

7744

2015-2016 Regular Sessions

I N A S S E M B L Y

May 26, 2015

Introduced by M. of A. BRENNAN -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the public authorities law, in relation to authorizing the authorities budget office to suspend local authority board members and executive staff

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

1 Section 1. The public authorities law is amended by adding a new  
2 section 6-a to read as follows:  
3 S 6-A. POWER TO SUSPEND LOCAL AUTHORITY BOARD MEMBERS AND EXECUTIVE  
4 STAFF. 1. THE AUTHORITIES BUDGET OFFICE SHALL HAVE THE AUTHORITY,  
5 SUBJECT TO SUBDIVISION TWO OF THIS SECTION, TO SUSPEND ONE OR MORE  
6 MEMBERS OF A LOCAL AUTHORITY BOARD OF DIRECTORS, OR THE CHIEF EXECUTIVE  
7 OFFICER OR EQUIVALENT POSITION OF A LOCAL AUTHORITY FOR A PERIOD NOT TO  
8 EXCEED NINETY DAYS WHEN SUCH INDIVIDUAL OR INDIVIDUALS KNOWINGLY FAILS  
9 OR NEGLECTS TO COMPLY WITH ANY PROVISION OF THIS CHAPTER. THE AUTHORI-  
10 TIES BUDGET OFFICE IS AUTHORIZED TO TERMINATE SUCH A SUSPENSION IF THE  
11 BOARD MEMBER OR CHIEF EXECUTIVE OFFICER DEMONSTRATES THAT HE OR SHE HAS  
12 REMEDIED THEIR NON-COMPLIANCE. FOR THE PURPOSES OF THIS SECTION, THE  
13 "SUSPENSION" OF AN INDIVIDUAL SHALL MEAN THE TEMPORARY REMOVAL OF THE  
14 RIGHTS, RESPONSIBILITIES, POWERS AND DUTIES OF A PERSON WHO IS AN  
15 APPOINTED BOARD MEMBER OF A LOCAL AUTHORITY OR THE INDIVIDUAL WHO SERVES  
16 AS CHIEF EXECUTIVE OFFICER THROUGH APPOINTMENT OR CONTRACT. SHOULD THE  
17 AUTHORITIES BUDGET OFFICE SUSPEND THE FULL BOARD OF DIRECTORS OR A  
18 MAJORITY OF CURRENT BOARD MEMBERS THE TERM "SUSPENSION" SHALL MEAN THE  
19 BOARD OF DIRECTORS IS PROHIBITED FROM TAKING ACTIONS, VOTES, OR ADOPTING  
20 RESOLUTIONS, THAT BIND THE BOARD TO FUTURE AGREEMENTS, CONTRACTS, FINAN-  
21 CIAL COMMITMENTS, INDEBTEDNESS, OR OTHER ACTIONS, OTHER THAN ACTIONS  
22 NECESSARY TO RESOLVE THE NONCOMPLIANCE OR SATISFY EXISTING LEGAL OR  
23 ADMINISTRATIVE OBLIGATIONS.

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

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1 2. PURSUANT TO POLICIES AND PROCEDURES DEVELOPED BY THE AUTHORITIES  
2 BUDGET OFFICE AND MADE AVAILABLE ON ITS WEB SITE, WHEN THE AUTHORITIES  
3 BUDGET OFFICE HAS REASON TO BELIEVE THAT ONE OR MORE BOARD MEMBERS OF A  
4 LOCAL AUTHORITY HAS KNOWINGLY FAILED OR NEGLECTED TO COMPLY WITH ANY  
5 PROVISION OF THIS CHAPTER, THE AUTHORITIES BUDGET OFFICE SHALL PROVIDE  
6 AT LEAST THIRTY DAYS' NOTICE OF ITS INTENT TO INITIATE SUSPENSION  
7 PROCEEDINGS TO THE CHAIRPERSON OF THE LOCAL AUTHORITY, TO THE INDIVIDUAL  
8 OR INDIVIDUALS RESPONSIBLE FOR APPOINTING SUCH BOARD MEMBERS, AND TO  
9 EACH SUCH BOARD MEMBER. IF THE AUTHORITIES BUDGET OFFICE HAS REASON TO  
10 BELIEVE THAT THE CHIEF EXECUTIVE OFFICER OF A LOCAL AUTHORITY HAS KNOW-  
11 INGLY FAILED OR NEGLECTED TO COMPLY WITH ANY PROVISION OF THIS CHAPTER,  
12 THE AUTHORITIES BUDGET OFFICE SHALL PROVIDE AT LEAST THIRTY DAYS' NOTICE  
13 OF ITS INTENT TO INITIATE SUSPENSION PROCEEDINGS TO THE CHAIRPERSON OF  
14 THE LOCAL AUTHORITY AND TO THE CHIEF EXECUTIVE OFFICER. SUCH NOTICE  
15 SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO (A) THE DATE AND A BRIEF  
16 DESCRIPTION OF THE FACTS AND NATURE OF EACH NON-COMPLIANCE FOR WHICH  
17 SUCH SUSPENSION IS PROPOSED; (B) THE NUMBER OF DAYS THAT THE AUTHORITIES  
18 BUDGET OFFICE PROPOSES TO SUSPEND SUCH BOARD MEMBER OR CHIEF EXECUTIVE  
19 OFFICER; (C) THE DATE SUCH SUSPENSION SHALL COMMENCE; (D) THE OPTION TO  
20 SUBMIT A FORMAL RESPONSE TO THE AUTHORITIES BUDGET OFFICE WHICH DEMON-  
21 STRATES WHY SUCH BOARD MEMBER OR CHIEF EXECUTIVE OFFICER SHOULD NOT BE  
22 SUSPENDED; AND (E) IF APPLICABLE, A PERIOD OF TIME IN WHICH SUCH LOCAL  
23 AUTHORITY OR BOARD MEMBER OR CHIEF EXECUTIVE OFFICER MAY REMEDY THE  
24 NON-COMPLIANCE.

