



KAREN BASS
MAYOR

EXECUTIVE DIRECTIVE NO. 20

Issue Date: April 30, 2026

Subject: Strengthening Second Chance Employment Through City Contracting

INTRODUCTION

The City of Los Angeles is committed to promoting economic opportunities for all Angelenos. High-quality jobs—those that offer competitive wages and robust professional development opportunities—make our city safer and more resilient. To expand access to these opportunities, the City leverages its hiring, procurement, and contracting powers.

Each year, the City invests significant resources contracting with private firms to procure services, equipment, and goods. We must strategically use these funds to foster a just and inclusive economy that directly benefits Angelenos. This includes providing second chance employment opportunities for community members who have been impacted by the justice system. High-quality jobs reduce recidivism, champion human dignity, create new possibilities, and provide the stability from which our residents build purposeful lives.

In the pursuit of this endeavor, the City has adopted landmark workforce and local hire policies:

First Source Hiring Ordinance

Adopted in 2007 and further amended in 2016, the First Source Hiring Ordinance applies to City contracts exceeding \$25,000. Contractors are required to notify the Economic and Workforce Development Department (EWDD) or successor department of upcoming employment opportunities, allowing our City's WorkSource Centers to provide a pipeline of qualified local candidates. Our WorkSource Centers provide critical services that support community members who have been impacted by the justice system.

Fair Chance Initiative for Hiring Ordinance

In 2016, the City of Los Angeles adopted the Fair Chance Initiative for Hiring Ordinance (also known as Ban the Box), which prohibits City contractors and subcontractors from inquiring into or seeking a job applicant's criminal history unless and until a conditional offer of employment has been made.

Targeted Local Hire Program

Established in 2017, the Targeted Local Hire Program expands access to stable, full-time City employment for residents facing barriers to traditional hiring, including justice-impacted individuals, veterans, foster youth, people experiencing homelessness, and residents from high-unemployment communities, by providing an alternative pathway into entry-level Civil Service positions through job readiness assessments, referral partnerships, and paid on-the-job training.

Local Business Preference Program

In 2021, the Local Business Preference Program was designed to offset disadvantages faced by local firms that competed with other entities in jurisdictions with lower labor and business costs. The program offers a preference to certified local small businesses and local transitional employers, the latter of which supports individuals overcoming barriers to employment, including a history of involvement with the criminal justice system.

All City Departments and offices with contracting authority are mandated to incorporate these policies into their procurement documents and contracts.

Effective governance requires that we periodically revisit our existing policies to ensure that they are consistently implemented and administered. The task before us is to further refine existing legal obligations, rather than introduce new ones. Moreover, it is our responsibility to provide clear guidance to our departments and bidders alike, clarifying our workforce requirements and procurement preferences.

Enhancing coordination, reporting, and administrative procedures will allow us to better implement our existing policies and identify opportunities to improve performance. In doing so, we will maximize the impact of our contractual spending and deliver a Los Angeles that works for all. Therefore, I hereby direct all City departments and offices with contracting authority to take all necessary steps to strengthen implementation and compliance with the First Source Hiring Ordinance and Fair Chance Initiative for Hiring Ordinance in order to maximize employment opportunities for justice-impacted and other underserved residents.

A. FIRST SOURCE HIRING ORDINANCE COMPLIANCE

1. All General Managers and awarding authorities shall submit quarterly reports to the Bureau of Contract Administration (BCA) and the Mayor's Office identifying:
 - a. Contracts executed during the reporting period that are subject to the First Source Hiring Ordinance;
 - b. Each contractor's compliance status based on available documentation and departmental oversight, including the number of jobs posted and referred to the EWDD or successor department; and
 - c. Anticipated upcoming contracting opportunities in the subsequent quarter that may be subject to the Ordinance.

Such reports shall be submitted in a form and manner prescribed by the BCA and the Mayor's Office to support monitoring, accountability, and expanded access to employment opportunities.

