

1777--A

2013-2014 Regular Sessions

I N   S E N A T E

(PREFILED)

January 9, 2013

---

Introduced by Sen. CARLUCCI -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation -- recommitted to the Committee on Transportation in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public authorities law, in relation to directing the metropolitan transportation authority to contract for the provision of an independent forensic audit of such authority; and providing for the repeal of such provisions upon expiration thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The public authorities law is amended by adding a new  
2     section 1265-c to read as follows:  
3     S 1265-C. INDEPENDENT FORENSIC AUDIT. 1. THE AUTHORITY SHALL, WITHIN  
4     SIXTY DAYS OF THE EFFECTIVE DATE OF THIS SECTION, CONTRACT WITH A CERTI-  
5     FIED PUBLIC ACCOUNTING FIRM FOR THE PROVISION OF AN INDEPENDENT, COMPRE-  
6     HENSIVE, FORENSIC AUDIT OF THE AUTHORITY. SUCH AUDIT SHALL BE PERFORMED  
7     IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS.  
8     SUCH AUDIT SHALL BE INDEPENDENT OF AND IN ADDITION TO THE INDEPENDENT  
9     AUDIT OF THE AUTHORITY CONDUCTED PURSUANT TO SECTION TWENTY-EIGHT  
10    HUNDRED TWO OF THIS CHAPTER.  
11    2. THE CERTIFIED INDEPENDENT PUBLIC ACCOUNTING FIRM PROVIDING THE  
12    AUTHORITY'S INDEPENDENT, COMPREHENSIVE, FORENSIC AUDIT SHALL BE PROHIB-  
13    ITED IN PROVIDING AUDIT SERVICES IF THE LEAD (OR COORDINATING) AUDIT  
14    PARTNER (HAVING PRIMARY RESPONSIBILITY FOR THE AUDIT), OR THE AUDIT  
15    PARTNER RESPONSIBLE FOR REVIEWING THE AUDIT, HAS PERFORMED AUDIT  
16    SERVICES FOR THE AUTHORITY WITHIN ANY OF THE TEN PREVIOUS FISCAL YEARS  
17    OF THE AUTHORITY.

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

LBD05309-02-4

1 3. THE CERTIFIED INDEPENDENT ACCOUNTING FIRM PERFORMING THE AUDIT  
2 PURSUANT TO THIS SECTION SHALL BE PROHIBITED FROM PERFORMING ANY NON-AU-  
3 DIT SERVICES FOR THE AUTHORITY CONTEMPORANEOUSLY WITH THE AUDIT.

4 4. IT SHALL BE PROHIBITED FOR THE CERTIFIED INDEPENDENT PUBLIC  
5 ACCOUNTING FIRM TO PERFORM FOR THE AUTHORITY ANY AUDIT SERVICE IF THE  
6 CHIEF EXECUTIVE OFFICER, COMPTROLLER, CHIEF FINANCIAL OFFICER, CHIEF  
7 ACCOUNTING OFFICER OR ANY OTHER PERSON SERVING IN AN EQUIVALENT POSITION  
8 IN THE AUTHORITY WAS EMPLOYED BY THAT CERTIFIED INDEPENDENT PUBLIC  
9 ACCOUNTING FIRM AND PARTICIPATED IN ANY CAPACITY IN THE AUDIT OF THE  
10 AUTHORITY AT ANY TIME IN THE PAST.

11 5. THE CERTIFIED INDEPENDENT PUBLIC ACCOUNTING FIRM CONTRACTED TO  
12 PERFORM THE INDEPENDENT COMPREHENSIVE, FORENSIC AUDIT OF THE AUTHORITY  
13 SHALL, ON OR BEFORE JANUARY FIRST, TWO THOUSAND SIXTEEN, REPORT ITS  
14 FINDINGS, CONCLUSIONS AND RECOMMENDATIONS TO THE GOVERNOR, THE STATE  
15 COMPTROLLER, THE TEMPORARY PRESIDENT OF THE SENATE, THE SPEAKER OF THE  
16 ASSEMBLY, THE CHAIR AND RANKING MINORITY MEMBER OF THE SENATE FINANCE  
17 COMMITTEE, THE CHAIR AND RANKING MINORITY MEMBER OF THE ASSEMBLY WAYS  
18 AND MEANS COMMITTEE, THE CHAIRS AND RANKING MINORITY MEMBERS OF THE  
19 SENATE AND THE ASSEMBLY CORPORATIONS, AUTHORITIES AND COMMISSIONS  
20 COMMITTEES, AND THE CHAIRS AND RANKING MINORITY MEMBERS OF THE SENATE  
21 AND THE ASSEMBLY TRANSPORTATION COMMITTEES.

22 S 2. This act shall take effect immediately, and shall expire and be  
23 deemed repealed January 2, 2016.