as medical, dental, vision, mental health, and disability insurance) to your employees?  Yes  No  
 If YES, **STATE** how much, if any, employees pay for co-premiums: \$ \_\_\_\_\_

**FAILURE TO COMPLY WITH THESE REQUIREMENTS WILL RESULT IN WITHHOLDING OF PAYMENTS BY THE CITY CONTROLLER, OR A RECOMMENDATION TO THE AWARDING AUTHORITY FOR CONTRACT TERMINATION. ALL INFORMATION SUBMITTED IS SUBJECT TO VERIFICATION, AND FALSE INFORMATION MAY RESULT IN CONTRACT TERMINATION.**

I understand that the employee information provided herein is confidential and will be used by the City of Los Angeles, Office of Contract Compliance for the purpose of monitoring the Living Wage Ordinance.

_____ Print Name of Person Completing This Form		_____ Signature of Person Completing This Form	
_____ Title	_____ Phone #	_____ Date	

**AWARDING DEPARTMENT USE ONLY:**

Dept: \_\_\_\_\_ Dept Contact: \_\_\_\_\_ Contact Phone: \_\_\_\_\_ Contract #: \_\_\_\_\_

# LWO – SUBCONTRACTOR INFORMATION FORM

## REQUIRED DOCUMENTATION FOR ALL CONTRACTS SUBJECT TO LWO

**This form must be submitted to the AWARDED DEPARTMENT within 30 DAYS of contract execution. INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

### SECTION I: CONTRACTOR INFORMATION

- 1) Company Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_ Phone Number: \_\_\_\_\_
- 2) Do you have subcontractors working on this City contract?  Yes  No  
 If NO, **This form is now complete – SIGN THE BOTTOM OF PAGE 2 AND SUBMIT TO THE AWARDED DEPARTMENT.**  
 If YES, a) **STATE** the number of your subcontractors ON THIS CITY CONTRACT: \_\_\_\_\_  
 b) Fill in PART A for EACH subcontractor in Section II, continue to Section III & IV (if applicable), AND SIGN Section V.

### SECTION II: SUBCONTRACTOR INFORMATION

PART A	PART B					
	CHECK OFF ONLY ONE BOX (I-VI) FOR EACH SUBCONTRACTOR (IF APPLICABLE) THEN CONTINUE ONTO SECTION III:					
	I 501 (c)(3) <sup>1</sup>	II One- Person Contractor <sup>2</sup>	III CBA <sup>3</sup>	IV Occupational License <sup>4</sup>	V Small Business <sup>5</sup>	VI Gov. entity <sup>6</sup>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract <b>IS SUBJECT TO THE LWO.</b> Continue onto <b>Part B.</b> If you checked off NO for any questions 7 OR 8, this subcontract <b>IS NOT SUBJECT TO THE LWO.</b> Continue to fill in <b>Part A</b> for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract <b>IS SUBJECT TO THE LWO.</b> Continue onto <b>Part B.</b> If you checked off NO for any questions 7 OR 8, this subcontract is <b>NOT SUBJECT TO THE LWO.</b> Continue to fill in <b>Part A</b> for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract <b>IS SUBJECT TO THE LWO.</b> Continue onto <b>Part B.</b> If you checked off NO for any questions 7 OR 8, this subcontract is <b>NOT SUBJECT TO THE LWO.</b> Continue to fill in <b>Part A</b> for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**SECTION II: SUBCONTRACTOR INFORMATION (continued)**

PART A	PART B					
	CHECK OFF ONLY ONE BOX (I-VI) FOR EACH SUBCONTRACTOR (IF APPLICABLE) THEN CONTINUE ONTO SECTION III:					
	I 501(c)(3) <sup>1</sup>	II One-Person Contractor <sup>2</sup>	III CBA <sup>3</sup>	IV Occupational License <sup>4</sup>	V Small Business <sup>5</sup>	VI Gov. entity <sup>6</sup>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract <b>IS SUBJECT TO THE LWO</b> . Continue onto <b>Part B</b> . If you checked off NO for any questions 7 OR 8, this subcontract is <b>NOT SUBJECT TO THE LWO</b> . Continue to fill in <b>Part A</b> for additional subs below.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Subcontractor Name: _____ 2. Contact Person: _____ Phone #: _____ 3. Address: _____ 4. Purpose of Subcontract: _____ 5. Amount of Subcontract: \$ _____ 6. Term: Start Date ____/____/____ End Date ____/____/____ 7. Does the subcontract exceed \$25,000? <input type="checkbox"/> Yes <input type="checkbox"/> No 8. Is the length of the subcontract at least three (3) months? <input type="checkbox"/> Yes <input type="checkbox"/> No If you checked off YES for Questions 7 AND 8, this subcontract <b>IS SUBJECT TO THE LWO</b> . Continue onto <b>Part B</b> . If you checked off NO for any questions 7 OR 8, this subcontract is <b>NOT SUBJECT TO THE LWO</b> .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**SECTION III: SUBCONTRACTS SUBJECT TO THE LWO (AND MAY BE ELIGIBLE FOR EXEMPTIONS)**

- 1) If you checked off any boxes in Part B, your Subcontractor(s) is subject to the LWO, but may qualify for an LWO exemption. Review the exemptions below, and have your subcontractor fill out the form in the corresponding right-hand column. **Continue to Section V**, and submit this form and all supporting documentation to the Awarding Department for approval.
- 2) If you did NOT check any boxes in Part B or your subs DO NOT qualify for an exemption, **Continue to Section IV**.

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
One-person contractors, lessee, licensee 501(c)(3) non-profit organization	LW 13 – Departmental Exemption Form <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>
Occupational license required Collective bargaining agreement w/supersession language	LW 10 – OCC Exemption Form <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>
Small Business	LW 26 – Small Business Exemption Form (English & Spanish) <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>
Governmental Entity	NONE REQUIRED.

**SECTION IV: SUBCONTRACTS SUBJECT TO THE LWO (AND NOT ELIGIBLE FOR EXEMPTIONS)**

Please have EACH of your Subcontractors that ARE SUBJECT to the LWO fill out the three forms below. Submit LW-6 and LW-18 ONLY to the Awarding Department (and supporting documentation, where applicable) and RETAIN LW-5 in your office.

- |  |   |
|--|---|
| 1) Employee Information Form                             | LW 6 - <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>  |
| 2) Subcontractor Information Form                        | LW 18 - <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a> |
| 3) Subcontractor Declaration of Compliance Form (retain) | LW 5 - <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>  |

**SECTION V: SIGNATURE**

I understand that the Subcontractor Information provided herein is confidential and will be used by the City of Los Angeles, Office of Contract Compliance for the purpose of monitoring the Living Wage Ordinance.

Print Name of Person Completing This Form	Signature of Person Completing This Form
Title	Date
Phone #	

**AWARDING DEPARTMENT USE ONLY:**

Dept: \_\_\_\_\_ Dept Contact: \_\_\_\_\_ Contact Phone: \_\_\_\_\_ Contract #: \_\_\_\_\_

## ENDNOTES FOR LWO SUBCONTRACTOR INFORMATION FORM

<sup>1</sup> **Non-Profit 501(c)(3) Organizations:** A corporation claiming exemption under Section 10.37.1(g) of the LWO as a corporation organized under Section 501 (c)(3) of the United States Internal Revenue Code must provide the following additional documents in support of the application for exemption:

(A) A copy of the most recent IRS letter indicating that the contractor has been recognized as a non-profit corporation organized under section 501 (c)(3) of the United States Internal Revenue Code.

(B) An application for non-coverage or exemption, including the non-profit salary certification on the form referred to in Appendix A. The salary certification must list the salary of the corporation's chief executive officer (CEO), computed on an hourly basis, and the hourly wage rate of the lowest paid worker in the corporation. The salary of the CEO, when computed on an hourly basis, must be less than 8 times what the lowest paid worker is paid on an hourly basis. For purposes of this exemption, the "chief executive officer (CEO)" means the CEO of the 501(c)(3) corporation that entered into the agreement

<sup>2</sup> **One-Person Contractor:** A contractor may apply for exemption under Section 10.37.1(f) of the LWO if that contractor has no employees. The one-person contractor shall submit an application for non-coverage or exemption to the awarding authority on the form referred to in Appendix A with the appropriate one-person contractor certification. If, subsequent to the approval of the exemption application, the contractor hires any employees, the exemption is no longer valid. Any employee the contractor hires becomes covered by the LWO to the extent that the employee performs work on the City agreement. In such cases, the contractor shall notify the awarding authority of the change in circumstances and submit to the awarding authority all the necessary forms to comply with the LWO reporting requirements, including the employee and subcontractor information forms.

