S T A T E  O F  N E W  Y O R K

8561--B

2009-2010 Regular Sessions

I N  A S S E M B L Y

May 28, 2009

Introduced by M. of A. HOYT, JAFFEE -- (at request of the State Comptroller) -- read once and referred to the Committee on Local Governments -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Local Governments in accordance with Assembly Rule 3, sec. 2 -- reported and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, in relation to audits by the state comptroller of certain organizations controlled by local government entities (Part A); to amend the general municipal law, in relation to acquisition and use of credit cards by local governments; and to amend the local finance law, in relation to credit card agreements by municipalities and school districts (Part B); to amend the general municipal law and the executive law, in relation to procurements by local governments (Part C); and to amend the local finance law, in relation to making technical amendments to the time frame within which a governing board of certain municipalities or school districts must act with respect to recommendations to the proposed budget (Part D)

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

Section 1. This act enacts into law major components of legislation which relate to enhanced accountability and transparency by the mandate relief for local governments. Each component is wholly contained within a Part identified as Parts A through D. The effective date for each particular provision contained within such Part is set forth in the last section of such Part. Any provision in any section contained within a Part, including the effective date of the Part, which makes reference to a section "of this act", when used in connection with that particular

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

LBD10318-04-0

component, shall be deemed to mean and refer to the corresponding section of the Part in which it is found. Section three of this act sets forth the general effective date of this act.

PART A

Section 1. Section 34 of the general municipal law, as amended by chapter 233 of the laws of 2006, is amended to read as follows:

S 34. Powers and duties of examiners. 1. The comptroller and each examiner of municipal affairs shall have power to examine into the financial affairs of every such municipal corporation, industrial development agency, district, [fire company as defined in section two hundred four-a of this chapter,] agency and activity [and], ANY FIRE COMPANY AS DEFINED IN SECTION TWO HUNDRED FOUR-A OF THIS CHAPTER, AND ANY OTHER ORGANIZATION, EXCEPT A PUBLIC CORPORATION, THAT IS DIRECTLY OR INDIRECTLY CONTROLLED BY ONE OR MORE OF ANY SUCH MUNICIPAL CORPORATIONS, INDUSTRIAL DEVELOPMENT AGENCIES, DISTRICTS OR AGENCIES. AN ORGANIZATION SHALL BE DEEMED UNDER THE CONTROL OF ONE OR MORE MUNICIPAL CORPORATIONS, INDUSTRIAL DEVELOPMENT AGENCIES, DISTRICTS OR AGENCIES WHEN, AMONG OTHER CIRCUMSTANCES, THE LAW OR DOCUMENTS ESTABLISHING THE ORGANIZATION'S INTERNAL GOVERNANCE PROVIDE FOR ONE OR MORE OFFICERS OR EMPLOYEES OF ANY SUCH MUNICIPAL CORPORATION, INDUSTRIAL DEVELOPMENT AGENCY, DISTRICT OR AGENCY, ACTING IN THEIR OFFICIAL CAPACITIES, TO: (A) SELECT A MAJORITY OF A QUORUM OF THE ORGANIZATION'S HIGHEST POLICY-MAKING BODY OR THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER; (B) CONSTITUTE A MAJORITY OF THE VOTING STRENGTH THAT SELECTS EITHER A MAJORITY OF A QUORUM OF THE ORGANIZATION'S HIGHEST POLICY-MAKING BODY OR THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER; OR (C) SERVE EX OFFICIO AS EITHER: (I) A MAJORITY OF A QUORUM OF THE ORGANIZATION'S HIGHEST POLICY-MAKING BODY; (II) THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER; OR (III) A PARTNER IN THE ORGANIZATION. AN ORGANIZATION UNDER THE CONTROL OF ONE OR MORE MUNICIPAL CORPORATIONS, INDUSTRIAL DEVELOPMENT AGENCIES, DISTRICTS OR AGENCIES SHALL ALSO INCLUDE ANY OTHER ORGANIZATION THAT IS CONTROLLED BY SUCH ORGANIZATION.

