

STATE OF NEW YORK

766

2019-2020 Regular Sessions

IN SENATE

(Prefiled)

January 9, 2019

Introduced by Sens. MONTGOMERY, COMRIE, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the executive law, in relation to participation by minority group members and women with respect to certain state contracts; and to amend the state finance law, in relation to establishing a mentor-protege program for small and minority and women-owned business concerns and in relation to performance and payment bond requirements

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

1 Section 1. Subdivisions 3 and 4 of section 311 of the executive law,
2 subdivision 3 as added by chapter 261 of the laws of 1988, paragraphs
3 (d) and (e) of subdivision 3 as amended by chapter 55 of the laws of
4 1992, paragraphs (g) and (h) of subdivision 3 as amended and paragraph
5 (i) of subdivision 3 as added by section 1 of part BB of chapter 59 of
6 the laws of 2006 and subdivision 4 as amended by chapter 361 of the laws
7 of 2009, are amended to read as follows:

8 3. The director shall have the following powers and duties:

9 (a) to encourage and assist contracting agencies in their efforts to
10 increase participation by minority and women-owned business enterprises
11 on state contracts and subcontracts so as to facilitate the award of a
12 fair share of such contracts to them and to provide on the division's
13 website a list of each contracting agency's minority and women-owned
14 business enterprises certification outreach seminars;

15 (b) to develop standardized forms and reporting documents necessary to
16 implement this article;

17 (c) to conduct educational outreach programs to encourage the certif-
18 ication of minority and women-owned business enterprises consistent with
19 the purposes of this article;

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

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(d) to review [~~periodically~~] quarterly the practices and procedures of each contracting agency with respect to compliance with the provisions of this article, and to require them to file [~~periodic~~] quarterly reports with the division of minority and women's business development as to the level of minority and women-owned business enterprises participation in the awarding of agency contracts for goods and services including but not limited to the number of state contracts awarded to certified minority-owned or women-owned business enterprises, the maximum dollar amount obligated pursuant to all those contracts, and the total expenditures made pursuant to all such contracts; the number of state contracts awarded to certified minority or women-owned business enterprises, the maximum dollar amount obligated pursuant to all those contracts, and the total expenditures made pursuant to all such contracts; the number of state contracts awarded which include a utilization plan for business participation by certified minority or women-owned business enterprises, the maximum amount obligated pursuant to those contracts, and the total expenditures made pursuant to all such contracts; the number of state contracts awarded upon which a waiver was granted from goals required by the contracts for business participation by certified minority or women-owned business enterprises, and the maximum amount obligated pursuant to those contracts; the number of state contracts awarded which required goals for employment of minority group members and women; and the number of state contracts awarded for which waivers of employment goals required by the contracts have been granted;

(e) on January first of each year report to the governor, the temporary president of the senate, the speaker of the assembly, the minority leaders of the senate and the assembly, and the chairpersons of the senate finance and assembly ways and means committees on the [~~level~~] actual versus projected levels of minority and women-owned business enterprises participating in each agency's contracts for goods [~~and~~], services and construction, including but not limited to the number of state contracts awarded to certified minority-owned or women-owned business enterprises, the maximum dollar amount obligated pursuant to all those contracts, and the total expenditures made pursuant to all such contracts, and on activities of the office and effort by each contracting agency to promote employment of minority group members and women, and to promote and increase participation by certified businesses with respect to state contracts and subcontracts so as to facilitate the award of a fair share of state contracts to such businesses. The comptroller shall assist the division in collecting information on the participation of certified business for each contracting agency. Such report may recommend new activities and programs to effectuate the purposes of this article;

(f) the director shall list in the division's annual report the names of non-compliant agencies and the extent of their noncompliance in submitting its quarterly minority and women-owned business enterprise utilization reports; and, shall implement a master list of all the state agencies required to file quarterly compliance reports and shall attach such list to the division's annual report.

(g) to prepare and update [~~periodically~~] quarterly a directory of certified minority and women-owned business enterprises which shall, wherever practicable, be divided into categories of labor, services, supplies, equipment, materials and recognized construction trades and which shall indicate areas or locations of the state where such enterprises are available to perform services, and to use this information to create an internet based, centralized state registry to enable appropri-

1 ate state certified minority and women-owned business enterprises to
2 access contract and subcontract opportunities;

3 ~~[(g)]~~ (h) to appoint independent hearing officers who by contract or
4 terms of employment shall preside over adjudicatory hearings pursuant to
5 section three hundred fourteen of this article for the office and who
6 are assigned no other work by the office;

7 ~~[(h)]~~ (i) notwithstanding the provisions of section two hundred nine-
8 ty-six of this chapter, to file a complaint pursuant to the provisions
9 of section two hundred ninety-seven of this chapter where the director
10 has knowledge that a contractor may have violated the provisions of
11 paragraph (a), (b) or (c) of subdivision one of section two hundred
12 ninety-six of this chapter where such violation is unrelated, separate
13 or distinct from the state contract as expressed by its terms; and

14 ~~[(i)]~~ (j) to streamline the state certification process to accept
15 federal and municipal corporation certifications.