<sup>3</sup> **Exemption by Collective Bargaining Agreement – LAAC 10.37.12:** An employer subject to provisions of the LWO may, by collective bargaining agreement (CBA), provide that the CBA, during its term, shall supersede the requirements of the LWO for those employees covered by the CBA. The provisions of the LWO should not be interpreted to require an employer to reduce the wages and benefits required by a collective bargaining agreement. All parties to the CBA must specifically waive in full or in part the benefits required by the LWO. An employer applying for this exemption shall submit a copy of the CBA. If the CBA does not specifically indicate that the LWO has been superseded, the employer shall submit written confirmation from the union representing the employees working on the agreement that the union and the employer have agreed to let the CBA supersede the LWO.

(A) Provisional Exemption from LWO during negotiation of CBA: An employer subject to the LWO may apply for Provisional Exemption from the LWO if the employer can document that: (1) the union and the employer are currently engaged in negotiations regarding the terms of the CBA; and (2) the issue of allowing the CBA to supersede the LWO has been proposed as an issue to be addressed during the negotiations. If granted, Provisional Exemption status is valid until the end of the negotiation process, including, if applicable, impasse resolution proceedings. During the negotiation process, the employer shall provide, upon request from the OCC, status reports on the progress of negotiations. At the end of the negotiation process, the employer shall provide the OCC with a copy of the final CBA to verify whether the LWO has been superseded, and the effective dates of the CBA.

(i) If the final CBA signed by the employer and the union supersedes the LWO, the employer shall be considered to be exempt from the LWO's wage and benefits provisions for the time period covered by the effective dates of the superseding CBA. The employer remains subject to all applicable provisions of the LWO for the time period not covered by the superseding CBA. If the employer has not complied with the LWO requirements during the time period not covered by the superseding CBA, the employer shall be required to make retroactive corrections for any period of non-compliance, which may include making retroactive payments to affected employees for the relevant periods of non compliance.

(ii) If the final CBA signed by the employer and the union does not supersede the LWO, the employer shall be required to comply with all applicable LWO requirements, including the wage and benefits provisions. Compliance shall also be required retroactively to the date that the employer first became subject to the LWO. If necessary, the employer shall provide retroactive payments to affected employees for any time period during which the employer did not comply with the LWO.

<sup>4</sup> **Occupational license - LAAC 10.37.1(f): Exemptions for Employees Requiring Occupational Licenses:** If an employer claims that the LWO does not apply to an employee pursuant to section 10.37.1(f) because an occupational license is required of the employee to perform the work, the employer shall submit to the awarding authority, along with the application for non-coverage or exemption, a list of the employees required to possess an occupational license, the type of occupational license required, and a copy of the occupational license itself. An exemption granted under this provision exempts only the employee who must possess an occupational license to perform work on the City agreement. If an occupational license is not required of an employee to perform the work, the employee remains covered by the LWO.

<sup>5</sup> **Small Business Exemptions for Public Lessees and Licensees – LAAC 10.37.1(i):** A public lessee or licensee claiming exemption from the LWO under section 10.37.1(i) shall submit the small business application for exemption form referred to in Appendix A along with supporting documentation to verify that it meets both of the following requirements:

---

(A) The lessee's or licensee's gross revenues from all business(es) conducted on the City premises for the calendar year prior to the date of the application for exemption do not exceed the gross annual revenue amount set by the LWO in Section 10.37.1(i). That gross revenue amount shall be adjusted annually according to the requirements of the LWO. The gross revenue amount used in evaluating whether the lessee or licensee qualifies for this exemption shall be the gross revenue amount in effect at the time the OCC receives the application for exemption.

A public lessee or licensee beginning its first year of operation on a specific City property will have no records of gross annual revenue on the City property. Under such circumstances, the lessee or licensee may qualify for a small business exemption by submitting proof of its annual gross revenues for the last tax year prior to application no matter where the business was located, and by satisfying all other requirements pursuant to these regulations and the LWO.

A lessee or licensee beginning its first year of operation as a business will have no records of gross annual revenue. Under such circumstances, the lessee or licensee may qualify for a small business exemption by satisfying all other requirements pursuant to these regulations and the LWO.

(B) The lessee or licensee employs no more than seven (7) employees.

(i) For purposes of this exemption, a lessee or licensee shall be deemed to employ a worker if the worker is an employee of a company or entity that is owned or controlled by the lessee or licensee, regardless of where the company or entity is located; or if the worker is an employee of a company or entity that owns or controls the lessee or licensee, regardless of where the company or entity is located.

Whether the lessee or licensee meets the seven (7) employee limit provided for in Section 10.37.1(i) of the LWO shall be determined using the total number of workers employed by all companies or businesses which the lessee or licensee owns or controls, or which own or control the lessee or licensee. Control means that one company owns a controlling interest in another company.

(ii) If a business operated by the lessee or licensee is part of a chain of businesses, the total number of employees shall include all workers employed by the entire chain of businesses unless the business operated by the lessee or licensee is an independently owned and operated franchise.

(iii) A public lessee or licensee shall be deemed to employ no more than seven (7) employees if its entire workforce (inclusive of those employees falling within the guidelines stated in subsections (i) and (ii) immediately above) worked an average of no more than 1,214 hours per month for at least three-fourths of the time period that the revenue limitation provided for in section 10.37.1(i) is measured.

Until the OCC approves the application for exemption, the lessee or licensee shall be subject to the LWO and shall comply with its requirements. If the OCC approves the application, the lessee or licensee shall be exempt from the requirements of the LWO for a period of two years from the date of the approval. The exemption will expire two years from the date of approval, but may be renewable in two-year increments upon meeting the requirements.

<sup>6</sup> **Governmental Entities – LAAC 10.37.1(g)**: Agreements with governmental entities are exempt from the requirements of the LWO. If an agreement is exempt from the LWO because the contractor is a governmental entity, subcontractors performing work for the governmental entity on the agreement are also exempt.

# LWO – OCC NON-COVERAGE/EXEMPTION APPLICATION

## OCC DETERMINATION/APPROVAL REQUIRED

**This application for non-coverage/exemption must be submitted by the Contractor along with its bid or proposal to the AWARDING DEPARTMENT. Awarding Departments may also apply for an exemption for OCC approval. **INCOMPLETE SUBMISSIONS WILL BE RETURNED.****

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

<b>CONTRACTOR INFORMATION:</b>	
1. Company Name: _____ Phone Number: _____	
2. Company Address: _____	
3. Are you a Subcontractor? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, state the name of your Prime Contractor: _____	
4. Type of Service Provided: _____	
<b>NON-COVERAGE INFORMATION: TO BE REQUESTED BY AWARDING DEPARTMENTS OR CONTRACTORS</b>	
REQUEST FOR NON-COVERAGE DETERMINATION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Per Section 10.37.13 of the LWO, contractors may request a determination of non-coverage on any basis allowed by this article, including, but not limited to: non-coverage, for failure to satisfy definition of "City financial assistance recipient", "public lease/license", or "service contract".	A <i>detailed</i> memorandum explaining the basis of the request, which may include, but is not limited to: the terms of a city financial assistance agreement, purpose of the contract, location, and work performed. OCC may request further information to issue a determination.
<b>EXEMPTION INFORMATION:</b>	
CHECK OFF ONE BOX BELOW THAT BEST DESCRIBES THE TYPE OF EXEMPTION YOU ARE APPLYING FOR AND ATTACH THE SUPPORTING DOCUMENTATION LISTED ON THE RIGHT:	
<b>TO BE REQUESTED BY AWARDING DEPARTMENTS ONLY</b>	
EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Grant Funded Services, provided that the grant funding agency indicates in writing that the provisions of the Ordinances should not apply.	Provide a copy of grant-funding agency's determination to the OCC.
<b>TO BE REQUESTED BY CONTRACTORS ONLY</b>	
EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> Collective bargaining agreement with supersession language - (LAAC 10.37.12): Contractors who are party to a collective bargaining agreement (CBA) which contains specific language indicating that the CBA will supersede the LWO may receive an exemption as to the employees covered under the CBA.	A copy of the CBA with the superseding language clearly marked  OR A letter from the union stating that the union has agreed to allow the CBA to supersede the LWO.
<input type="checkbox"/> Occupational license required - (LAAC 10.37.1(f)): Only the individual employees who are required to possess an Occupational license to provide services to or for the City are exempt.	A listing of the employees required to possess occupational licenses to perform services to or for the City  AND Copies of each of these employees' occupational licenses.
By signing, the contractor certifies under penalty of perjury under the laws of the State of California that the information submitted in support of this application is true and correct to the best of the contractor's knowledge.	
_____	_____
Print Name of Person (Contractor) Completing This Form	Signature of Person (Contractor) Completing This Form
_____	_____
Title	Date
_____	_____
Phone #	
_____	
<b>ANY DETERMINATION/APPROVAL IS APPLICABLE ONLY TO THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE APPLICATION FOR THE INDIVIDUAL SUBCONTRACTOR.</b>	
<b>AWARDING DEPARTMENT USE ONLY:</b>	
Dept:	Dept Contact:
_____	_____
Contact Phone:	Contract #:
_____	_____
<b>OCC USE ONLY:</b>	
Approved / Not Approved – Reason: _____	
By OCC Analyst: _____	Date: _____