2. IN CONNECTION WITH ANY EXAMINATION AUTHORIZED BY SUBDIVISION ONE OF THIS SECTION, THE COMPTROLLER AND EACH EXAMINER OF MUNICIPAL AFFAIRS SHALL HAVE POWER to administer an oath to any person whose testimony may be required, and to compel the appearance and attendance of such person for the purpose of any such examination and investigation, and the production of books and papers. In the case of a municipal corporation, industrial development agency, or school district, no such person shall be compelled to appear or be examined elsewhere than within such municipal corporation, industrial development agency, or school district. In the case of any district other than a school district, no such person may be compelled to appear or be examined elsewhere than within the town or one of the towns in which such district or portion thereof is located. In the case of an urban renewal agency, no such person shall be compelled to appear or be examined outside the municipal corporation wherein such agency is established. In the case of a fire company, no such person shall be compelled to appear or be examined outside the area served by the company. In the case of an activity, no such person shall be compelled to appear outside the area served by the activity. IN THE CASE OF AN ORGANIZATION UNDER THE CONTROL OF ONE OR MORE MUNICIPAL CORPORATIONS, INDUSTRIAL DEVELOPMENT AGENCIES, DISTRICTS OR AGENCIES, NO SUCH PERSON SHALL BE COMPELLED TO APPEAR OR TO BE EXAMINED OUTSIDE THE COUNTY IN WHICH THE ORGANIZATION HAS ITS PRINCIPAL HEADQUARTERS. Willful

false swearing in such examination shall be perjury and shall be punishable as such.

S 2. This act shall take effect immediately.

PART B

Section 1. The general municipal law is amended by adding a new section 5-c to read as follows:

S 5-C. ACQUISITION AND USE OF CREDIT CARDS BY LOCAL GOVERNMENTS. 1. THE FOLLOWING TERMS, WHEN USED OR REFERRED TO IN THIS SECTION, SHALL HAVE THE FOLLOWING MEANING:

(A) "CREDIT CARD" MEANS ANY IDENTIFICATION PLATE, CARD OR SIMILAR DEVICE ISSUED BY A PERSON TO A LOCAL GOVERNMENT WHICH MAY BE USED TO PURCHASE OR LEASE PROPERTY OR ACQUIRE SERVICES ON THE CREDIT OF THE PERSON ISSUING THE CREDIT CARD OR A PERSON WHO HAS AGREED WITH THE ISSUER TO PAY OBLIGATIONS ARISING FROM THE USE OF A CREDIT CARD ISSUED TO ANOTHER PERSON. FOR PURPOSES OF THIS SECTION, "CREDIT CARD" SHALL NOT INCLUDE A DEBIT CARD OR SIMILAR DEVICE THE USE OF WHICH AUTHORIZES THE TRANSFER OR WITHDRAWAL OF ANY FUNDS OF THE LOCAL GOVERNMENT, AND NOTHING IN THIS SECTION SHALL BE DEEMED TO AUTHORIZE THE USE, BY OR ON BEHALF OF THE LOCAL GOVERNMENT OF A DEBIT CARD OR SIMILAR DEVICE THE USE OF WHICH AUTHORIZES THE TRANSFER OR WITHDRAWAL OF ANY FUNDS OF THE LOCAL GOVERNMENT.

(B) "CARD ISSUER" MEANS ANY ISSUER OF A CREDIT CARD.

(C) "FINANCING AGENCY" MEANS ANY AGENCY DEFINED AS SUCH IN SUBDIVISION EIGHTEEN OF SECTION FOUR HUNDRED ONE OF THE PERSONAL PROPERTY LAW.

(D) "PERSON" MEANS ANY INDIVIDUAL, PARTNERSHIP, CORPORATION OR ANY OTHER LEGAL OR COMMERCIAL ENTITY.

