

# STATE OF NEW YORK

1338--A

2021-2022 Regular Sessions

## IN ASSEMBLY

January 8, 2021

Introduced by M. of A. MAGNARELLI, STECK, COOK, BRONSON, BARNWELL, BURDICK, SEPTIMO -- Multi-Sponsored by -- M. of A. ENGLEBRIGHT, GALEF, SIMON, WOERNER -- read once and referred to the Committee on Labor -- recommitted to the Committee on Labor in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the labor law, in relation to establishing a registration system for contractors and subcontractors engaged in public work and covered projects in order to better enforce existing labor laws and regulations in the public works industry

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The labor law is amended by adding a new section 220-i to  
2 read as follows:

3 § 220-i. Registration system for contractors and subcontractors. 1.  
4 As used in this section:

5 a. "Contractor" means any contractor or subcontractor entering into a  
6 contract to perform construction, demolition, reconstruction, exca-  
7 vation, rehabilitation, repair, installation, renovation, alteration, or  
8 custom fabrication, which is subject to the provisions of this article.

9 b. "Bureau" means the department's bureau of public works.

10 c. "Covered project" means any project subject to the provisions of  
11 this article, including but not limited to, public work projects and  
12 those subject to the provisions of sections two hundred twenty-four-a  
13 and two hundred twenty-four-d of this article.

14 2. a. Prior to submitting a bid on a contract for public work or  
15 commencing work on a covered project under private contract, a contrac-  
16 tor shall register in writing with the bureau on a form provided by the  
17 commissioner. The form shall require the following information:

18 i. The name, principal business address and telephone number of the  
19 contractor.

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

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1 ii. Whether the contractor is a person, partnership, association,  
2 joint stock company, trust, corporation, or other form of business enti-  
3 ty.

4 iii. The name and address of each person with a financial interest in  
5 the contractor and the percentage interest, except that if the contrac-  
6 tor is a publicly-traded corporation, the contractor shall supply the  
7 names and addresses of the corporation's officers.

8 iv. The contractor's tax identification number, unemployment insurance  
9 registration number, and workers' compensation board employee number.

10 v. Whether the contractor has any outstanding wage assessments against  
11 it, pursuant to this article.

12 vi. Whether the contractor has been debarred under New York or federal  
13 law within the last ten years.

14 vii. Whether the contractor has been debarred pursuant to the laws of  
15 any other state within the last ten years.

16 viii. Whether the contractor has been finally determined by the appro-  
17 priate authority to have violated any labor laws or employment tax laws  
18 including, but not limited to, the requirement to have workers' compen-  
19 sation coverage, payment of workers' compensation premiums, deduction  
20 and payment of income taxes, payment of unemployment insurance contrib-  
21 utions or payment of prevailing wage.

22 ix. Whether the contractor has been finally determined by the appro-  
23 priate authority to have violated any laws establishing workplace safety  
24 standards including the federal Occupational Safety and Health Act.

25 x. Whether or not the contractor is associated, or a signatory to, an  
26 apprenticeship program under article twenty-three of this chapter. If  
27 so, the apprenticeship program shall be provided by the contractor.

28 xi. Whether or not the contractor is a minority or women-owned busi-  
29 ness enterprise pursuant to the provisions of article fifteen-A of the  
30 executive law.

31 b. At the time of registration, and upon request, the contractor shall  
32 submit to the commissioner documentation demonstrating that the contrac-  
33 tor has workers' compensation insurance coverage for all workers as  
34 required by law, including any and all declarations and information  
35 pages related to such policy which shall be electronically accessible  
36 and searchable to the public, provided however, that in no event shall a  
37 worker's name or other personal identifying information be included in  
38 such database. This information shall be made readily available to the  
39 public by the bureau within forty-eight hours of the initial public  
40 request.

41 3. The contractor shall pay a non-refundable registration fee of two  
42 hundred dollars to the commissioner which shall be paid to the general  
43 fund. The commissioner, through regulations, shall reduce the registra-  
44 tion fee associated with minority or women-owned business enterprises in  
45 order to promote the use of such businesses on covered projects.