16 4. The director ~~[may]~~ shall provide assistance to, and facilitate
17 access to programs serving certified businesses as well as applicants to
18 ensure that such businesses benefit, as needed, from technical, manage-
19 rial and financial, and general business assistance; training; market-
20 ing; organization and personnel skill development; project management
21 assistance; technology assistance; bond and insurance education assist-
22 ance; and other business development assistance. In addition, the direc-
23 tor ~~[may]~~ shall, either independently or in conjunction with other state
24 agencies:

25 (a) develop a clearinghouse of information on programs and services
26 provided by entities that may assist such businesses;

27 (b) review bonding and paperwork requirements imposed by contracting
28 agencies that may unnecessarily impede the ability of such businesses to
29 compete; and

30 (c) seek to maximize utilization by minority and women-owned business
31 enterprises of available federal resources including but not limited to
32 federal grants, loans, loan guarantees, surety bonding guarantees, tech-
33 nical assistance, and programs and services of the federal small busi-
34 ness administration.

35 § 2. Subdivision 5 of section 312 of the executive law, as added by
36 chapter 261 of the laws of 1988, is amended to read as follows:

37 5. The director shall promulgate rules and regulations to ensure that
38 contractors and subcontractors undertake programs of affirmative action
39 and equal employment opportunity as required by this section. Such rules
40 and regulations as they pertain to any particular agency shall be devel-
41 oped after consultation with contracting agencies. Such rules and regu-
42 lations ~~[may]~~ shall require a contractor, after notice in a bid solici-
43 tation, to submit an equal employment opportunity program ~~[after bid~~
44 ~~opening and prior to the award of any contract]~~ at the time bids are
45 submitted, and ~~[may]~~ shall require the contractor or subcontractor to
46 submit compliance reports relating to the contractor's or subcontrac-
47 tor's operation and implementation of any equal employment opportunity
48 program in effect as of the date the contract is executed. The contract-
49 ing agency ~~[may recommend to the director that]~~ shall have the right to
50 recommend that the director take appropriate action according to the
51 procedures set forth in section three hundred sixteen of this article
52 against the contractor for noncompliance with the requirements of this
53 section. The contracting agency shall be responsible for monitoring
54 compliance with this section.

55 § 3. Subdivisions 2-a, 3 and paragraph (a) of subdivision 5 of section
56 313 of the executive law, subdivision 2-a as added and subdivision 3 and

1 paragraph (a) of subdivision 5 as amended by chapter 175 of the laws of
2 2010, are amended to read as follows:

3 2-a. The director shall promulgate rules and regulations that will
4 accomplish the following:

5 (a) provide for the certification and decertification of minority and
6 women-owned business enterprises for all agencies through a single proc-
7 ess that meets applicable requirements;

8 (b) require that each contract solicitation document accompanying each
9 solicitation set forth the expected degree of minority and women-owned
10 business enterprise participation based, in part, on:

11 (i) the potential subcontract opportunities available in the prime
12 procurement contract; and

13 (ii) the availability, as contained within the study, of certified
14 minority and women-owned business enterprises to respond competitively
15 to the potential subcontract opportunities;

16 (c) require that each agency provide a current list of certified
17 minority business enterprises to each prospective contractor;

18 (d) allow a contractor that is a certified minority-owned or women-
19 owned business enterprise to use the work it performs to meet require-
20 ments for use of certified minority-owned or women-owned business enter-
21 prises as subcontractors;

22 (e) provide for joint ventures, which a bidder may count toward meet-
23 ing its minority and women-owned business enterprise participation;

24 (f) consistent with subdivision six of this section, provide for
25 circumstances under which an agency may waive obligations of the
26 contractor relating to minority and women-owned business enterprise
27 participation;

28 (g) require that an agency verify that minority and women-owned busi-
29 ness enterprises listed in a successful bid are actually participating
30 to the extent listed in the project for which the bid was submitted;

31 (h) provide for the collection of statistical data by each agency
32 concerning actual minority and women-owned business enterprise partic-
33 ipation; ~~and~~

34 (i) require each agency to consult the most current disparity study
35 when calculating agency-wide and contract specific participation goals
36 pursuant to this article~~-~~; and

37 (j) encourage joint ventures, partnerships, and mentor-protege
38 relationships as defined in section one hundred forty-seven of the state
39 finance law, between prime contractors and minority and women-owned
40 business enterprises.