2. NO CREDIT CARD MAY BE USED BY OR ON BEHALF OF ANY LOCAL GOVERNMENT, AS SUCH TERM IS DEFINED IN SECTION TEN OF THIS ARTICLE, UNLESS THE GOVERNING BOARD OF THE LOCAL GOVERNMENT, BY LOCAL LAW, ORDINANCE OR RESOLUTION, DETERMINES THAT IT IS IN THE PUBLIC INTEREST TO AUTHORIZE SUCH LOCAL GOVERNMENT TO ENTER INTO AN AGREEMENT WITH ONE OR MORE FINANCING AGENCIES OR CARD ISSUERS TO PROVIDE FOR THE ISSUANCE OF ONE OR MORE CREDIT CARDS FOR THE PROCUREMENT OF COMMODITIES AND SERVICES AND FOR USE BY AUTHORIZED OFFICERS AND EMPLOYEES IN CONNECTION WITH TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES. THE CREDIT CARD OR CARDS SHALL BE ISSUED IN THE NAME OF THE LOCAL GOVERNMENT AND THE SPECIFIC OFFICERS AND EMPLOYEES, IN THEIR OFFICIAL CAPACITIES, AUTHORIZED PURSUANT TO THE INTERNAL CREDIT CARD POLICY ADOPTED IN ACCORDANCE WITH SUBDIVISION FOUR OF THIS SECTION, TO UTILIZE THE CREDIT CARD OR CARDS ISSUED TO THE LOCAL GOVERNMENT. ANY SUCH LOCAL LAW, ORDINANCE OR RESOLUTION SHALL INCLUDE AN INTERNAL CREDIT CARD POLICY, IN ACCORDANCE WITH SUBDIVISION FOUR OF THIS SECTION, SETTING FORTH REQUIREMENTS FOR THE USE OF CREDIT CARDS ON BEHALF OF THE LOCAL GOVERNMENT. THE TERMS AND CONDITIONS OF SUCH AGREEMENT MUST BE CONSISTENT WITH THIS SECTION AND THE INTERNAL CREDIT CARD POLICY OF THE LOCAL GOVERNMENT, AND SHALL BE DEEMED TO INCORPORATE THE PROVISIONS OF SUBDIVISION TEN OF THIS SECTION.

3. THE OFFICERS AND EMPLOYEES OF ANY LOCAL GOVERNMENT THAT HAS ENTERED INTO AN AGREEMENT WITH A FINANCING AGENCY OR CARD ISSUER AS AUTHORIZED BY THE PROVISIONS OF SUBDIVISION TWO OF THIS SECTION MAY USE CREDIT CARDS ONLY IN ACCORDANCE WITH THE LOCAL GOVERNMENT'S INTERNAL CREDIT CARD POLICY FOR THE PROCUREMENT OF COMMODITIES AND SERVICES FOR PROPERLY AUTHORIZED MUNICIPAL PURPOSES, AND FOR PROPERLY AUTHORIZED TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES. ANY SUCH OFFICER OR EMPLOYEE USING SUCH CREDIT CARD OR CARDS SHALL BE PERSONALLY LIABLE FOR ALL COSTS

INCURRED BY THE LOCAL GOVERNMENT IN CONNECTION WITH THE IMPROPER OR UNAUTHORIZED USE BY THE OFFICER OR EMPLOYEE OF THE CREDIT CARD OR CARDS.

4. THE INTERNAL CREDIT CARD POLICY ADOPTED BY THE GOVERNING BOARD OF ANY LOCAL GOVERNMENT THAT HAS DETERMINED TO USE CREDIT CARDS FOR PROCUREMENT OF COMMODITIES, SERVICES OR TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES SHALL CONTAIN PROVISIONS PERTAINING TO:

(A) THE PARTICULAR OFFICERS AND EMPLOYEES, OTHERWISE EMPOWERED TO PROCURE COMMODITIES OR SERVICES ON BEHALF OF THE LOCAL GOVERNMENT, OR TO INCUR TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES, WHO ARE AUTHORIZED TO UTILIZE THE CREDIT CARD OR CARDS ISSUED TO THE LOCAL GOVERNMENT;

(B) AN AUTHORIZED CREDIT LIMIT FOR EACH CARD AND IN THE AGGREGATE FOR ALL CARDS ISSUED TO THE LOCAL GOVERNMENT, AND, IF THE GOVERNING BOARD CHOOSES, AN AUTHORIZED CREDIT LIMIT PER TRANSACTION;

(C) LIMITATIONS, IF ANY, ON THE TYPES OF COMMODITIES OR SERVICES, OR TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES, FOR WHICH THE CREDIT CARD OR CARDS MAY BE USED, AND THE CIRCUMSTANCES UNDER WHICH THE CREDIT CARD OR CARDS MAY BE USED FOR SUCH PURPOSES;

