

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

S. 6845

A. 9927

S E N A T E - A S S E M B L Y

February 12, 2010

IN SENATE -- Introduced by Sen. THOMPSON -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

IN ASSEMBLY -- Introduced by M. of A. BRODSKY -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the executive law, in relation to prohibiting automatic waivers of non-compliance with subcontracting goals, requiring agency periodic reporting and strengthening division reporting; to repeal subdivision 3 of section 315 of the executive law relating to responsibilities of contracting agencies; and to repeal the opening paragraph of subdivision (h) of section 121 of chapter 261 of the laws of 1988, amending the state finance law and other laws relating to the New York state infrastructure trust fund, relating to minority and women-owned business enterprises

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

1 Section 1. Paragraph (a) of subdivision 4 of section 313 of the execu-
2 tive law, as amended by chapter 429 of the laws of 2009, is amended to
3 read as follows:
4 (a) Contracting agencies shall administer the rules and regulations
5 promulgated by the director to ensure compliance with the provisions of
6 this section. Such rules and regulations: shall require a contractor to
7 submit a utilization plan after bids are opened, when bids are required,
8 but prior to the award of a state contract; shall require the contract-
9 ing agency to review the utilization plan submitted by the contractor
10 and to post the utilization plan and any waivers of compliance issued
11 pursuant to subdivision five of this section on the website of the
12 contracting agency within a reasonable period of time as established by
13 the director; shall require the contracting agency to notify the
14 contractor in writing within a period of time specified by the director
15 as to any deficiencies contained in the contractor's utilization plan;
16 shall require remedy thereof within a period of time specified by the
17 director; shall require the contractor to submit periodic compliance
18 reports relating to the operation and implementation of any utilization

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

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1 plan; shall NOT ALLOW ANY AUTOMATIC WAIVERS, BUT SHALL allow a contrac-
2 tor to apply for a partial or total waiver of the minority and women-
3 owned business enterprise participation requirements pursuant to subdivi-
4 sions five and six of this section; shall allow a contractor to file a
5 complaint with the director pursuant to subdivision seven of this
6 section in the event a contracting agency has failed or refused to issue
7 a waiver of the minority and women-owned business enterprise partic-
8 ipation requirements or has denied such request for a waiver; and shall
9 allow a contracting agency to file a complaint with the director pursu-
10 ant to subdivision eight of this section in the event a contractor is
11 failing or has failed to comply with the minority and women-owned busi-
12 ness enterprise participation requirements set forth in the state
13 contract where no waiver has been granted.

14 S 2. Subdivision 3 of section 315 of the executive law is REPEALED
15 and two new subdivisions 3 and 4 are added to read as follows:

16 3. EACH CONTRACTING AGENCY SHALL REPORT TO THE DIRECTOR WITH RESPECT
17 TO ACTIVITIES UNDERTAKEN TO PROMOTE EMPLOYMENT OF MINORITY GROUP MEMBERS
18 AND TO PROMOTE AND INCREASE PARTICIPATION BY CERTIFIED BUSINESSES WITH
19 RESPECT TO STATE CONTRACTS AND SUBCONTRACTS. SUCH REPORTS SHALL BE
20 SUBMITTED ON A QUARTERLY AND ANNUAL BASIS, AND SHALL INCLUDE SUCH INFOR-
21 MATION AS IS NECESSARY FOR THE DIRECTOR TO DETERMINE SUCH CONTRACTING
22 AGENCIES AND ITS CONTRACTORS' COMPLIANCE WITH THE PURPOSES OF THIS ARTI-
23 CLE AND SUCH SPECIFIC INFORMATION AS THE DIRECTOR MAY REQUEST, INCLUD-
24 ING, WITHOUT LIMITATION; (A) A SUMMARY OF ALL WAIVERS OF THE REQUIRE-
25 MENTS OF SUBDIVISIONS FIVE AND SIX OF SECTION THREE HUNDRED THIRTEEN OF
26 THIS ARTICLE ALLOWED BY SUCH CONTRACTING AGENCY DURING THE PERIOD
27 COVERED BY THE REPORT, INCLUDING A DESCRIPTION OF THE BASIS OF THE WAIV-
28 ER REQUEST AND THE CONTRACTING AGENCIES' RATIONALE FOR GRANTING ANY SUCH
29 WAIVER; (B) WITH RESPECT TO CONTRACTING AGENCIES THAT CONTRACT WITH
30 EMERGING INVESTMENT MANAGERS, A BREAKDOWN OF THE AGGREGATE DOLLAR AMOUNT
31 OF INVESTMENT ASSETS MANAGED BY OR COMMITMENTS TO INVEST CAPITAL WITH
32 MINORITY-OWNED BUSINESS ENTERPRISES AND WOMEN-OWNED BUSINESS ENTERPRISES
33 ENTERED INTO DURING THE REPORTING PERIOD AS COMPARED TO ALL SUCH
34 CONTRACTS ENTERED INTO DURING SUCH PERIOD; (C) WITH RESPECT TO CONTRACT-
35 ING AGENCIES THAT CONTRACT WITH MINORITY OR WOMEN-OWNED BUSINESS ENTER-
36 PRISES THAT ARE BROKER-DEALERS, A BREAKDOWN OF THE AGGREGATE DOLLAR
37 AMOUNT OF COMMISSIONS RECEIVED IN EXCHANGE FOR TRADING ACTIVITY WITH
38 MINORITY-OWNED BUSINESS ENTERPRISES AND WOMEN-OWNED BUSINESS ENTERPRISES
39 ENTERED INTO DURING THE REPORTING PERIOD AS COMPARED TO ALL SUCH
40 CONTRACTS ENTERED INTO DURING SUCH PERIOD; (D) WITH RESPECT TO CONTRACT-
41 ING AGENCIES THAT CONTRACT WITH MINORITY OR WOMEN-OWNED BUSINESS ENTER-
42 PRISES THAT PROVIDE FINANCIAL SERVICES, A BREAKDOWN OF THE AGGREGATE
43 DOLLAR AMOUNT OF COMPENSATION RECEIVED IN EXCHANGE FOR FINANCIAL
44 SERVICES (EXCLUDING ASSET MANAGEMENT SERVICES AND COMMISSIONS FOR
45 BROKERAGE ACTIVITY) WITH MINORITY-OWNED BUSINESS ENTERPRISES AND WOMEN-
46 OWNED BUSINESS ENTERPRISES ENTERED INTO DURING THE REPORTING PERIOD AS
47 COMPARED TO ALL SUCH CONTRACTS ENTERED INTO DURING SUCH PERIOD; AND (E)
48 WITH RESPECT TO CONTRACTING AGENCIES THAT CONTRACT WITH MINORITY OR
49 WOMEN-OWNED BUSINESS ENTERPRISES THAT ARE PROFESSIONAL SERVICE FIRMS, A
50 BREAKDOWN OF THE AGGREGATE DOLLAR AMOUNT OF COMPENSATION RECEIVED IN
51 EXCHANGE FOR PROFESSIONAL SERVICES WITH MINORITY-OWNED BUSINESS ENTER-
52 PRISES AND WOMEN-OWNED BUSINESS ENTERPRISES ENTERED INTO DURING THE
53 REPORTING PERIOD AS COMPARED TO ALL SUCH CONTRACTS ENTERED INTO DURING
54 SUCH PERIOD.