# LWO –DEPARTMENTAL EXEMPTION APPLICATION

## EXEMPTIONS THAT REQUIRE AWARDING DEPARTMENT APPROVAL

**This application for exemption must be submitted along with your bid or proposal to the AWARDING DEPARTMENT. INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

### TO BE FILLED OUT BY THE CONTRACTOR:

1. Company Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_
2. Company Address: \_\_\_\_\_
3. Are you a Subcontractor?  Yes  No If YES, state the name of your Prime Contractor: \_\_\_\_\_
4. Type of Service Provided: \_\_\_\_\_

### EXEMPTION INFORMATION:

CHECK OFF ONE BOX BELOW THAT BEST DESCRIBES THE TYPE OF EXEMPTION YOU ARE APPLYING FOR AND ATTACH THE SUPPORTING DOCUMENTATION LISTED ON THE RIGHT:

EXEMPTION	SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> <b>501(c)(3) Non-Profit Organizations:</b> <ul style="list-style-type: none"> <li>▪ A corporation organized under 501(c)(3) of the IRS Code qualifies for an exemption from the LWO if <b>the highest paid employee makes less than eight times the hourly wage of the lowest paid employee.</b></li> <li>▪ The exemption is valid for all employees <b>except Child Care Workers.</b></li> <li>▪ Therefore, even if a 501(c)(3) organization meets the salary test, <b>Child Care Workers performing work on the City agreement must still be provided with the LWO required wage and time off benefits.</b></li> <li>▪ Under the LWO's Rules and Regulations, a Child Care Worker is an employee "whose work on an agreement involves the care or supervision of children 12 years of age and under."</li> <li>▪ This is read broadly so that the term would include, for example, tutors working with children 12 or under.</li> </ul>	<ol style="list-style-type: none"> <li>1. <b>ATTACH</b> a copy of your 501(c)(3) letter from the IRS.</li> <li>2. <b>ANSWER</b> the following questions:               <ol style="list-style-type: none"> <li>A. <b>STATE</b> the hourly wage of HIGHEST paid employee in the organization: \$ _____</li> <li>B. <b>STATE</b> the hourly wage of LOWEST paid employee in the organization: \$ _____</li> <li>C. <b>MULTIPLY B by 8:</b> \$ _____</li> </ol> </li> <li>3. Based on Question 2 above, is <b>A</b> less than <b>C</b>?  <input type="checkbox"/> YES <input type="checkbox"/> NO                If NO, your company is <b>NOT eligible</b> for an exemption.                If YES, sign and submit this application for final approval.</li> <li>4. Will there be any Child Care Workers (as defined by the LWO Regulations) working on this Agreement?  <input type="checkbox"/> YES <input type="checkbox"/> NO</li> <li>5. Fill &amp; Submit LW-18 Subcontractor Information Form.</li> </ol>
<input type="checkbox"/> <b>One-Person Contractors:</b> Contractors that have no employees are exempt from the LWO. <b>If you have employees in the future, you must comply with the Ordinance.</b>	Fill and Submit the LW-18 Form.

**I declare under penalty of perjury under the laws of the State of California that: (1) I am authorized to bind the entity listed above; (2) the information provided on this form is true and correct to the best of my knowledge; and (3) the entity qualifies for exemption from the LWO on the basis indicated above.** By signing below, I further agree that **should the entity listed above cease to qualify** for an exemption because of a change in salary structure, non-profit status, the hiring of employees, or any other reason, **the entity will notify the Awarding Department and the OCC of such change and comply with the LWO's wage and time off requirements.**

Print Name of Person Completing This Form \_\_\_\_\_

Signature of Person Completing This Form \_\_\_\_\_

Title \_\_\_\_\_

Phone # \_\_\_\_\_

Date \_\_\_\_\_

**ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.**

### AWARDING DEPARTMENT USE ONLY:

Dept: \_\_\_\_\_ Dept Contact: \_\_\_\_\_ Contact Phone: \_\_\_\_\_ Contract #: \_\_\_\_\_

Approved / Not Approved – Reason: \_\_\_\_\_

By Analyst: \_\_\_\_\_ Date: \_\_\_\_\_

# LWO/SCWRO – SUBCONTRACTOR DECLARATION OF COMPLIANCE FORM

REQUIRED DOCUMENTATION FOR ALL SUBCONTRACTS SUBJECT TO LWO

This form must be signed within **90 DAYS** of the execution of the subcontract and **RETAINED** by the **PRIME CONTRACTOR**.

TO BE FILLED OUT BY THE PRIME CONTRACTOR:	
1. Company Name: _____	Company Phone Number: _____
2. Company Address: _____	
3. Awarding Department: _____	
4. Project Name: _____	
<p><b>IF A SUBCONTRACTOR FAILS TO COMPLETE AND SUBMIT THIS FORM TO PRIME CONTRACTOR ON THE CITY CONTRACT, THE PRIME CONTRACTOR MAY BE DEEMED TO BE IN VIOLATION OF THE LWO AND SCWRO FOR FAILING TO ENSURE ITS SUBCONTRACTOR'S COMPLIANCE WITH THE ORDINANCES. THIS MAY RESULT IN WITHHOLDING OF PAYMENTS DUE THE PRIME CONTRACTOR, OR TERMINATION OF THE PRIME CONTRACTOR'S AGREEMENT WITH THE CITY.</b></p>	

**THE PRIME CONTRACTOR MUST INFORM THEIR SUBCONTRACTORS OF THE FOLLOWING:**

**THE LIVING WAGE ORDINANCE (LWO) REQUIRES:**

That a subcontractor (including a sublessee, a sublicensee, or a service contractor to a City financial assistance recipient) that works on or under the authority of an agreement subject to the Service Contractor Worker Retention Ordinance (SCWRO) and Living Wage Ordinance (LWO) **must comply with all applicable provisions of the Ordinances unless specifically approved for an exemption.**

**THE SERVICE CONTRACTOR WORKER RETENTION ORDINANCE (SCWRO) REQUIRES:**

In case of a successor service contractor, a successor prime contractor and its subcontractors shall retain for a 90-day transition employment period, certain employees who have been employed by the terminated prime contractor and its subcontractor, if any, for the preceding 12 months or longer. Refer to the SCWRO Rules and Regulations, available from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website - <http://bca.lacity.org>, for details regarding the wage and benefit requirements of the Ordinance.

**THE LIVING WAGE ORDINANCE (LWO) REQUIRES THAT SUBJECT EMPLOYERS PROVIDE TO EMPLOYEES:**

- As of July 1, 2014 a wage of at least **\$11.03 per hour with health benefits** of \$1.25 per hour, or **\$12.28 per hour without health benefits** (to be adjusted annually) (Regulation #4);
- At least **12 compensated days off per year** for sick leave, vacation or personal necessity at the employee's request (pro-rated for part-time employees) (Regulation #4);
- At least **10 additional days off per year of uncompensated time off** for sick leave (pro-rated for part-time employees) (Regulation #4); and
- Making **less than \$12.00 per hour** information of their possible **right to the federal Earned Income Tax Credit (EITC)** and make available the forms required to secure advance EITC payments from the employer (Regulation #4).