(D) THE PERIODIC MONITORING BY THE APPROPRIATE OFFICIALS OF THE LOCAL GOVERNMENT OF THE USE OF THE CREDIT CARD OR CARDS;

(E) THE DOCUMENTATION REQUIRED OF AN OFFICER OR EMPLOYEE USING THE CREDIT CARD FOR COMMODITIES OR SERVICES OR FOR TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES, IN ORDER TO FACILITATE THE APPROPRIATE AUDIT OF THE RESULTING CLAIMS SUBMITTED BY A FINANCING AGENCY OR CARD ISSUER, AND THE TIMEFRAME IN WHICH SUCH DOCUMENTATION IS REQUIRED TO BE SUBMITTED BY THE OFFICER OR EMPLOYEE AFTER THEIR USE OF A CREDIT CARD;

(F) THE MEANS OF RECOUPING FROM THE RESPONSIBLE OFFICER OR EMPLOYEE COSTS INCURRED WITH RESPECT TO ANY ILLEGAL OR UNAUTHORIZED EXPENDITURES, OR IMPROPER USAGE OF THE CREDIT CARD OR CARDS; AND

(G) ANY OTHER TERMS OR CONDITIONS DEEMED BY THE GOVERNING BOARD TO BE NECESSARY TO EFFECTUATE THE PROPER USE OF A CREDIT CARD OR CARDS.

5. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION, PROCUREMENTS OF COMMODITIES AND SERVICES FOR WHICH A CREDIT CARD IS USED SHALL BE SUBJECT TO ALL LAWS OTHERWISE APPLICABLE TO MUNICIPAL PROCUREMENTS, INCLUDING, BUT NOT LIMITED, TO SECTIONS ONE HUNDRED THREE AND ONE HUNDRED FOUR-B OF THIS CHAPTER. TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES FOR WHICH A CREDIT CARD IS USED SHALL BE INCURRED IN ACCORDANCE WITH AND SHALL BE SUBJECT TO ALL LAWS OTHERWISE APPLICABLE TO THE INCURRING OF SUCH MUNICIPAL CHARGES BY OFFICERS AND EMPLOYEES.

6. NO PAYMENT TO A FINANCING AGENCY OR CARD ISSUER FOR COMMODITIES, SERVICES OR TRAVEL OR OTHER ACTUAL AND NECESSARY EXPENSES FOR WHICH A CREDIT CARD WAS USED MAY BE MADE UNLESS, IN ADDITION TO ALL OTHER REQUIREMENTS FOR THE AUDIT AND APPROVAL OF CLAIMS, THE DOCUMENTATION REQUIRED BY THE LOCAL GOVERNMENT'S INTERNAL CREDIT CARD POLICY ADOPTED IN ACCORDANCE WITH SUBDIVISION FOUR OF THIS SECTION IS SUBMITTED TO THE AUDITING BODY OR OFFICIAL OF THE LOCAL GOVERNMENT AND A CLAIM FROM THE FINANCING AGENCY OR CARD ISSUER IS AUDITED AND APPROVED IN ACCORDANCE WITH LAWS GENERALLY APPLICABLE TO THE LOCAL GOVERNMENT'S AUDIT AND APPROVAL OF CLAIMS FUNCTION.

7. IF AFTER A CLAIM IS PRESENTED FOR AUDIT, A CREDIT CARD CHARGE IS DISALLOWED IN WHOLE OR IN PART, THE LOCAL GOVERNMENT SHALL NOT BE RESPONSIBLE FOR PAYMENT OF THE DISALLOWED CHARGE OR ANY INTEREST OR PENALTY WHICH SHALL HAVE ACCRUED AS A RESULT OF SUCH DISALLOWED CHARGE. ANY AGREEMENT THAT IS ENTERED INTO PURSUANT TO THIS SECTION SHALL BE DEEMED TO INCORPORATE THIS PROVISION. NOTHING CONTAINED HEREIN SHALL BE CONSTRUED TO LIMIT ANY RIGHT THAT A FINANCING AGENCY OR CREDIT CARD

ISSUER MAY HAVE UNDER LAW TO RECOVER THE AMOUNT OF ANY DISALLOWED CHARGE OR INTEREST OR PENALTY THEREON FROM ANY OTHER PERSON OR ENTITY.