46 4. Unless, following notice and a hearing, the bureau determines a  
47 contractor unfit to be registered, the commissioner shall issue a  
48 certificate of registration to the contractor upon receipt of the fee,  
49 form and documentation required by this section. A registration certif-  
50 icate shall be valid for two calendar years from the date of registra-  
51 tion. Registrations may be renewed not less than thirty days before the  
52 expiration date of the immediately preceding registration. The commis-  
53 sioner shall promulgate regulations to determine under what circum-  
54 stances a contractor would be unfit to be registered pursuant to this  
55 section. The notice to a contractor initially determined by the commis-  
56 sioner to be unfit based upon the registration application shall be in

1 writing, shall not be conclusory, and shall state the factual basis upon  
2 which the determination is based. Any documents, reports, or information  
3 that form a basis for such determination shall be provided to the  
4 contractor no less than ten days before the hearing. For purposes of  
5 this subdivision, the term "unfit" shall mean a contractor who the  
6 commissioner determines to be unable to lawfully adhere to contractual  
7 obligations of this article and responsibilities including prevailing  
8 wage requirements pursuant to this article. Such determination shall be  
9 based on a clearly documented history, official record of past dealings,  
10 or a present demonstrable inability to lawfully adhere to such obli-  
11 gations and responsibilities.

12 5. No contractor shall bid on a contract for public work unless they  
13 and all subcontractors listed in the bid, in addition to any subcontrac-  
14 tors associated with wage and/or fringe benefit payments to employees on  
15 the public work project, are registered pursuant to this section.  
16 Further, each contractor must submit their certificate of registration  
17 as well as all certificates of registration for any and all subcontrac-  
18 tors for such contract at the time the bid is made. Applications for  
19 registration shall not be accepted as a substitute for a certificate of  
20 registration for the purposes of this section. For covered projects  
21 performed under private contract, the owner or developer of such project  
22 must ensure that any contractor which it hires, or subcontractor that is  
23 hired, to perform work on such project is registered pursuant to this  
24 section.

25 6. a. A contractor who knowingly bids on a contract for public work  
26 without registering, or knowingly submits a bid with subcontractors that  
27 are not registered pursuant to subdivision five of this section shall,  
28 after notice and a hearing, be subject to a civil penalty of up to one  
29 thousand dollars. For covered projects performed under private  
30 contract, an owner or developer who knowingly commences work with a  
31 contractor or subcontractor that is not registered pursuant to subdivi-  
32 sion five of this section shall, after notice and hearing, be subject to  
33 a civil penalty of up to one thousand dollars. A contractor who knowingly  
34 commences work on a covered project without registering or knowingly  
35 contracts with an unregistered subcontractor for work on a covered  
36 project shall, after notice and hearing be subject to a civil penalty of  
37 up to one thousand dollars. Any subcontractor who knowingly commences  
38 work on any covered project without registering shall, after notice and  
39 hearing, be subject to a civil penalty of up to one thousand dollars.

40 b. The commissioner may revoke or suspend a registration if a contrac-  
41 tor or subcontractor has been finally determined to be in violation of  
42 the prevailing wage requirements of this article.

43 c. Nothing in this section shall be construed to limit or supersede  
44 the authority of any state or municipal entity to enforce existing labor  
45 laws, safety standards, regulations, codes or any other existing laws  
46 relative to public work.

47 d. A registration pursuant to this section is not necessary for a bid  
48 or work on a contract for public work and penalties pursuant to this  
49 section shall not apply when a state of emergency is declared pursuant  
50 to section twenty-four of the executive law, when the governor declares  
51 a disaster emergency pursuant to section twenty-eight of the executive  
52 law, or when the President issues a major disaster or emergency declara-  
53 tion and such work arises from or is in connection with the actual or  
54 impending declared emergency or disaster or pursuant to an emergency  
55 construction contract, or other contract entered into due to an urgent  
56 and unexpected event where public safety or the conservation of public

1 resources is at risk, as authorized by law, including but not limited to  
2 the public buildings law, the state finance law, the general municipal  
3 law, or the public authorities law.

4 7. The department shall establish and maintain an online system to  
5 make available all registrations and disclosures required by this  
6 section.

7 8. The department shall prescribe regulations necessary to carry out  
8 the provisions of this section within one hundred eighty days after its  
9 effective date.

10 § 2. This act shall take effect immediately, provided however, subdi-  
11 visions one through six of section 220-i of the labor law as added by  
12 section one of this act shall take effect one year after such date.