

7579

2015-2016 Regular Sessions

I N A S S E M B L Y

May 19, 2015

Introduced by M. of A. PEOPLES-STOKES -- (at request of the State Comptroller) -- read once and referred to the Committee on Governmental Operations

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:

1 Section 1. Subdivision 2 of section 179-f of the state finance law, as
2 amended by chapter 153 of the laws of 1984, is amended to read as
3 follows:
4 2. The required payment date shall be thirty calendar days, excluding
5 legal holidays, or in the case of final payments on highway construction
6 contracts seventy-five calendar days, excluding legal holidays, after
7 receipt of an invoice for the amount of the contract payment due; except
8 when:
9 (a) the state comptroller in the course of his audit determines that
10 there is reasonable cause to believe that payment may not properly be
11 due, in whole or in part;
12 (b) in accordance with specific statutory or contractual provisions,
13 payment must be preceded by an inspection period or by an audit to
14 determine the resources applied or used by a contractor in fulfilling
15 the terms of the contract;
16 (c) the necessary state government appropriation required to authorize
17 payment has yet to be enacted;
18 (d) [the cash balance of the fund or sub-fund from which the payment
19 is to be made is insufficient to finance the payment;
20 (e)] a proper invoice must be examined by the federal government prior
21 to payment;
22 [(f)] (E) the goods or property have not been delivered or the
23 services have not been rendered by the contractor in compliance with the
24 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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1 [(g)] (F) the required payment date is modified in accordance with
2 subdivision three of this section; or
3 [(h)] (G) in the case of final payments on highway construction
4 contracts the commissioner of transportation determines that the
5 contractor has failed to properly submit the necessary documents and
6 other submissions prescribed by the contract specifications and require-
7 ments, by the provisions of subdivision eight of section thirty-eight of
8 the highway law, and by all other applicable state and federal laws in
9 order to enable the department of transportation to process the final
10 payment properly and expeditiously.
11 Any time taken to satisfy or rectify any of the types of conditions
12 described in paragraphs (a) through [(f)] (E) or [(h)] (G) of this
13 subdivision shall extend the required payment date by an equal period of
14 time.
15 S 2. This act shall take effect immediately and shall apply to
16 invoices submitted on and after such date.