8. THE AUDIT OF ANY CLAIM SUBMITTED BY A FINANCING AGENCY OR CARD ISSUER SHALL BE UNDERTAKEN IN A TIMELY FASHION SO THAT, UPON APPROVAL OF THE CLAIM, PAYMENT MAY BE MADE PRIOR TO THE IMPOSITION OF INTEREST OR PENALTY CHARGES.

9. CONTRACTS ENTERED INTO PURSUANT TO THIS SECTION BETWEEN LOCAL GOVERNMENTS AND FINANCING AGENCIES OR CARD ISSUERS SHALL BE AWARDED AFTER THE SOLICITATION OF ALTERNATIVE PROPOSALS OR QUOTATIONS IN ACCORDANCE WITH THE LOCAL GOVERNMENT'S WRITTEN INTERNAL POLICIES AND PROCEDURES GOVERNING PROCUREMENTS ADOPTED PURSUANT TO SECTION ONE HUNDRED FOUR-B OF THIS CHAPTER. IN THE CASE OF A SCHOOL DISTRICT OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES, SUCH POLICIES AND PROCEDURES MAY PROVIDE FOR THE SCHOOL DISTRICT OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES TO ENGAGE THE SERVICES OF A FINANCING AGENCY OR CARD ISSUER PURSUANT TO A COOPERATIVE PROCUREMENT AGREEMENT FOR SUCH SERVICES WITH ONE OR MORE LOCAL GOVERNMENTS OF THIS STATE OR OF ANY OTHER STATE, OR THROUGH AN EXISTING COOPERATIVE PROCUREMENT AGREEMENT ENTERED INTO AMONG LOCAL GOVERNMENTS OF THIS STATE OR ANY OTHER STATE FOR SUCH SERVICES IF SUCH EXISTING CONTRACT HAS BEEN AWARDED PURSUANT TO A COMPETITIVE REQUEST FOR PROPOSALS PROCESS AND HAS BEEN EXTENDED OR OFFERED FOR USE BY OTHER LOCAL GOVERNMENTS; PROVIDED, HOWEVER, THAT THE GOVERNING BOARD OF THE SCHOOL DISTRICT OR BOARD OF COOPERATIVE EDUCATIONAL SERVICES SHALL FIRST DETERMINE THAT ENGAGING THE SERVICES OF A FINANCING AGENCY OR CARD ISSUER PURSUANT TO OR THROUGH A COOPERATIVE PROCUREMENT AGREEMENT WILL RESULT IN COST SAVINGS AND THAT ANY SUCH COOPERATIVE PROCUREMENT AGREEMENT IS FULLY IN COMPLIANCE WITH THE PROVISIONS OF THIS SECTION.

10. NO LIABILITY TO A FINANCING AGENCY OR CARD ISSUER UNDER A CONTRACT ENTERED INTO PURSUANT TO THIS SECTION SHALL CONSTITUTE A GENERAL OBLIGATION INDEBTEDNESS OF THE LOCAL GOVERNMENT, AND NEITHER THE FAITH AND CREDIT, NOR THE TAXING POWER OF THE LOCAL GOVERNMENT, MAY BE PLEDGED TO THE PAYMENT OF ANY AMOUNT DUE OR TO BECOME DUE UNDER SUCH A CONTRACT.

S 2. Section 20.00 of the local finance law is amended by adding a new paragraph e to read as follows:

E. NOTHING CONTAINED IN THIS SECTION SHALL BE CONSTRUED TO PREVENT A MUNICIPALITY, SCHOOL DISTRICT OR DISTRICT CORPORATION FROM ENTERING INTO AN AGREEMENT WITH ONE OR MORE FINANCING AGENCIES OR CARD ISSUERS FOR THE ISSUANCE OF A CREDIT CARD OR CARDS IN THE NAME OF THE MUNICIPALITY, SCHOOL DISTRICT OR DISTRICT CORPORATION OR FROM USING SUCH CREDIT CARD OR CARDS FOR THE PROCUREMENT OF COMMODITIES, SERVICES AND EXPENSES IN ACCORDANCE WITH SECTION FIVE-C OF THE GENERAL MUNICIPAL LAW.