25 3.(A) WHENEVER THE AUTHORITIES BUDGET OFFICE HAS SUSPENDED ONE OR MORE  
26 BOARD MEMBERS OF A LOCAL AUTHORITY, THE INDIVIDUAL OR INDIVIDUALS WHO  
27 APPOINTED THOSE BOARD MEMBERS MAY ACT TO REINSTATE A SUSPENDED BOARD  
28 MEMBER. IF THE APPOINTING AUTHORITY IS A LEGISLATIVE BODY OR A MEMBER OF  
29 THE LEGISLATIVE BODY, ANY ACTION TO REINSTATE A SUSPENDED BOARD MEMBER  
30 SHALL OCCUR IN A PUBLIC MEETING OF SUCH BODY AND FOLLOWING AN OPPORTU-  
31 NITY FOR THE PUBLIC TO COMMENT. SUCH ACTION SHALL BE DEEMED VALID UPON  
32 PASSAGE OF A WRITTEN RESOLUTION OF REINSTATEMENT BY A MAJORITY AND  
33 RECORDED VOTE OF THE LEGISLATIVE BODY. SUCH RESOLUTION SHALL DESCRIBE  
34 THE FACTS AND CIRCUMSTANCES BY HOW THE LEGISLATIVE BODY HAS REACHED THIS  
35 DETERMINATION. IF THE APPOINTING AUTHORITY IS THE CHIEF EXECUTIVE OFFI-  
36 CIAL OF THE MUNICIPALITY FOR WHOSE BENEFIT THE LOCAL AUTHORITY WAS  
37 CREATED, ANY ACTION TO REINSTATE A SUSPENDED BOARD MEMBER SHALL BE  
38 THROUGH AN OFFICIAL ACT OF THE CHIEF EXECUTIVE OFFICIAL. SUCH ACT SHALL  
39 BE RECORDED IN WRITING AND SHALL DESCRIBE THE FACTS AND CIRCUMSTANCES BY  
40 WHICH THE CHIEF EXECUTIVE OFFICIAL REACHED THIS DETERMINATION.

41 (B) WHENEVER THE AUTHORITIES BUDGET OFFICE HAS SUSPENDED THE CHIEF  
42 EXECUTIVE OFFICER OF A LOCAL AUTHORITY, THE CHAIRPERSON OF SUCH LOCAL  
43 AUTHORITY MAY INITIATE ACTION TO REINSTATE THE SUSPENDED CHIEF EXECUTIVE  
44 OFFICER. ANY ACTION TO REINSTATE A SUSPENDED CHIEF EXECUTIVE OFFICER  
45 SHALL OCCUR IN A PUBLIC MEETING OF THE BOARD OF DIRECTORS AND FOLLOWING  
46 AN OPPORTUNITY FOR THE PUBLIC TO COMMENT. SUCH ACTION SHALL BE DEEMED  
47 VALID UPON PASSAGE OF A WRITTEN RESOLUTION OF REINSTATEMENT BY A MAJORI-  
48 TY AND RECORDED VOTE OF THE CURRENT BOARD OF DIRECTORS. SUCH RESOLUTION  
49 SHALL DESCRIBE THE FACTS AND CIRCUMSTANCES BY HOW THE BOARD OF DIRECTORS  
50 REACHED THIS DETERMINATION.

51 (C) FOR THE PURPOSES OF THIS SECTION, "REINSTATEMENT" SHALL MEAN THE  
52 RESTORATION OF THE RIGHTS, RESPONSIBILITIES, POWERS AND DUTIES OF A  
53 BOARD MEMBER OR CHIEF EXECUTIVE OFFICER OF A LOCAL AUTHORITY.

54 S 2. This act shall take effect on the thirtieth day after it shall  
55 have become a law.