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

7114

I N S E N A T E

April 28, 2014

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

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:

Section 1. The state finance law is amended by adding a new section 169 to read as follows:

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

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

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

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

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

LBD14884-01-4

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

S 4. This act shall take effect immediately.