# STATE OF NEW YORK

2648

2019-2020 Regular Sessions

# IN ASSEMBLY

January 24, 2019

Introduced by M. of A. LAVINE, STECK, SIMON, GOTTFRIED, BUCHWALD, GALEF, WALLACE, MONTESANO, FINCH, RAIA, PALUMBO -- Multi-Sponsored by -- M. of A. CROUCH, HAWLEY, SCHIMMINGER, THIELE -- read once and referred to the Committee on Codes

AN ACT to amend the penal law, in relation to undisclosed self-dealing

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

Section 1. The penal law is amended by adding two new sections 195.30 and 195.35 to read as follows:

§ 195.30 Undisclosed self-dealing in the second degree.

A person is guilty of undisclosed self-dealing in the second degree when, being a public servant, he or she intentionally engages in conduct or a course of conduct in his or her official capacity in connection with the award of a public contract or public grant or other effort to obtain or retain public business or public funds that is intended to confer an undisclosed benefit on himself, herself, a spouse, domestic partner, child, parent, or sibling of the public servant, a person with whom a public servant has a business or other financial relationship, or a firm in which the public servant has a present or potential interest and thereby obtains or attempts to obtain a benefit for himself, herself, a spouse, domestic partner, child, parent, or sibling of the public servant, a person with whom a public servant has a business or other financial relationship, or a firm in which the public servant has a present or potential interest with a value in excess of three thousand dollars. A benefit is disclosed if its existence is made known prior to the alleged wrongful conduct to either (i) the relevant state or local ethics commission or (ii) the official responsible for the public servant's appointment to his or her position, provided that person is not a participant in the alleged wrongful conduct.

Undisclosed self-dealing in the second degree is a class D felony.

§ 195.35 Undisclosed self-dealing in the first degree.

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

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A person is guilty of undisclosed self-dealing in the first degree when, being a public servant, he or she intentionally engages in conduct or a course of conduct in his or her official capacity in connection with the award of a public contract or public grant or other effort to obtain or retain public business or public funds that is intended to confer an undisclosed benefit on himself, herself, a spouse, domestic partner, child, parent, or sibling of the public servant, a person with whom a public servant has a business or other financial relationship, or a firm in which the public servant has a present or potential interest and thereby obtains or attempts to obtain a benefit for himself, herself, a spouse, domestic partner, child, parent, or sibling of the public servant, a person with whom a public servant has a business or other financial relationship, or a firm in which the public servant has a present or potential interest with a value in excess of ten thousand dollars. A benefit is disclosed if its existence is made known prior to the alleged wrongful conduct to either (i) the relevant state or local ethics commission or (ii) the official responsible for the public servant's appointment to his or her position, provided that person is not a participant in the alleged wrongful conduct.

Undisclosed self-dealing in the first degree is a class C felony.

§ 2. This act shall take effect immediately.