STATE OF NEW YORK

8936

IN ASSEMBLY

January 2, 2020

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

AN ACT to amend the public authorities law, in relation to comprehensive and regular management and operations audits

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

Section 1. Section 1020-s of the public authorities law, as amended by chapter 388 of the laws of 2011, is amended by adding a new subdivision 3 to read as follows:

3. In the event that a comprehensive and regular management and operations audit, as provided by subdivision (bb) of section one thousand twenty-f of this article, indicates a finding of fraud, abuse, or mismanagement by a service provider of the authority, and upon a finding by the public service commission that reasonable cause exists for the basis of such indication, the public service commission may order that any recommendations contained in the regular management and operations audit be implemented. The public service commission may also provide in their order, the date in which any recommendation must be fully implemented. Failure to comply with any such order can result in the imposition of a civil penalty by the public service commission against the service provider or revocation of the service provider's authority to operate within the state.

§ 2. Subdivision (bb) of section 1020-f of the public authorities law, as amended by section 7 of part A of chapter 173 of the laws of 2013, is amended by adding a new paragraph 5 to read as follows:

5. Notwithstanding the foregoing, in the event that a comprehensive and regular management and operations audit as conducted in accordance with this subdivision indicates a finding of fraud, abuse or mismanagement by a service provider of the authority, and upon a finding by the public service commission that reasonable cause exists for the basis of such indication, the public service commission may order that any recommendations contained in the regular management and operations audit be implemented. The public service commission may also provide in their order, the date in which the recommendations be fully implemented. Fail-

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

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ure to comply with any such order can result in the imposition of a civil penalty by the public service commission against the service provider.

§ 3. This act shall take effect immediately and shall apply to all audits conducted on or after such effective date.