S 3. This act shall take effect immediately.

## PART C

Section 1. Subdivision 5 of section 103 of the general municipal law, as amended by chapter 413 of the laws of 1991, is amended to read as follows:

5. Upon the adoption of a resolution by a vote of at least three-fifths of all the members of the governing body of a political subdivision or district therein stating that, for reasons of efficiency or economy, there is need for standardization, purchase contracts for a particular type or kind of equipment, material or supplies [of more than ten thousand dollars] IN EXCESS OF THE MONETARY THRESHOLD FIXED FOR PURCHASE CONTRACTS IN THIS SECTION may be awarded by the appropriate

officer, board or agency of such political subdivision or any such district therein, to the lowest responsible bidder furnishing the required security after advertisement for sealed bids therefor in the manner provided in this section. Such resolution shall contain a full explanation of the reasons for its adoption.

S 2. Section 103 of the general municipal law is amended by adding a new subdivision 13 to read as follows:

13. NOTWITHSTANDING THE PROVISIONS OF SUBDIVISION ONE OF THIS SECTION, PURCHASE CONTRACTS INVOLVING AN EXPENDITURE NOT IN EXCESS OF TWENTY-FIVE THOUSAND DOLLARS MAY BE AWARDED BY THE APPROPRIATE OFFICER, BOARD OR AGENCY OF A POLITICAL SUBDIVISION OR DISTRICT THEREIN TO A MINORITY-OWNED OR WOMEN-OWNED BUSINESS ENTERPRISE, CERTIFIED PURSUANT TO SECTION THREE HUNDRED FOURTEEN OF THE EXECUTIVE LAW, WITHOUT ADVERTISING FOR COMPETITIVE BIDS.

S 3. Section 104 of the general municipal law, as amended by chapter 137 of the laws of 2008, is amended to read as follows:

S 104. Purchase through office of general services; CERTAIN FEDERAL CONTRACTS. 1. Notwithstanding the provisions of section one hundred three of this article or of any other general, special or local law, any officer, board or agency of a political subdivision, of a district therein, of a fire company or of a voluntary ambulance service authorized to make purchases of materials, equipment, food products, or supplies, or services available pursuant to sections one hundred sixty-one and one hundred sixty-seven of the state finance law, may make such purchases, except of printed material, through the office of general services subject to such rules as may be established from time to time pursuant to sections one hundred sixty-three and one hundred sixty-seven of the state finance law [or through the general services administration pursuant to section 1555 of the federal acquisition streamlining act of 1994, P.L. 103-355]; provided that any such purchase shall exceed five hundred dollars and that the political subdivision, district, fire company or voluntary ambulance service for which such officer, board or agency acts shall accept sole responsibility for any payment due the vendor. All purchases shall be subject to audit and inspection by the political subdivision, district, fire company or voluntary ambulance service for which made. No officer, board or agency of a political subdivision, or a district therein, of a fire company or of a voluntary ambulance service shall make any purchase through such office when bids have been received for such purchase by such officer, board or agency, unless such purchase may be made upon the same terms, conditions and specifications at a lower price through such office. Two or more fire companies or voluntary ambulance services may join in making purchases pursuant to this section, and for the purposes of this section such groups shall be deemed "fire companies or voluntary ambulance services."

2. NOTWITHSTANDING THE PROVISIONS OF SECTION ONE HUNDRED THREE OF THIS ARTICLE OR OF ANY OTHER GENERAL, SPECIAL OR LOCAL LAW, ANY OFFICER, BOARD OR AGENCY OF A POLITICAL SUBDIVISION, OR OF A DISTRICT THEREIN, MAY MAKE PURCHASES FROM FEDERAL GENERAL SERVICE ADMINISTRATION SUPPLY SCHEDULES PURSUANT TO SECTION 211 OF THE FEDERAL E-GOVERNMENT ACT OF 2002, P.L. 107-347, AND PURSUANT TO SECTION 1122 OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994, P.L. 103-160, IN ACCORDANCE WITH PROCEDURES ESTABLISHED PURSUANT THERETO. PRIOR TO MAKING SUCH PURCHASES THE OFFICER, BOARD OR AGENCY SHALL CONSIDER WHETHER SUCH PURCHASES WILL RESULT IN COST SAVINGS AFTER ALL FACTORS, INCLUDING CHARGES FOR SERVICE, MATERIAL, AND DELIVERY, HAVE BEEN CONSIDERED.

