

# STATE OF NEW YORK

7385

2023-2024 Regular Sessions

## IN SENATE

May 22, 2023

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to exempting certain public construction projects from certain restrictions

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

1 Section 1. Subparagraphs (A) and (B) of paragraph 2 of subdivision (a)  
2 of section 2504 of the insurance law are amended, and a new subparagraph  
3 (C) is added to read as follows:

4 (A) a public corporation or public authority created pursuant to  
5 agreement or compact with another state, [~~or~~]

6 (B) the city of New York, a public corporation or public authority, in  
7 connection with the construction of electrical generating and trans-  
8 mission facilities or construction, extensions and additions of light  
9 rail or heavy rail rapid transit and commuter railroads[~~-~~], or

10 (C) the city of New York, the city school district of the city of New  
11 York, the New York city industrial development agency, the New York city  
12 health and hospitals corporation, or the New York city housing authori-  
13 ty, in connection with a contract the principal purpose of which is  
14 construction that (i) has an estimated cost of no less than five million  
15 dollars or (ii) is subject to an owner-controlled insurance program for  
16 projects, provided that any contract undertaken pursuant to this subpar-  
17 agraph that has an estimated cost of five million dollars or more may  
18 only be undertaken pursuant to a project labor agreement as such term is  
19 defined in section two hundred twenty-two of the labor law.

20 § 2. A report shall be submitted no later than September 30, 2024 and  
21 annually thereafter, to the governor, the temporary president of the  
22 senate and the speaker of the assembly by the city of New York on behalf  
23 of its agencies, the New York city housing authority, the city school  
24 district of the city of New York, the New York city industrial develop-  
25 ment agency, and the New York city health and hospitals corporation

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

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1 containing information regarding each contract subject to an insurance  
2 program authorized pursuant to this act. Such report shall include for  
3 each contract awarded in the preceding fiscal year: a description of  
4 the project to be implemented by such contract; information regarding  
5 the procurement process for each such contract, including the list of  
6 responding entities that demonstrated the general capability to perform  
7 such contract, to the extent such contract was awarded on a best-value  
8 basis or such a list is otherwise available; the total award value of  
9 each contract; and an explanation of the estimated savings resulting  
10 from using owner-controlled or contractor-controlled insurance in  
11 conjunction with such contract. Such report shall also include for each  
12 contract concluding in the preceding fiscal year: a description of the  
13 dispute resolution processes used for insurance or liability disputes  
14 arising during such contract's performance, to the extent not legally  
15 privileged; the total cost of such contract; a comparative description  
16 of work site safety relative to similar construction projects not  
17 subject to an insurance program authorized under this act; the partic-  
18 ipation rate of and total dollar value of monies paid to minority- and  
19 women-owned business enterprises, emerging business enterprises, and  
20 locally-based business enterprises certified pursuant to section 1304 of  
21 the New York city charter under such contracts, and a separate listing  
22 of the participation rate of and total dollar value of monies paid to  
23 minority- and women-owned business enterprises, emerging business enter-  
24 prises, and locally-based business enterprises for projects using  
25 contractor-controlled insurance that cost no less than five million  
26 dollars and no more than twenty-five million dollars.

27 § 3. This act shall take effect immediately.