**THE LIVING WAGE ORDINANCE (LWO) ALSO REQUIRES EMPLOYERS:**

- To permit access to work sites for authorized City representatives to review the operation, payroll and related documents, and to provide certified copies of the relevant records upon request by the City.
- **Not to retaliate** against any employee claiming non-compliance with the provisions of these Ordinances and to **comply with federal law** prohibiting retaliation for union organizing (Regulation #4). Refer to the LWO Rules and Regulations, available from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) website - <http://bca.lacity.org>, for details regarding the wage and benefit requirements of the Ordinance.

TO BE FILLED OUT BY THE SUBCONTRACTOR:		
1. Company Name: _____	Company Phone Number: _____	
2. Company Address: _____		
3. Type of Service Provided by Subcontractor to Prime: _____		
4. Amount of Subcontract: _____ Subcontract Start Date: ___/___/___ End Date: ___/___/___		
By signing this Declaration of Compliance, the subcontractor certifies that it will comply with all applicable provisions of the SCWRO, LWO, and their implementing Rules and Regulations, including any amendments or revisions to the Ordinances and Regulations.		
_____	_____	_____
Print Name of Person Completing This Form	Signature of Person Completing This Form	
_____	_____	_____
Title	Phone #	Date



# LWO – OCC SMALL BUSINESS EXEMPTION APPLICATION

## EXEMPTION THAT REQUIRES OCC APPROVAL

**This application for exemption is for lessees and licensees only and must be submitted along with your bid or proposal to the AWARDDING DEPARTMENT. If approved, it will EXPIRE TWO (2) YEARS from the date of approval. This may be renewable in two (2) year increments upon meeting the requirements. INCOMPLETE SUBMISSIONS WILL BE RETURNED.**

Los Angeles Administrative Code 10.37, the Living Wage Ordinance (LWO), presumes all City contractors (including service contractors, subcontractors, financial assistance recipients, lessees, licensees, sublessees and sublicensees) are subject to the LWO unless an exemption applies.

**TO BE FILLED OUT BY THE CONTRACTOR:**

1. Company Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_
2. Company Address: \_\_\_\_\_
3. Are you a Subcontractor?  Yes  No If YES, state the name of your Prime Contractor: \_\_\_\_\_
4. STATE the total number of businesses you have (inside and outside the City of Los Angeles premises): \_\_\_\_\_
5. STATE the total number of businesses you have inside the City of Los Angeles premises only: \_\_\_\_\_

**SECTION I: BUSINESS INFORMATION**

CHECK OFF ONE BOX IN PART A THAT BEST DESCRIBES YOUR BUSINESS AND ATTACH DOCUMENTATION LISTED IN PART B:

PART A	PART B: SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> I am a lessee or licensee beginning my first year of operation as a business.	None Required.
<input type="checkbox"/> I have other businesses, but this is my first year of operation on City premises. Effective July 1, 2014, my gross annual revenues for all of my businesses are less than \$486,601 for the 2013 calendar year.	ATTACH 2013 IRS Tax Returns listing gross revenues for ALL of your business(es).
<input type="checkbox"/> I have (a) business(es) on City premises, and effective July 1, 2014, my gross annual revenues from all my business(es) on City premises are less than \$486,601 for the 2013 calendar year.	ATTACH 2013 IRS Tax Returns listing gross revenues for ALL of your business(es) ON CITY PREMISES.

If you **DID NOT** check off ANY boxes in PART A, your company IS **NOT ELIGIBLE FOR AN EXEMPTION.**  
If you checked off **ANY** boxes in PART A, continue to Section II.

**SECTION II: EMPLOYEE INFORMATION**

CHECK OFF ANY BOX(ES) IN PART C THAT BEST DESCRIBE YOUR BUSINESS AND ATTACH DOCUMENTATION LISTED IN PART D:

PART C	PART D: SUPPORTING DOCUMENTATION REQUIRED
<input type="checkbox"/> I have LESS than Seven (7) employees in the entire company (inside AND outside the City of Los Angeles premises). <input type="checkbox"/> My company's workforce worked an average of no more than 1,214 hours per month for at least three-fourths of the calendar year.	Submit a completed Employee Worksheet for Small Business Exemption (Form OCC/LW-26B). Information on the Employee Worksheet may subsequently require verification through payroll records.  OR Payrolls for the nine (9) months you would like to have reviewed.

If you **DID NOT** check off **ANY** boxes in PART C, your company IS **NOT ELIGIBLE FOR AN EXEMPTION.**  
If you checked off **ANY** box in PART C, **ATTACH** supporting documentation, **SIGN**, AND **SUBMIT EXEMPTION FORM.**

By signing, the contractor certifies under penalty of perjury under the laws of the State of California that the information submitted in support of this application is true and correct to the best of the contractor's knowledge.

Print Name of Person Completing This Form \_\_\_\_\_

Signature of Person Completing This Form \_\_\_\_\_

Title \_\_\_\_\_ Phone # \_\_\_\_\_

Date \_\_\_\_\_

**ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.**

**AWARDDING DEPARTMENT USE ONLY:**

Dept: \_\_\_\_\_ Dept Contact: \_\_\_\_\_ Contact Phone: \_\_\_\_\_ Contract #: \_\_\_\_\_

**OCC USE ONLY:**

Approved / Not Approved – Reason: \_\_\_\_\_

By OCC Analyst: \_\_\_\_\_ Date: \_\_\_\_\_

# LWO – OCC SMALL BUSINESS EXEMPTION EMPLOYEE WORKSHEET

## EXEMPTION THAT REQUIRES OCC APPROVAL TO BE VALID

This worksheet must be completed for **EACH** company or business for which you have a controlling interest, **whether or not it is on City premises**. You may **COPY THIS FORM** as necessary for **EACH** company. Include the names of **ALL PERSONS** employed by **EACH** company, and the number of hours worked each month for the current year. **ATTACH this form(s) to LW-26A.**

1. Company Name: \_\_\_\_\_ Company Phone: \_\_\_\_\_  
 2. Company Address: \_\_\_\_\_

3. Enter # of Hours worked:	HOURS WORKED												
EMPLOYEE NAME	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
4. TOTAL HOURS													
5. Check each box indicating which nine (9) months you would like be reviewed:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6a. TOTAL HOURS for the nine (9) months selected in 5 above : \_\_\_\_\_ 6b. DIVIDE 6a by 9: \_\_\_\_\_ 6c. Is 6b less than 1,214?  YES  NO

7. If 6c is NO, then this contract IS **NOT ELIGIBLE FOR AN EXEMPTION**. If 6c is YES, **SIGN** and **ATTACH** this form to LW-26A.

I certify under penalty of perjury that the information herein is true and correct to the best of my knowledge. I will provide further documentation and proof upon request. I understand that the submission of false information may lead to the revocation of any approved exemption.

\_\_\_\_\_  
 Print Name of Person Completing this Form

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Phone #

\_\_\_\_\_  
 Signature of Person Completing this Form

\_\_\_\_\_  
 Date

ANY APPROVAL OF THIS APPLICATION EXEMPTS ONLY THE LISTED CONTRACTOR FROM THE LWO DURING THE PERFORMANCE OF THIS CONTRACT. A SUBCONTRACTOR PERFORMING WORK ON THIS CONTRACT IS NOT EXEMPT UNLESS THE OFFICE OF CONTRACT COMPLIANCE HAS APPROVED A SEPARATE EXEMPTION FOR THE INDIVIDUAL SUBCONTRACTOR.

**LWO – APLICACION PARA EXENCION DEL SUELDO DIGNO PARA NEGOCIOS PEQUEÑOS**

ESTA APLICACIÓN REQUIERE LA APROBACIÓN DE OCC PARA SER VÁLIDA

Esta aplicación de exención es para los arrendatarios y los concesionarios solamente y debe ser sometida junto con su oferta o propuesta al DEPARTAMENTO QUE CONCEDE. Si es aprobada, la exención terminará dos años después de la fecha aprobada, pero puede ser renovada en incrementos de dos años al cumplir con los requisitos. **DOCUMENTOS INCOMPLETOS NO SERÁN ACEPTADOS.**

El código administrativo 10.37, la Ordenanza del Sueldo Digno (LWO) de Los Ángeles, requiere que todos los contratistas de la ciudad (incluyendo contratistas de servicio, los subcontratistas, los recipientes de ayuda económica, los arrendatarios, los concesionarios, los subarrendatarios y los subconcesionarios) cumplan con el LWO a menos que una exención se aplique.

