

9638

I N A S S E M B L Y

May 13, 2014

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

AN ACT to amend the state finance law, the general municipal law and the public authorities law, in relation to contracts where costs exceed the bid by more than ten percent

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  
2 169 to read as follows:

3 S 169. CONTRACTS; COSTS EXCEED BID. A CLAUSE SHALL BE INSERTED IN ALL  
4 SPECIFICATIONS OR CONTRACTS HEREAFTER MADE OR AWARDED BY THE STATE OR  
5 ANY PUBLIC DEPARTMENT, AGENCY, OR OFFICIAL THEREOF, FOR WORK OR SERVICES  
6 PERFORMED OR TO BE PERFORMED, OR GOODS SOLD OR TO BE SOLD, TO PROVIDE  
7 THAT UPON A PERSON, FIRM, PARTNERSHIP OR CORPORATION EXCEEDING THE  
8 ORIGINAL BID BY MORE THAN TEN PERCENT, SUCH CONTRACT MAY BE CANCELLED OR  
9 TERMINATED BY THE STATE WITHOUT INCURRING ANY PENALTY OR DAMAGES ON  
10 ACCOUNT OF SUCH CANCELLATION OR TERMINATION, BUT ANY MONIES OWING BY THE  
11 STATE FOR GOODS DELIVERED OR WORK DONE PRIOR TO THE CANCELLATION OR  
12 TERMINATION SHALL BE PAID.

13 S 2. The general municipal law is amended by adding a new section  
14 109-c to read as follows:

15 S 109-C. CONTRACTS; COSTS EXCEED BID. A CLAUSE SHALL BE INSERTED IN  
16 ALL SPECIFICATIONS OR CONTRACTS HEREAFTER MADE OR AWARDED BY A MUNICIPAL  
17 CORPORATION OR ANY PUBLIC DEPARTMENT, AGENCY, OR OFFICIAL THEREOF, FOR  
18 WORK OR SERVICES PERFORMED OR TO BE PERFORMED, OR GOODS SOLD OR TO BE  
19 SOLD, TO PROVIDE THAT UPON A PERSON, FIRM, PARTNERSHIP OR CORPORATION  
20 EXCEEDING THE ORIGINAL BID BY MORE THAN TEN PERCENT, SUCH CONTRACT MAY  
21 BE CANCELLED OR TERMINATED BY THE STATE WITHOUT INCURRING ANY PENALTY OR  
22 DAMAGES ON ACCOUNT OF SUCH CANCELLATION OR TERMINATION, BUT ANY MONIES  
23 OWING BY THE MUNICIPAL CORPORATION OR ANY PUBLIC DEPARTMENT, AGENCY OR  
24 OFFICIAL THEREOF FOR GOODS DELIVERED OR WORK DONE PRIOR TO THE CANCELLA-  
25 TION OR TERMINATION SHALL BE PAID.

26 S 3. The public authorities law is amended by adding a new section  
27 2882 to read as follows:

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

LBD14884-01-4

1 S 2882. CONTRACTS; COSTS EXCEED BID. A CLAUSE SHALL BE INSERTED IN ALL  
2 SPECIFICATIONS OR CONTRACTS HEREAFTER MADE OR AWARDED BY ANY PUBLIC  
3 AUTHORITY OR BY ANY OFFICIAL OF ANY PUBLIC AUTHORITY CREATED BY THE  
4 STATE OR ANY POLITICAL SUBDIVISION FOR WORK OR SERVICES PERFORMED OR TO  
5 BE PERFORMED, OR GOODS SOLD OR TO BE SOLD, TO PROVIDE THAT UPON A  
6 PERSON, FIRM, PARTNERSHIP OR CORPORATION EXCEEDING THE ORIGINAL BID BY  
7 MORE THAN TEN PERCENT, SUCH CONTRACT MAY BE CANCELLED OR TERMINATED BY  
8 THE STATE WITHOUT INCURRING ANY PENALTY OR DAMAGES ON ACCOUNT OF SUCH  
9 CANCELLATION OR TERMINATION, BUT ANY MONIES OWING BY THE PUBLIC AUTHORI-  
10 TY OR ANY PUBLIC DEPARTMENT, AGENCY, OR OFFICIAL THEREOF FOR GOODS  
11 DELIVERED OR WORK DONE PRIOR TO THE CANCELLATION OR TERMINATION SHALL BE  
12 PAID.

13 S 4. This act shall take effect immediately.