S 4. Paragraph b of subdivision 2 of section 104-b of the general municipal law, as added by chapter 413 of the laws of 1991, is amended to read as follows:

b. provide that, except for procurements made pursuant to [subdivision] SUBDIVISIONS three AND THIRTEEN of section one hundred three or section one hundred four of this article, section [one hundred seventy-five-b] ONE HUNDRED SIXTY-TWO of the state finance law, section one hundred eighty-six of the correction law, or the policies and procedures adopted pursuant to paragraph f of this subdivision, alternative proposals or quotations for goods and services shall be secured by use of written requests for proposals, written quotations, verbal quotations or any other method of procurement which furthers the purposes of this section;

S 5. Subdivision 2 of section 314 of the executive law, as added by chapter 261 of the laws of 1988, is amended to read as follows:

2. For the purposes of this article, the office shall be responsible for verifying businesses as being owned, operated, and controlled by minority group members or women and for certifying such verified businesses. The director shall prepare a directory of certified businesses for use by contracting agencies, POLITICAL SUBDIVISIONS AND DISTRICTS THEREIN AND PARTIES DOING BUSINESS, OR PROPOSING TO DO BUSINESS WITH POLITICAL SUBDIVISIONS OR DISTRICTS THEREIN, and contractors in carrying out the provisions of this article. The director shall periodically update the directory.

S 6. This act shall take effect immediately and shall apply to any contract let or awarded on or after such date; provided, however, that the amendment to subdivision 2 of section 314 of the executive law made by section five of this act shall not affect the expiration of such section and shall expire and be deemed repealed therewith.

PART D

Section 1. Paragraph d of section 10.10 of the local finance law, as added by chapter 341 of the laws of 2007, is amended to read as follows:

d. beginning with the fiscal year during which the municipality or school district is authorized to incur debt to finance the deficit, to and including the last fiscal year during which such debt or any debt incurred to refund such debt is outstanding, the chief executive officer or other individual or individuals responsible for the preparation of the tentative budget, or in the case of a town, the preliminary budget, shall submit the tentative or preliminary budget for the next succeeding fiscal year to the state comptroller and, in the case of a school district, also to the commissioner of education, no later than thirty days before the date scheduled for the governing board's vote on the adoption of the final budget or the last date on which the budget may be finally adopted, whichever is sooner. The state comptroller and, in the case of a school district, the commissioner of education, shall examine such proposed budget and make such recommendations as deemed appropriate thereon to the municipality or school district prior to the adoption of the budget, but no later than ten days before the date scheduled for the governing board's vote on the adoption of the final budget or the last date on which the budget must be adopted, whichever is sooner. Such recommendations shall be made after examination into the estimates of revenues and expenditures of such municipality or school district. The governing board of the municipality or school district, no later than five days prior to the adoption of the budget, shall review any such

recommendations and may make adjustments to its proposed budget consistent with any recommendations made by the state comptroller and, in the case of a school district, by the commissioner of education[, within fifteen days after receipt of any such recommendations]. Any recommendations that the board rejects shall be explained in writing to the state comptroller and, in the case of recommendations made by the commissioner of education, to the commissioner. The action or inaction of the state comptroller or the commissioner of education under this section shall not be construed to affect the legal validity of any budget of the municipality or school district nor to affect the powers or duties of the municipality or school district with respect to the local budget process, provided, however, that the municipality or school district may not issue bonds for any object or purpose unless and until adjustments to its proposed budget consistent with any recommendations made by the state comptroller and, in the case of a school district, by the commissioner of education, are made, or any such recommendations that are rejected have been explained in writing to the state comptroller and, in the case of school districts, the commissioner of education.

S 2. This act shall take effect immediately.

S 2. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

S 3. This act shall take effect immediately provided, however, that the applicable effective dates of Parts A through D of this act shall be as specifically set forth in the last section of such Parts.