PARA SER COMPLETADO POR EL CONTRATISTA:	
1. Nombre de Compañía: _____ Teléfono: _____	
2. Dirección de Compañía: _____	
3. ¿Es usted subcontratista? <input type="checkbox"/> Sí <input type="checkbox"/> No Si es, indique el nombre del contratista principal: _____	
4. INDIQUE el número total de negocios que usted tiene (dentro y fuera de establecimientos de la Ciudad de Los Ángeles): _____	
5. INDIQUE el número total de negocios que usted tiene solamente en establecimientos de la Ciudad de Los Ángeles: _____	
SECCIÓN I: INFORMACIÓN DEL NEGOCIO	
MARQUE UNA CAJA EN LA PARTE A QUE DESCRIBE MEJOR SU NEGOCIO Y ADJUNTE LA DOCUMENTACIÓN ENUMERADA EN LA PARTE B:	
PARTE A	PARTE B: DOCUMENTACIÓN JUSTIFICATIVA REQUERIDA
<input type="checkbox"/> Yo soy arrendatario o poseedor de licencia empenzando mi primer año de operar como un negocio.	Ningunos requeridos.
<input type="checkbox"/> Yo tengo otros negocios, pero es mi primer año operando en propiedades de la Ciudad. Mis ingresos brutos para todos mis negocios fueron menos de \$486,601 (ajustado el 1 de julio 2014) por el año 2013.	Adjunte las declaraciones de impuestos del IRS del año 2013 que enumeran los réditos brutos de TODOS sus negocios.
<input type="checkbox"/> Yo tengo un negocio o negocios en establecimientos de la Ciudad de los Angeles, y mis ingresos brutos por todos mis negocios en propiedades de la Ciudad fueron menos de \$486,601 (hasta el 1 de julio de 2014) para el año 2013.	Adjunte las declaraciones de impuestos del IRS del año 2013 que enumeran los réditos brutos de TODOS sus negocios en establecimientos de la Ciudad de Los Angeles.
Si usted no marcó <b>NINGUNA</b> caja en la PARTE A, su compañía <b>NO ES ELEGIBLE PARA UNA EXENCIÓN.</b> Si usted marcó <b>ALGUNAS</b> cajas en la PARTE A, continúe a la sección II.	
SECCIÓN II: INFORMACIÓN DEL EMPLEADO	
MARQUE CUALQUIER CAJA EN LA PARTE C QUE DESCRIBA MEJOR SU NEGOCIO Y ADJUNTE LA DOCUMENTACIÓN ENUMERADA EN LA PARTE D:	
PARTE C	PARTE D: DOCUMENTACIÓN JUSTIFICATIVA REQUERIDA
<input type="checkbox"/> Tengo MENOS de siete (7) empleados en la compañía entera (dentro Y fuera de las premisas de Los Angeles).	Someta la forma OCC/LW-26B. La información reportada en le Reporte de Horas Trabajadas puede requerir, posteriormente, la verificación a través de expedientes sobre las nóminas de pago a los empleados.
<input type="checkbox"/> La empleados de mi compañía trabajaron un promedio de no más de 1.214 horas por mes por un periodo menos tres cuartos del año.	Nóminas de pago por los nueve (9) meses que usted desea que sean evaluados.
Si usted no marcó <b>NINGUNA</b> caja en la PARTE C, su compañía <b>NO ES ELEGIBLE PARA UNA EXENCIÓN.</b> Si usted marcó <b>ALGUNA</b> caja en la PARTE C, adjunte la documentación necesaria, <b>FIRME, Y ENTREGUE ESTA APLICACIÓN DE EXENCIÓN.</b>	
Firmando, el contratista certifica bajo pena de perjurio bajo las leyes del estado de California que la información que presenta en esta aplicación es verídica y correcta con el mayor conocimiento del contratista.	
Nombre _____	Firma _____
Título: _____	Teléfono _____ Fecha _____
CUALQUIER APROBACIÓN DE ESTA APLICACIÓN EXENTA SOLAMENTE AL CONTRATISTA MENCIONADO DE LOS REQUESITOS DEL LWO DURANTE EL RENDIMIENTO DE ESTE CONTRATO. UN SUBCONTRATISTA QUE PROPOCIONA TRABAJO SOBRE ESTE CONTRATO NO ES EXENTO A MENOS QUE LA OFICINA DE LA CONFORMIDAD DE CONTRATOS HAYA APROBADO UNA EXENCIÓN SEPARADA PARA EL SUBCONTRATISTA INDIVIDUAL.	
PARA USO DEL DEPARTAMENTO DE CONCESIONES SOLAMENTE:	
Dept: _____ Dept Contact: _____ Contact Phone: _____ Contract #: _____	
PARA LA OFICINA OCC SOLAMENTE	
Approved / Not Approved – Reason: _____	
By OCC Analyst: _____	Date: _____

# LWO – EXENCIÓN DE EMPRESAS PEQUEÑAS – REPORTE DE HORAS TRABAJADAS

ESTA APPLICACIÓN DE EXENCIÓN REQUIERE LA APROBACIÓN DE OCC PARA SER VÁLIDA

Este formulario debe de ser completado por cada compañía o negocio en la cual Ud. tiene intereses, aunque no esté en propiedad de la Ciudad. Usted puede **COPIAR ESTA FORMA** cuanto sea necesario para **CADA** compañía. Incluya los nombres de todas las personas empleadas por cada compañía, y el número de horas trabajadas por cada mes de este año. **ADJUNTE** este reporte a la forma LW-26A.

1. Nombre de Compañía: \_\_\_\_\_ Teléfono: \_\_\_\_\_

2. Dirección de Compañía: \_\_\_\_\_

3. Entre # de las horas trabajadas:

NOMBRE(S) DE EMPLEADO(S)	HORAS TRABAJADAS												
	Enero	Febrero	Marzo	Abril	Mayo	Junio	Julio	Agosto	Septiembre	Octubre	Noviembre	Diciembre	TOTAL
4. HORAS TOTALES													
5. Marque cada caja indicando cuales nueve (9) meses usted desa sean evaluados:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6a. HORAS TOTALES por los nueve (9) meses seleccionados en 5 arriba: \_\_\_\_\_ 6b. DIVIDA 6a por 9: \_\_\_\_\_ 6c. ¿Es 6b menos de 1.214?  SÍ  NO

7. Si contesto “NO” en 6c, entonces este contrato NO ES ELEGIBLE PARA UNA EXENCIÓN. Si contestor “SI” en 6c, FIRME y ADJUNTE este reporte a la forma LW-26A

Yo certifico bajo pena de perjurio que esta información es veridica y correcta. Proveré más documentos y pruebas siempre y cuando sean solicitadas. Entiendo que al proveer información falsa puede resultar en la revocación de la exención aprobada.

Nombre (en letra de molde) de la persona que complete esta forma \_\_\_\_\_

Firma \_\_\_\_\_

Título \_\_\_\_\_ Teléfono \_\_\_\_\_

Fecha \_\_\_\_\_

CUALQUIER APROBACIÓN DE ESTA APPLICACIÓN EXENTA SOLAMENTE AL CONTRATISTA MENCIONADO DE LOS REQUISITOS DEL LWO DURANTE EL RENDIMIENTO DE ESTE CONTRATO. UN SUBCONTRATISTA QUE PROPOCIONA TRABAJO SOBRE ESTE CONTRATO NO ES EXENTO A MENOS QUE LA OFICINA DE LA CONFORMIDAD DE CONTRATOS HAYA APROBADO UNA EXENCIÓN SEPARADA PARA EL SUBCONTRATISTA INDIVIDUAL.

# LWO – DEPARTMENTAL DETERMINATION FORM

## REQUIRED DOCUMENTATION FOR ALL CONTRACTS

This form will aid Awarding Departments with determining whether or not a contract is subject to the LWO. It must be completed by the **AWARDING DEPARTMENT** and submitted to the Office of Contract Compliance **AFTER THE CONTRACT HAS BEEN EXECUTED**. **INCOMPLETE SUBMISSIONS WILL BE RETURNED**. Please refer to the endnotes for more details.