2. Within thirty days of this Directive, each General Manager shall designate a departmental lead responsible for coordinating implementation and compliance efforts.
3. The BCA, in coordination with the Office of Procurement, shall, consistent with its authority under the Los Angeles Administrative Code:
 - a. Update standardized administrative guidance to awarding authorities to support consistent implementation of the First Source Hiring Ordinance, including:
 - i. Incorporation of applicable requirements into procurement documents (including RFPs, RFQs, and bid specifications);
 - ii. Recommended procedures for documenting contractor notification to the EWDD or successor department of applicable job opportunities before contract execution; and
 - iii. Guidance on compliance verification at appropriate stages of the procurement and contracting process.
 - b. Develop a standardized process and template for quarterly reporting by awarding authorities that includes:
 - i. Contracts executed during the reporting period subject to the ordinance;
 - ii. Reported compliance status based on available documentation, including the number of jobs reported by the contractor and referred to EWDD or successor department; and
 - iii. Anticipated upcoming awarding opportunities subject to the ordinance.
 - c. Monitor compliance of the First Source Hiring Ordinance by reviewing the quarterly reports from the awarding authorities and reporting potential non-compliance to the awarding authorities and the Mayor's Office at least on a semi-annual basis.
 - d. Provide annual training on the First Source Hiring Ordinance compliance requirements for City departments and awarding authorities.
4. Within ninety days of this Directive, the City Administrative Officer (CAO), through the Office of Procurement, in coordination with the Information Technology Agency (ITA), shall take all necessary steps to revise the City's procurement and contracting processes and electronic systems, including the Regional Alliance Marketplace for Procurement (RAMP), to ensure that contracts subject to the First Source Hiring Ordinance are not executed unless contractors have complied with applicable requirements to provide timely notice of job opportunities to the EWDD or successor department. Such revisions shall include mechanisms to verify compliance prior to contract execution and support consistent enforcement across City departments.

5. The EWDD or successor department shall report quarterly to the BCA and the Mayor's Office on WorkSource Center performance related to candidate referrals for opportunities under the First Source Hiring Ordinance, including tracking referrals and employer engagement, consistent with existing program authority.

B. PROCUREMENT AND OUTREACH COORDINATION

1. Within ninety days of this Directive, the BCA and the CAO shall:
 - a. Identify opportunities to improve awareness of First Source Hiring Ordinance requirements and Local Transitional Employer Certification Program preferences within existing procurement processes;
 - b. Provide recommendations to integrate such information into procurement materials, bidder outreach, and pre-bid or pre-proposal processes, consistent with applicable authority; and
 - c. Coordinate with contracting departments to support consistent communication of applicable workforce requirements to prospective bidders and contractors.

C. WORKFORCE SYSTEM COORDINATION AND PROGRAM EXPANSION

1. The EWDD or successor department shall develop and implement, within existing resources, a model for WorkSource and YouthSource Centers to designate a Re-Entry Coordinator or similar staff function to support job referrals and increase enrollment of individuals with justice system involvement in city workforce development services.

D. SMALL AND LOCAL BUSINESS OUTREACH

1. The EWDD or successor department, through its BusinessSource and WorkSource Center systems and in coordination with the BCA) and CAO, shall:
 - a. Establish an annual target for the number of employers certified as Local Transitional Employers, and report progress annually to the Mayor's Office;
 - b. Expand outreach and education efforts to small businesses, non-profits, and entrepreneurs, including those with barriers to employment, regarding:
 - i. Participation in City contracting opportunities;
 - ii. The Local Transitional Employer Certification Program; and
 - iii. Workforce-related requirements applicable to City contracts;
 - c. Provide technical assistance, within existing resources, to support participation in City procurement processes.
2. The CAO, in coordination with ITA, shall utilize RAMP to notify the EWDD or successor department of procurement opportunities associated with the LA28 Olympic and Paralympic Games as they become available for bid. The EWDD or successor department, in coordination with BCA, shall establish mechanisms, consistent with existing authority, to notify small businesses registered with the City's BusinessSource Centers of such opportunities to support broader access and participation.

E. TARGETED LOCAL HIRE PROGRAM

1. The Personnel Department shall evaluate additional classifications to be incorporated into the Targeted Local Hire Program and report back to the Mayor and Council with recommendation to expand this program.

Executed on this 30th day of April, 2026



KAREN BASS
Mayor