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

4929

2015-2016 Regular Sessions

I N S E N A T E

April 23, 2015

Introduced by Sen. DeFRANCISCO -- (at request of the State Comptroller) -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the state finance law, in relation to the determination of eligibility for payment of interest on amounts owed to contractors

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

Section 1. Subdivision 2 of section 179-f of the state finance law, as amended by chapter 153 of the laws of 1984, is amended to read as follows:

2. The required payment date shall be thirty calendar days, excluding legal holidays, or in the case of final payments on highway construction contracts seventy-five calendar days, excluding legal holidays, after receipt of an invoice for the amount of the contract payment due; except when:

(a) the state comptroller in the course of his audit determines that there is reasonable cause to believe that payment may not properly be due, in whole or in part;

(b) in accordance with specific statutory or contractual provisions, payment must be preceded by an inspection period or by an audit to determine the resources applied or used by a contractor in fulfilling the terms of the contract;

(c) the necessary state government appropriation required to authorize payment has yet to be enacted;

(d) [the cash balance of the fund or sub-fund from which the payment is to be made is insufficient to finance the payment;

(e)] a proper invoice must be examined by the federal government prior to payment;

[(f)] (E) the goods or property have not been delivered or the services have not been rendered by the contractor in compliance with the terms or conditions of the contract;

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

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[(g)] (F) the required payment date is modified in accordance with subdivision three of this section; or

[(h)] (G) in the case of final payments on highway construction contracts the commissioner of transportation determines that the contractor has failed to properly submit the necessary documents and other submissions prescribed by the contract specifications and requirements, by the provisions of subdivision eight of section thirty-eight of the highway law, and by all other applicable state and federal laws in order to enable the department of transportation to process the final payment properly and expeditiously.

Any time taken to satisfy or rectify any of the types of conditions described in paragraphs (a) through [(f)] (E) or [(h)] (G) of this subdivision shall extend the required payment date by an equal period of time.

S 2. This act shall take effect immediately and shall apply to invoices submitted on and after such date.