AWARDING DEPARTMENT INFO					
Dept: _____		Contract Administrator: _____			
Contract Phone: _____		MS# _____			
CONTRACT INFO					
Contractor Name: _____		Contract # _____			
Contractor Address: _____		City: _____ State: _____ Zip: _____			
Project/Contract Name: _____					
Purpose of Contract: _____					
Contract Amount: \$ _____		Term: Start Date ____/____/____ End Date ____/____/____			
SECTION I: DETERMINING APPLICABILITY TO LWO					
1 Check off <b>ONE</b> box that best describes the contract, then Continue to #2: This is a <input type="checkbox"/> New Contract <input type="checkbox"/> Contract Amndmt #					
2 If you checked off "New Contract" above, <b>SKIP to Question #5</b> to determine whether this New contract is subject to the LWO.					
3 If you checked off "Contract Amendment" Please answer the following questions about the original contract:					
a Was the original contract subject to the LWO?		<input type="checkbox"/> Yes <input type="checkbox"/> No			
b Was the original contract approved for an exemption?		<input type="checkbox"/> Yes <input type="checkbox"/> No If YES, please note what type of exemption it received: _____			
4 If you checked off YES to 3a OR 3b, <b>THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 ONLY TO OCC</b> . If you checked off NO to 3a AND 3b, <b>Continue to #5</b> to determine whether this Contract Amendment is subject to the LWO.					
5 Check off <b>ONE</b> box in Parts A, B, C or D below that best describes the contract, then <b>Continue to #6</b> :					
These are contracts NOT SUBJECT, NOT APPLICABLE to LWO:		These contracts <b>MAY</b> or <b>MAY NOT</b> BE SUBJECT, or <b>MAY</b> or <b>MAY NOT</b> BE APPLICABLE to LWO:			
PART A		PART B	PART C	PART D	
<input type="checkbox"/> <b>Service contract</b> that is <b>less</b> than 3 months <b>OR</b> \$25,000 or less <sup>1</sup> <input type="checkbox"/> <b>Other governmental entity</b> <sup>2</sup> <input type="checkbox"/> <b>Purchase or rental of goods, equipment, property</b> <sup>3</sup> <input type="checkbox"/> <b>Construction contract</b> <sup>4</sup> <input type="checkbox"/> <b>Funded by Business Improvement District (BID) assessment money</b> <sup>5</sup> <input type="checkbox"/> <b>Financial assistance is below both LWO CFAR thresholds</b> . <sup>6</sup> <small>(a) Financial assistance must be less than \$1 Million in a 12-month period <b>AND</b>                      (b) Is less than \$100,000 if on a continuing basis (such as a loan at a rate lower than the Applicable Federal Rate).</small>		<input type="checkbox"/> <b>Service contract</b> that is at <b>least 3</b> months <b>AND over</b> \$25,000.	<input type="checkbox"/> <b>Public leases or licenses</b>	<input type="checkbox"/> <b>City Financial Assistance Recipient (CFAR)</b> <sup>7</sup>	
6 If you checked off any box in Part A - <b>THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGE 1 ONLY TO OCC</b> .					
7 If you checked off a box in Part B or C, <b>SKIP TO #9</b> .					
8 If you checked off the box in Part D, <b>SKIP TO #13</b> .					
9 If you have a service contract, answer questions a, c and d ONLY, then <b>Continue to #10</b> . If you have a public lease/license, answer questions b, c and d ONLY, then <b>Continue to #10</b> .				YES	NO
a Are some of the services rendered by employees whose work site is on property owned by the City?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b Are the services rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities)?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c Could the services feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d Has the DAA determined in writing that coverage would further the proprietary interests of the City?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10 If you checked off <b>ANY boxes</b> in the <b>YES</b> column, this contract is <b>APPLICABLE TO THE LWO</b> (it is <b>SUBJECT</b> ). <b>Continue onto SECTION II</b> . Otherwise, continue to #11.					
11 You <b>DID NOT</b> check off <b>ANY boxes</b> in the <b>YES</b> column. This contract is <b>NOT APPLICABLE TO THE LWO</b> (it is <b>NOT SUBJECT</b> ). <b>Fill and submit LW-10, OCC Exemption Application for approval prior to contract execution found here: <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>, then Continue to #12.</b>					
12 Has the exemption been approved? If YES, <b>THIS FORM IS NOW COMPLETE – Once the contract has been executed, SUBMIT LW-1, Page 1 ONLY and the APPROVED EXEMPTION FORM to OCC</b> . If NO, <b>Continue onto SECTION IV</b> .					
13 Answer the following question to determine whether the CFAR is subject to the LWO, then <b>Continue to #14</b> .				YES	NO
a Does the agreement intend to promote economic development?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
14 If you checked off NO this contract is <b>NOT APPLICABLE TO THE LWO</b> (it is <b>NOT SUBJECT</b> ). <b>PLEASE SUBMIT PAGE 1 ONLY TO OCC</b> . Otherwise, <b>Continue to Question #15</b> .					
15 Answer the following questions to determine whether the CFAR is subject to the LWO:				YES	NO
a Is the Financial Assistance given in a 12-month period and above \$1 Million?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b Is the Financial Assistance \$100,000 or more on a continuing basis?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
16 If you checked off <b>ANY boxes</b> in the <b>YES</b> column, this contract is <b>APPLICABLE TO THE LWO</b> (it is <b>SUBJECT</b> ). <b>Continue onto SECTION II</b> . Otherwise, this contract is <b>NOT APPLICABLE TO THE LWO</b> (it is <b>NOT SUBJECT</b> ). <b>PLEASE SUBMIT PAGE 1 ONLY TO OCC</b> .					

**SECTION II:  
CONTRACTS APPLICABLE/SUBJECT TO THE LWO**

<b>1</b>	Your contract is applicable/subject to the LWO. However, it may be eligible for an exemption. Check off <b>ONE</b> box in Parts A, B, or C that best describes the contract that MAY be eligible for an exemption, then <b>Continue to the stated part in the corresponding right column found in SECTION III.</b>				
	<b>PART A SERVICE CONTRACTS ONLY</b>		<b>PART B PUBLIC LEASES OR LICENSES ONLY</b>		<b>PART C CITY FINANCIAL ASSISTANCE RECIPIENTS ONLY</b>
	<input type="checkbox"/> One-person contractor <sup>8</sup> <b>D</b>		<input type="checkbox"/> Collective bargaining agreement w/ supersession language <sup>13</sup> <b>B</b>		<input type="checkbox"/> Collective bargaining agreement w/ supersession language <sup>15</sup> <b>B</b>
	<input type="checkbox"/> 501(c)(3) non-profit organization <sup>9</sup> <b>D</b>		<input type="checkbox"/> Small Business <sup>14</sup> <b>C</b>		<input type="checkbox"/> 501(c)(3) non-profit organization <sup>16</sup> <b>D</b>
	<input type="checkbox"/> Grant-Funded Services <sup>10</sup> <b>A</b>			<b>PART C - Continued</b>	
	<input type="checkbox"/> Occupational license required <sup>11</sup> <b>B</b>			If you did not check off any boxes above, continue to answer the following questions:	
	<input type="checkbox"/> Collective bargaining agreement with LWO supersession language <sup>12</sup> <b>B</b>				
				a	Is the contractor a City financial assistance recipient (CFAR) in the first year of operation? <sup>17</sup>
				b	Is the contractor a CFAR with less than five (5) employees? <sup>18</sup>
				c	Is the contractor a CFAR that employs long-term, unemployed or provides training for permanent positions requesting hardship waiver? <sup>19</sup>
				d	Does the contractor have employees who spend less half of their time on the City funded project or the employees of its service contractor? <sup>20</sup>
					YES
					NO
<b>2</b>	If you did NOT check off any box above in Part A or Part B, this contract IS NOT eligible for an exemption. <b>Continue onto SECTION IV.</b>			If ANY boxes are checked <b>YES</b> , <b>Continue onto SECTION III-A.</b>	
				If you checked off <b>NO</b> to <b>ALL</b> boxes, <b>Continue onto SECTION IV.</b>	

