

# STATE OF NEW YORK

2640

2019-2020 Regular Sessions

## IN SENATE

January 28, 2019

Introduced by Sen. LANZA -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the public authorities law, in relation to directing the metropolitan transportation authority to contract for the provision of an independent forensic audit of such authority; and providing for the repeal of such provisions upon the expiration thereof

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 1265-c to read as follows:

3 § 1265-c. Independent forensic audit. 1. Notwithstanding any other  
4 provision of law, the authority shall, within sixty days of the effec-  
5 tive date of this section and at its own expense, contract with a certi-  
6 fied public accounting firm for the provision of an independent, compre-  
7 hensive, forensic audit of the authority. Such audit shall be performed  
8 in accordance with generally accepted government auditing standards.  
9 Such audit shall be independent of and in addition to the independent  
10 audit of the authority conducted pursuant to section twenty-eight  
11 hundred two of this chapter.

12 2. The certified independent public accounting firm providing the  
13 authority's independent, comprehensive, forensic audit shall be prohib-  
14 ited from providing audit services if the lead (or coordinating) audit  
15 partner (having primary responsibility for the audit), or the audit  
16 partner responsible for reviewing the audit, has performed audit  
17 services for the authority within any of the ten previous fiscal years  
18 of the authority.

19 3. The certified independent accounting firm performing the audit  
20 pursuant to this section shall be prohibited from performing any non-au-  
21 dit services for the authority contemporaneously with the audit.

22 4. It shall be prohibited for the certified independent public  
23 accounting firm to perform for the authority any audit service if the

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

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1 chief executive officer, comptroller, chief financial officer, chief  
2 accounting officer or any other person serving in an equivalent position  
3 in the authority was an employee, consultant or independent contractor  
4 of that certified independent public accounting firm and participated in  
5 any capacity in the audit of the authority at any time in the past.

6 5. The certified independent public accounting firm contracted to  
7 perform the independent comprehensive, forensic audit of the authority  
8 shall, on or before January first, two thousand twenty-two, report its  
9 findings, conclusions and recommendations to the governor, the state  
10 comptroller, the temporary president of the senate, the speaker of the  
11 assembly, the chair and ranking minority member of the senate finance  
12 committee, the chair and ranking minority member of the assembly ways  
13 and means committee, the chairs and ranking minority members of the  
14 senate and the assembly corporations, authorities and commissions  
15 committees, and the chairs and ranking minority members of the senate  
16 and the assembly transportation committees.

17 § 2. This act shall take effect immediately, and shall expire and be  
18 deemed repealed January 2, 2022.