

STATE OF NEW YORK

298

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. CRUZ, SIMONE -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the public officers law, in relation to prohibiting reimbursement of campaign and political committees and legal defense funds for defense costs incurred on behalf of state employees

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

1 Section 1. Subdivision 2 of section 19 of the public officers law, as
2 amended by chapter 769 of the laws of 1985, is amended to read as
3 follows:

4 2. (a) Upon compliance by the employee with the provisions of subdivi-
5 sion three of this section, and subject to the restrictions set forth in
6 paragraph (b) of this subdivision and the conditions set forth in para-
7 graph [~~(b)~~] (c) of this subdivision, it shall be the duty of the state
8 to pay reasonable attorneys' fees and litigation expenses incurred by or
9 on behalf of an employee in [~~his or her~~] such employee's defense of a
10 criminal proceeding in a state or federal court arising out of any act
11 which occurred while such employee was acting within the scope of [~~his~~]
12 such employee's public employment or duties upon [~~his~~] such employee's
13 acquittal or upon the dismissal of the criminal charges against [~~him~~]
14 the employee or reasonable attorneys' fees incurred in connection with
15 an appearance before a grand jury which returns no true bill against the
16 employee where such appearance was required as a result of any act which
17 occurred while such employee was acting within the scope of [~~his~~] the
18 employee's public employment or duties unless such appearance occurs in
19 the normal course of the public employment or duties of such employee.

20 (b) No reimbursement shall be paid pursuant to this section to any
21 campaign or political committee or legal defense fund that pays all or
22 any portion of an employee's reasonable attorneys' fees and/or liti-
23 gation expenses. Reimbursements received pursuant to this section by the

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

LBD00162-01-5

1 employee or their legal counsel shall not be paid by such employee or
2 legal counsel to a campaign or political committee or legal defense
3 fund. Furthermore, an employee on whose behalf a legal defense fund or
4 legal defense funds have been established shall not be eligible for
5 reimbursement pursuant to this section until all moneys in such fund or
6 funds have been expended for the employee's reasonable attorneys' fees
7 and/or litigation expenses. Prior to reimbursement being issued, an
8 employee and their legal counsel shall certify to both the attorney
9 general and the comptroller that there are no funds remaining in any
10 legal defense fund established on behalf of the employee and that no
11 monies requested pursuant to this section will be used to reimburse a
12 campaign or political committee or legal defense fund.

13 (c) Upon the application for reimbursement for reasonable attorneys'
14 fees or litigation expenses or both made by or on behalf of an employee
15 as provided in subdivision three of this section, the attorney general
16 shall determine, based upon [~~his~~] their investigation and [~~his~~] their
17 review of the facts and circumstances, whether such reimbursement shall
18 be paid. The attorney general shall notify the employee in writing of
19 such determination. Upon determining that such reimbursement should be
20 provided, the attorney general shall so certify to the comptroller. Upon
21 such certification, reimbursement shall be made for such fees or
22 expenses or both upon the audit and warrant of the comptroller. On or
23 before January fifteenth the comptroller, in consultation with the
24 department of law and other agencies as may be appropriate, shall submit
25 to the governor and the legislature an annual accounting of judgments,
26 settlements, fees, and litigation expenses paid pursuant to this section
27 during the preceding and current fiscal years. Such accounting shall
28 include, but not be limited to the number, type and amount of claims so
29 paid, as well as an estimate of claims to be paid during the remainder
30 of the current fiscal year and during the following fiscal year. Any
31 dispute with regard to entitlement to reimbursement or the amount of
32 litigation expenses or the reasonableness of attorneys' fees shall be
33 resolved by a court of competent jurisdiction upon appropriate motion or
34 by way of a special proceeding.