**SECTION III:  
CONTRACTS NOT SUBJECT / CONTRACTS ELIGIBLE FOR EXEMPTIONS**

<b>1</b>	Your contract MAY be eligible for an exemption that may be requested by your Department OR the Contractor PRIOR TO CONTRACT EXECUTION as indicated below:				
	<b>TO BE REQUESTED BY AWARDING DEPARTMENTS ONLY – REQUIRES OCC APPROVAL</b>				
	Fill out the form in the right-hand column below, send it to OCC for final approval (DO NOT send LW-1), and then <b>Continue to #2</b> in this Section.				
<b>A</b>	Grant Funded Services CFAR	LW 10 – OCC Exemption Form ONLY <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>			
	<b>TO BE REQUESTED BY CONTRACTORS ONLY – REQUIRES OCC APPROVAL</b>				
	Have the contractor fill out the forms in the right-hand column below and have them submit it to your department for further review. Once the form is complete, send it to OCC for final approval (DO NOT send LW-1), and then <b>Continue to #2</b> in this Section.				
<b>B</b>	Occupational license required Collective bargaining agreement w/supersession language	LW 10 – OCC Exemption Form AND LW 18 – Subcontractor Information Form (SIF) <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>			
<b>C</b>	Small Business	LW 26 – OCC Small Business Exemption Form (English) OR LW 26 – OCC Small Business Exemption Form (Spanish): <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>			
	<b>TO BE REQUESTED BY CONTRACTORS ONLY – REQUIRES AWARDING DEPARTMENT APPROVAL</b>				
	Have the contractor fill out the forms in the right-hand column below and have them submit it to your department for further review. Once an approval/non-approval has been made by your department, <b>Continue to #2</b> in this Section.				
<b>D</b>	One-person contractors, lessee, licensee 501(c)(3) non-profit organization	LW 13 – Departmental Exemption Form AND LW 18 – Subcontractor Information Form (SIF) <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>			
<b>2</b>	Has the exemption been approved? If YES, <b>THIS FORM IS NOW COMPLETE –SUBMIT PAGES 1 and 2 of LW-1 and the APPROVED EXEMPTION FORM TO OCC</b> once the contract has been executed. If NO, <b>Continue onto SECTION IV.</b>				

**SECTION IV:  
CONTRACTS SUBJECT TO THE LWO (AND NOT ELIGIBLE FOR EXEMPTIONS)**

<b>1</b>	Your contract IS SUBJECT TO THE LWO AND NOT ELIGIBLE FOR EXEMPTIONS. Have the contractor fill out the two (2) corresponding forms below and submit them (and forms from any of their subcontractors subject to the LWO) to your department for further review. Once these forms are complete, <b>Continue onto #2</b> in this Section.				
	Employee Information Form (EIF) Subcontractor Information Form (SIF)	LW 6 – Employee Information Form AND LW 18 – Subcontractor Information Form <a href="http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm">http://bca.lacity.org/index.cfm?nxt=ee&amp;nxt_body=div_occ_lwo_forms.cfm</a>			
<b>2</b>	<b>THIS FORM IS NOW COMPLETE – PLEASE SUBMIT PAGES 1, 2, EIF and SIF TO OCC</b> once the contract has been executed.				



## ENDNOTES FOR LWO DEPARTMENTAL DETERMINATION FORM - LW-1

<sup>1</sup> **Less than three months OR less than \$25,000 - LAAC 10.37.1(j):** Service contracts or Authority for Expenditures that do not meet these thresholds are not categorically exempt from the LWO.

<sup>2</sup> **Governmental Entities – LAAC 10.37.1(g):** Agreements with governmental entities are exempt from the requirements of the LWO. If an agreement is exempt from the LWO because the contractor is a governmental entity, subcontractors performing work for the governmental entity on the agreement are also exempt.

<sup>3</sup> **Purchase of Goods, Property, or a Lease of Property with City as Lessee – LAAC 10.37.1(j):** Such contracts are categorically exempt from the LWO unless they include a service component that is more than just incidental. - "Incidental services" means services that are: (1) part of an agreement for which the primary purpose is to purchase or rent goods or equipment; and (2) performed on a non-recurring and irregular basis. Services are not incidental, even if the primary purpose of the agreement is to purchase goods or equipment, if the agreement provides that services are to be performed on a regular schedule, or if the awarding authority anticipates that services will be needed on a regular basis during the life of the agreement.

<sup>4</sup> **Construction contracts LAAC 10.37.1(j):** Construction contracts that do not conform to the definition of a service contract are categorically exempt from the LWO.

<sup>5</sup> **Business Improvement Districts (BID):** Service agreements funded with the BID's assessment monies are categorically exempt from the LWO (see also Regulation #11). Agreements to provide services related to a BID that are not funded with the BID's assessment money remain subject to the LWO unless they otherwise qualify for an exemption.

<sup>6</sup> **City Financial Assistance Below LWO Thresholds - LAAC 10.37.1(c):** Agreements that provide a contractor with City financial assistance intended to promote economic development or job growth are categorically exempt from the LWO if they do not meet either of the monetary thresholds described in the LWO.

Thus, such agreements are categorically exempt from the LWO if the assistance given in a 12-month period is below \$1,000,000 and less than \$100,000 per year on a continuing basis. Example: The City approves a loan to a contractor of \$5,000,000 for the development of shopping center that will create new jobs. The loan is for 20 years at an interest rate of 4%. At the time the awarding authority grants approval for the loan, the Applicable Federal Rate (AFR) referenced in the LWO is 4.6%.

This contract is not subject to the LWO because it does not meet the financial thresholds, as explained below:

The amount of financial assistance used to determine whether the contractor meets the LWO thresholds is amount the contractor saves in interest payments. To determine the amount of savings on interest payments (the financial assistance), the annual savings on interest rate is calculated as follows:

Financial Assistance = (Amount of Loan @ AFR) – (Amount of Loan @ City rate)

Financial Assistance = (\$5,000,000 x 4.6%) – (\$5,000,000 x 4%)

Financial Assistance = \$230,000 – \$200,000

Financial Assistance = \$30,000

Thus, the contractor receives \$30,000 in financial assistance per year for the next 20 years. This is less than \$1 Million in a year, and less \$100,000 per year on a continuing basis. Therefore, the contractor is exempt from the LWO. No approval from the OCC is required, and the awarding department may indicate this exemption on the Departmental Determination of Coverage form.

<sup>7</sup> **City Financial Assistance Recipient –** Means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of one million dollars (\$1,000,000) or more in any twelve-month period shall require compliance with this article for five years from the date such assistance reaches the one million dollar (\$1,000,000) threshold. For assistance in any twelve-month period totaling less than one million dollars (\$1,000,000) but at least one hundred thousand dollars (\$100,000), there shall be compliance for one year if at least one hundred thousand dollars (\$100,000) of such assistance is given in what is reasonably contemplated at the time to be on a continuing basis, with the period of compliance beginning when the accrual during such twelve-month period of such continuing assistance reaches the one-hundred thousand dollar (\$100,000) threshold.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. § 9 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.



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<sup>8</sup> **One-Person Contractor:** A contractor may apply for exemption under Section 10.37.1(f) of the LWO if that contractor has no employees. The one-person contractor shall submit an application for non-coverage or exemption to the awarding authority on the form referred to in Appendix A with the appropriate one-person contractor certification. If, subsequent to the approval of the exemption application, the contractor hires any employees, the exemption is no longer valid. Any employee the contractor hires becomes covered by the LWO to the extent that the employee performs work on the City agreement. In such cases, the contractor shall notify the awarding authority of the change in circumstances and submit to the awarding authority all the necessary forms to comply with the LWO reporting requirements, including the employee and subcontractor information forms.

<sup>9</sup> **Non-Profit 501(c)(3) Organizations:** A corporation claiming exemption under Section 10.37.1(g) of the LWO as a corporation organized under Section 501 (c)(3) of the United States Internal Revenue Code must provide the following additional documents in support of the application for exemption:

(A) A copy of the most recent IRS letter indicating that the contractor has been recognized as a non-profit corporation organized under section 501 (c)(3) of the United States Internal Revenue Code.

(B) An application for non-coverage or exemption, including the non-profit salary certification on the form referred to in Appendix A. The salary certification must list the salary of the corporation's chief executive officer (CEO), computed on an hourly basis, and the hourly wage rate of the lowest paid worker in the corporation. The salary of the CEO, when computed on an hourly basis, must be less than 8 times what the lowest paid worker is paid on an hourly basis. For purposes of this exemption, the "chief executive officer (CEO)" means the CEO of the 501(c)(3) corporation that entered into the agreement with the City, or the highest paid person employed by the corporation if the CEO is not the highest paid employee. The "lowest paid worker" refers to the lowest paid worker employed by the 501(c)(3) corporation that entered into the agreement with the City, regardless of whether the person works on the City agreement. In calculating the salary of the CEO and the wage rate of the lowest paid worker, the corporation may not include items such as cash allowances for car expenses, meals, parking, or the value of pension plan contributions.

