

STATE OF NEW YORK

7730

2025-2026 Regular Sessions

IN SENATE

May 2, 2025

Introduced by Sen. BASKIN -- read twice and ordered printed, and when printed to be committed to the Committee on Procurement and Contracts

AN ACT to amend the state finance law, in relation to requiring construction contracts entered into by the state include a provision on the spending of discretionary funding

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

1 Section 1. The state finance law is amended by adding a new section
2 136-e to read as follows:

3 § 136-e. Discretionary spending for construction contracts. 1. For the
4 purposes of this section, the following terms shall have the following
5 meanings:

6 (a) "Discretionary spending" shall mean soft costs and non-construc-
7 tion specific materials, including, but not limited to:

8 (i) office supplies;

9 (ii) catering;

10 (iii) maintenance materials; and

11 (iv) vendor services.

12 (b) "Professional firm" shall mean any individual or sole proprietor-
13 ship, partnership, corporation, association or other legal entity
14 permitted by law to practice the profession of construction.

15 (c) "Small business" shall have the same meaning as such term is
16 defined in section one hundred thirty-one of the economic development
17 law.

18 (d) "State department" shall mean state government departments, divi-
19 sions or commissions empowered by the state to enter into contractual
20 agreements on behalf of the state of New York.

21 2. It is the policy of New York state to negotiate contracts for
22 constructions on the basis that such professional firms spend five
23 percent of such contract on discretionary spending to support local
24 small businesses.

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

LBD11688-01-5

1 3. All professional firms prior to entering into a contract with a
2 state department shall submit to such state department a spending plan
3 accounting for discretionary spending by such professional firm during
4 the course of the contract. The spending plan shall require that all
5 discretionary spending be spent on small businesses within a ten-mile
6 radius of the construction site and such spending plan shall account for
7 five percent of the total cost of contract.

8 § 2. This act shall take effect immediately and shall only apply to
9 contracts executed on or after such effective date.