35 § 2. Subdivision 2 of section 17 of the public officers law, as added
36 by chapter 466 of the laws of 1978 and paragraph (a) as amended by chap-
37 ter 768 of the laws of 1985, is amended to read as follows:

38 2. (a) Upon compliance by the employee with the provisions of subdivi-
39 sion four of this section, the state shall provide for the defense of
40 the employee in any civil action or proceeding in any state or federal
41 court arising out of any alleged act or omission which occurred or is
42 alleged in the complaint to have occurred while the employee was acting
43 within the scope of [~~his~~] the employee's public employment or duties; or
44 which is brought to enforce a provision of section nineteen hundred
45 eighty-one or nineteen hundred eighty-three of title forty-two of the
46 United States code and the act or omission underlying the action
47 occurred or is alleged in the complaint to have occurred while the
48 employee was acting within the scope of [~~his~~] the employee's public
49 employment or duties. This duty to provide for a defense shall not
50 arise where such civil action or proceeding is brought by or on behalf
51 of the state.

52 (b) Subject to the conditions set forth in paragraph (a) of this
53 subdivision, the employee shall be entitled to be represented by the
54 attorney general, provided, however, that the employee shall be entitled
55 to representation by private counsel of [~~his~~] the employee's choice in
56 any civil judicial proceeding whenever the attorney general determines

1 based upon [~~his~~] their investigation and review of the facts and circum-
2 stances of the case that representation by the attorney general would be
3 inappropriate, or whenever a court of competent jurisdiction, upon
4 appropriate motion or by a special proceeding, determines that a
5 conflict of interest exists and that the employee is entitled to be
6 represented by private counsel of [~~his~~] the employee's choice. The
7 attorney general shall notify the employee in writing of such determi-
8 nation that the employee is entitled to be represented by private coun-
9 sel. The attorney general may require, as a condition to payment of the
10 fees and expenses of such representation, that appropriate groups of
11 such employees be represented by the same counsel. If the employee or
12 group of employees is entitled to representation by private counsel
13 under the provisions of this section, the attorney general shall so
14 certify to the comptroller. Reasonable attorneys' fees and litigation
15 expenses shall be paid by the state to such private counsel from time to
16 time during the pendency of the civil action or proceeding subject to
17 certification that the employee is entitled to representation under the
18 terms and conditions of this section by the head of the department,
19 commission, division, office or agency in which such employee is
20 employed [~~and~~] upon the audit and warrant of the comptroller, and
21 subject to the restrictions set forth in paragraph (c) of this subdivi-
22 sion. Any dispute with respect to representation of multiple employees
23 by a single counsel or the amount of litigation expenses or the reason-
24 ableness of attorneys' fees shall be resolved by the court upon motion
25 or by way of a special proceeding.

26 (c) No funds shall be paid pursuant to this section to any campaign or
27 political committee or legal defense fund. Funds received pursuant to
28 this section by the employee or their legal counsel shall not be paid by
29 such employee or legal counsel to a campaign or political committee or
30 legal defense fund. Furthermore, an employee on whose behalf a legal
31 defense fund or legal defense funds have been established, shall not be
32 eligible for payment pursuant to this section until all moneys in such
33 fund or funds have been expended for the employee's reasonable attor-
34 neys' fees and/or litigation expenses. Prior to payment being issued, an
35 employee and their legal counsel shall certify to both the attorney
36 general and the comptroller that there are no funds remaining in any
37 legal defense fund established on behalf of the employee and that no
38 monies requested pursuant to this section will be used to reimburse a
39 campaign or political committee or legal defense fund.

40 (d) Where the employee delivers process and a request for a defense to
41 the attorney general as required by subdivision four of this section,
42 the attorney general shall take the necessary steps including the
43 retention of private counsel under the terms and conditions provided in
44 paragraph (b) of subdivision two of this section on behalf of the
45 employee to avoid entry of a default judgment pending resolution of any
46 question pertaining to the obligation to provide for a defense.

47 § 3. This act shall take effect immediately and shall apply to any
48 pending claim not paid by the state before such effective date, and to
49 any new claim submitted to the state on or after such effective date.