Child care workers: Even if a corporation meets the requirements for exemption as a 501(c)(3) non-profit organization, if the corporation provides child care services as part of the City agreement or employs child care workers who will work on the City agreement, the corporation must pay all child care workers working on the subject agreement the required LWO wage rate. The LWO requirements regarding compensated and uncompensated days off are also applicable to those child care workers.

<sup>10</sup> **Grant-funded Services:** Agreements let by the City involving federal or state grant funds shall be subject to the LWO unless the grant-funding agency indicates in writing that the provisions of the Ordinances should not apply. The awarding authority shall provide a copy of grant-funding agency's determination to the OCC.

<sup>11</sup> **Occupational license - LAAC 10.37.1(f): Exemptions for Employees Requiring Occupational Licenses:** If an employer claims that the LWO does not apply to an employee pursuant to section 10.37.1(f) because an occupational license is required of the employee to perform the work, the employer shall submit to the awarding authority, along with the application for non-coverage or exemption, a list of the employees required to possess an occupational license, the type of occupational license required, and a copy of the occupational license itself. An exemption granted under this provision exempts only the employee who must possess an occupational license to perform work on the City agreement. If an occupational license is not required of an employee to perform the work, the employee remains covered by the LWO.

<sup>12</sup> **Exemption by Collective Bargaining Agreement – LAAC 10.37.12:** An employer subject to provisions of the LWO may, by collective bargaining agreement (CBA), provide that the CBA, during its term, shall supersede the requirements of the LWO for those employees covered by the CBA. The provisions of the LWO should not be interpreted to require an employer to reduce the wages and benefits required by a collective bargaining agreement. All parties to the CBA must specifically waive in full or in part the benefits required by the LWO. An employer applying for this exemption shall submit a copy of the CBA. If the CBA does not specifically indicate that the LWO has been superseded, the employer shall submit written confirmation from the union representing the employees working on the agreement that the union and the employer have agreed to let the CBA supersede the LWO.

(A) **Provisional Exemption from LWO during negotiation of CBA:** An employer subject to the LWO may apply for Provisional Exemption from the LWO if the employer can document that: (1) the union and the employer are currently engaged in negotiations regarding the terms of the CBA; and (2) the issue of allowing the CBA to supersede the LWO has been proposed as an issue to be addressed during the negotiations. If granted, Provisional Exemption status is valid until the end of the negotiation process, including, if applicable, impasse resolution proceedings. During the negotiation process, the employer shall provide, upon request from the OCC, status reports on the progress of negotiations. At the end of the negotiation process, the employer shall provide the OCC with a copy of the final CBA to verify whether the LWO has been superseded, and the effective dates of the CBA.

(i) If the final CBA signed by the employer and the union supersedes the LWO, the employer shall be considered to be exempt from the LWO's wage and benefits provisions for the time period covered by the effective dates of the superseding CBA. The employer remains subject to all applicable provisions of the LWO for the time period not covered by the superseding CBA. If the employer has not complied with the LWO requirements during the time period not covered by the

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superseding CBA, the employer shall be required to make retroactive corrections for any period of non-compliance, which may include making retroactive payments to affected employees for the relevant periods of non compliance.

(ii) If the final CBA signed by the employer and the union does not supersede the LWO, the employer shall be required to comply with all applicable LWO requirements, including the wage and benefits provisions. Compliance shall also be required retroactively to the date that the employer first became subject to the LWO. If necessary, the employer shall provide retroactive payments to affected employees for any time period during which the employer did not comply with the LWO.

<sup>13</sup> See Endnote #12

<sup>14</sup> **Small Business Exemptions for Public Lessees and Licensees – LAAC 10.37.1(i):** A public lessee or licensee claiming exemption from the LWO under section 10.37.1(i) shall submit the small business application for exemption form referred to in Appendix A along with supporting documentation to verify that it meets both of the following requirements:

(A) The lessee's or licensee's gross revenues from all business(es) conducted on the City premises for the calendar year prior to the date of the application for exemption do not exceed the gross annual revenue amount set by the LWO in Section 10.37.1(i). That gross revenue amount shall be adjusted annually according to the requirements of the LWO. The gross revenue amount used in evaluating whether the lessee or licensee qualifies for this exemption shall be the gross revenue amount in effect at the time the OCC receives the application for exemption.

A public lessee or licensee beginning its first year of operation on a specific City property will have no records of gross annual revenue on the City property. Under such circumstances, the lessee or licensee may qualify for a small business exemption by submitting proof of its annual gross revenues for the last tax year prior to application no matter where the business was located, and by satisfying all other requirements pursuant to these regulations and the LWO.

A lessee or licensee beginning its first year of operation as a business will have no records of gross annual revenue. Under such circumstances, the lessee or licensee may qualify for a small business exemption by satisfying all other requirements pursuant to these regulations and the LWO.

(B) The lessee or licensee employs no more than seven (7) employees.

(i) For purposes of this exemption, a lessee or licensee shall be deemed to employ a worker if the worker is an employee of a company or entity that is owned or controlled by the lessee or licensee, regardless of where the company or entity is located; or if the worker is an employee of a company or entity that owns or controls the lessee or licensee, regardless of where the company or entity is located.

Whether the lessee or licensee meets the seven (7) employee limit provided for in Section 10.37.1(i) of the LWO shall be determined using the total number of workers employed by all companies or businesses which the lessee or licensee owns or controls, or which own or control the lessee or licensee. Control means that one company owns a controlling interest in another company.

(ii) If a business operated by the lessee or licensee is part of a chain of businesses, the total number of employees shall include all workers employed by the entire chain of businesses unless the business operated by the lessee or licensee is an independently owned and operated franchise.

(iii) A public lessee or licensee shall be deemed to employ no more than seven (7) employees if its entire workforce (inclusive of those employees falling within the guidelines stated in subsections (i) and (ii) immediately above) worked an average of no more than 1,214 hours per month for at least three-fourths of the time period that the revenue limitation provided for in section 10.37.1(i) is measured.

Until the OCC approves the application for exemption, the lessee or licensee shall be subject to the LWO and shall comply with its requirements. If the OCC approves the application, the lessee or licensee shall be exempt from the requirements of the LWO for a period of two years from the date of the approval. The exemption will expire two years from the date of approval, but may be renewable in two-year increments upon meeting the requirements.

<sup>15</sup> See Endnote #12

<sup>16</sup> See Endnote #9

<sup>17</sup> **CFAR: First Year Financial Assistance Recipients – 10.37.1(c):** A first-year City financial assistance recipient (CFAR) applying for exemption under Section 10.37.1(c) of the LWO shall submit proof of its start up date and workforce documentation with its application for exemption. If the OCC grants an exemption on this basis, the first year CFAR is exempt from the LWO for a period of one year from the date the exemption is approved.

<sup>18</sup> **CFAR: Employing Fewer Than Five Employees – 10.37.1(c):** A City financial assistance recipient (CFAR) claiming exemption on the basis that it employs fewer than five (5) employees for each working day in each of twenty (20) or more calendar weeks in the current or preceding calendar year shall submit with its application for exemption payroll registers for that twenty (20) week period to verify eligibility.

<sup>19</sup> **CFAR: Hardship waivers for job training and preparation programs –10.37.1(c):** A City financial assistance recipient (CFAR) that employs the longterm unemployed or provides trainee positions intended to prepare employees for

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permanent positions may request an economic hardship waiver pursuant to Section 10.37.1(c). The CFAR must submit to the awarding authority documentation of the program's demonstrated and projected results and the potential adverse impact due to compliance with this article. The awarding authority will forward the documentation and its recommendation to the City Council for consideration. A copy of such a recommendation shall be forwarded to the OCC.

<sup>20</sup> **CFAR: Employee Exemption – 10.37.1(c):** A City financial assistance recipient (CFAR) that claims exemption pursuant to Section 10.37.1(e) for its employees who expend less than half of their time on the City funded project or the employees of its service contractor, if any, who expend less than half of their time on the premises of the CFAR directly involved with the activities funded by the City, shall be responsible for maintaining records of applicable hours and descriptions of work performed to substantiate the exemption.