## STATE OF NEW YORK

7819

2017-2018 Regular Sessions

## IN ASSEMBLY

May 16, 2017

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

AN ACT to amend the state finance law, in relation to state contracts for landscape architecture

## The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 136-a of the state finance law, as amended by chap-2 ter 746 of the laws of 1982, subdivision 4 as amended by chapter 383 of 3 the laws of 1994, is amended to read as follows:

§ 136-a. Contracts for architectural, engineering, landscape architecture and surveying services. 1. As used in this section: the term "professional firm" shall be defined as any individual or sole proprietorship, partnership, corporation, association or other legal entity permitted by law to practice the professions of architecture, engineering, landscape architecture or surveying.

10 The term "state department" shall be defined as those state government 11 departments, divisions or commissions empowered by the state to enter 12 into contractual agreements on behalf of the state of New York.

13 2. It is the policy of New York state to negotiate contracts for 14 architectural and/or engineering services and/or <u>landscaping architec-</u> 15 <u>ture and/or</u> surveying services on the basis of demonstrated competence 16 and qualification for the type of professional services required and at 17 fair and reasonable fees.

3. In the procurement of architectural, engineering, landscape architecture and surveying services, the requiring state department shall encourage professional firms engaged in the lawful practice of the profession to submit an annual statement of qualifications and performance data. The requiring state department for each proposed project shall evaluate current statements of qualifications and performance data on file with the department. If desired, the requiring state department may conduct discussions with three or more professional firms regarding

EXPLANATION--Matter in <u>italics</u> (underscored) is new; matter in brackets [-] is old law to be omitted.

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anticipated design concepts and proposed methods of approach to the
assignment. The state department shall select, in order of preference,
based upon criteria established by the requiring state department, no
less than three professional firms deemed to be the most highly quali fied to provide the services required.

б 4. The requiring state department shall negotiate a contract with the 7 highest qualified professional firm for architectural and/or engineering 8 services and/or landscape architecture service and/or surveying services 9 at compensation which the department determines in writing to be fair 10 and reasonable to the state of New York. In making this decision, 11 department shall take into account the estimated value of the services to be rendered, including the costs, the scope, complexity, and profes-12 13 sional nature thereof. The department shall not refuse to negotiate 14 with a professional firm solely because the ratio of the "allowable 15 indirect costs" to direct labor costs of the professional firm or the 16 hourly labor rate in any labor category of the professional firm exceeds 17 a limitation generally set by the department in the determination of the reasonableness of the estimated cost of services to be rendered by the 18 professional firm, but rather the department should also consider the 19 20 reasonableness of cost based on the total estimated cost of the service 21 the professional firm which should include, among other things, all of the direct labor costs of the professional firm for such services plus 22 "allowable indirect costs," other direct costs, and negotiated 23 all profit of the professional firm. "Allowable indirect costs" of a profes-24 25 sional firm are defined as those costs generally associated with over-26 head which cannot be specifically identified with a single project or 27 contract and are considered reasonable and allowable under specific state contract or allowability limits. Should the requiring state 28 29 department be unable to negotiate a satisfactory contract with the professional firm considered to be the most qualified, at a fee the 30 31 department determines to be fair and reasonable to the state of New 32 York, negotiations with that professional firm shall be formally termi-33 nated. The requiring state department shall then undertake negotiations 34 with the second most qualified professional firm. Failing accord with 35 the second most qualified professional firm, the department shall formally terminate negotiations. The requiring state department shall 36 37 then undertake negotiations with the third most qualified professional firm. Should the requiring state department be unable to negotiate a 38 39 satisfactory contract with any of the selected professional firms, it shall select additional professional firms in order of their competence 40 41 and qualification and it shall continue negotiations in accordance with 42 this section until an agreement is reached.

5. This legislation shall only apply to engineering and/or architectural services and/or <u>landscape architecture and/or</u> surveying services in excess of twenty-five thousand dollars.

46 § 2. This act shall take effect on the sixtieth day after it shall 47 become a law.