55 4. THE DIVISION OF MINORITY AND WOMEN-BUSINESS DEVELOPMENT SHALL ISSUE
56 AN ANNUAL REPORT WHICH: (A) SUMMARIZES ALL REPORTS SUBMITTED TO IT BY

1 EACH CONTRACTING AGENCY PURSUANT TO SUBDIVISION THREE OF THIS SECTION;
2 (B) CONTAINS SUCH COMPARATIVE OR OTHER INFORMATION AS THE DIRECTOR DEEMS
3 APPROPRIATE TO EVALUATE THE EFFECTIVENESS OF THE ACTIVITIES UNDERTAKEN
4 BY EACH SUCH CONTRACTING AGENCY TO PROMOTE INCREASED PARTICIPATION BY
5 CERTIFIED BUSINESSES WITH RESPECT TO STATE CONTRACTS AND SUBCONTRACTS;
6 (C) CONTAINS A SUMMARY OF ALL WAIVERS OF THE REQUIREMENTS OF SUBDIVI-
7 SIONS FIVE AND SIX OF SECTION THREE HUNDRED THIRTEEN OF THIS ARTICLE
8 ALLOWED BY EACH CONTRACTING AGENCY DURING THE PERIOD COVERED BY THE
9 REPORT, INCLUDING A DESCRIPTION OF THE BASIS OF THE WAIVER REQUEST AND
10 THE CONTRACTING AGENCIES' RATIONALE FOR GRANTING ANY SUCH WAIVER; AND
11 (D) CONTAINS A SUMMARY OF (I) ALL DETERMINATIONS (PURSUANT TO SECTION
12 THREE HUNDRED SIXTEEN OF THIS ARTICLE) OF VIOLATIONS OF THIS ARTICLE BY
13 A CONTRACTOR OR A CONTRACTING AGENCY MADE DURING THE PERIOD COVERED BY
14 THE ANNUAL REPORT AND (II) THE PENALTIES OR SANCTIONS, IF ANY, ASSESSED
15 IN CONNECTION WITH SUCH DETERMINATION AND THE RATIONALE FOR SUCH PENAL-
16 TIES OR SANCTIONS. COPIES OF THE ANNUAL REPORT SHALL BE PROVIDED TO THE
17 COMMISSIONER, GOVERNOR, THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY
18 PRESIDENT OF THE SENATE AND SHALL ALSO BE MADE WIDELY AVAILABLE TO THE
19 PUBLIC, INCLUDING BY PUBLICATION ON A WEBSITE MAINTAINED BY THE DIVISION
20 FOR SUCH PURPOSE.

21 S 3. The opening paragraph of subdivision (h) of section 121 of chap-
22 ter 261 of the laws of 1988, amending the state finance law and other
23 laws relating to the New York state infrastructure trust fund, is
24 REPEALED.

25 S 4. This act shall take effect immediately.