41 3. Solely for the purpose of providing the opportunity for meaningful
42 participation by certified businesses in the performance of state
43 contracts as provided in this section, state contracts shall include
44 leases of real property by a state agency to a lessee where: the terms
45 of such leases provide for the construction, demolition, replacement,
46 major repair or renovation of real property and improvements thereon by
47 such lessee; and the cost of such construction, demolition, replacement,
48 major repair or renovation of real property and improvements thereon
49 shall exceed the sum of one hundred thousand dollars. Reports to the
50 director pursuant to section three hundred fifteen of this article shall
51 include activities with respect to all such state contracts. Contracting
52 agencies shall include or require to be included with respect to state
53 contracts for the acquisition, construction, demolition, replacement,
54 major repair or renovation of real property and improvements thereon,
55 such provisions as ~~may~~ shall be necessary to effectuate the provisions
56 of this section in every bid specification and state contract, includ-

ing, but not limited to: (a) provisions requiring contractors to make a good faith effort to solicit active participation by enterprises identified in the directory of certified businesses provided to the contracting agency by the office; (b) requiring the parties to agree as a condition of entering into such contract, to be bound by the provisions of section three hundred sixteen of this article; and (c) requiring the contractor to include the provisions set forth in paragraphs (a) and (b) of this subdivision in every subcontract in a manner that the provisions will be binding upon each subcontractor as to work in connection with such contract. Provided, however, that no such provisions shall be binding upon contractors or subcontractors in the performance of work or the provision of services that are unrelated, separate or distinct from the state contract as expressed by its terms, and nothing in this section shall authorize the director or any contracting agency to impose any requirement on a contractor or subcontractor except with respect to a state contract.

(a) Contracting agencies shall administer the rules and regulations promulgated by the director in a good faith effort to meet the maximum feasible portion of the agency's goals adopted pursuant to this article and the regulations of the director. Such rules and regulations: shall require a contractor to submit a utilization plan [~~after bids are opened~~] at the time the bids are submitted, when bids are required[~~, but prior to the award of a state contract~~]; shall require the contracting agency to review the utilization plan submitted by the contractor and to post the utilization plan and any waivers of compliance issued pursuant to subdivision six of this section on the website of the contracting agency within a reasonable period of time as established by the director; shall require the contracting agency to notify the contractor in writing within a period of time specified by the director as to any deficiencies contained in the contractor's utilization plan; shall require remedy thereof within a period of time specified by the director; shall require the contractor to submit [~~periodic~~] quarterly compliance reports relating to the operation and implementation of any utilization plan; shall not allow any automatic waivers but shall allow a contractor to apply for a partial or total waiver of the minority and women-owned business enterprise participation requirements pursuant to subdivisions six and seven of this section; shall allow a contractor to file a complaint with the director pursuant to subdivision eight of this section in the event a contracting agency has failed or refused to issue a waiver of the minority and women-owned business enterprise participation requirements or has denied such request for a waiver; and shall allow a contracting agency to file a complaint with the director pursuant to subdivision nine of this section in the event a contractor is failing or has failed to comply with the minority and women-owned business enterprise participation requirements set forth in the state contract where no waiver has been granted.

§ 4. Subdivisions 1, 2 and 3 of section 315 of the executive law, subdivisions 1 and 2 as added by chapter 261 of the laws of 1988 and subdivision 3 as amended by chapter 175 of the laws of 2010 are amended and a new subdivision 2-a is added to read as follows:

1. Each contracting agency shall be responsible for monitoring state contracts under its jurisdiction, and recommending matters to the office respecting non-compliance with the provisions of this article so that the office [~~may~~] shall take such action as [~~is appropriate~~] stated in subdivision three of section three hundred sixteen of this article. Each contracting agency shall have the right to recommend that the director

1 impose a sanction, penalty, or fine for three or more violations of
2 subdivision one of section three hundred sixteen of this article, to
3 insure compliance with the provisions of this article, the rules and
4 regulations of the director issued hereunder and the contractual
5 provisions required pursuant to this article. All contracting agencies
6 shall comply with the rules and regulations of the office and are
7 directed to cooperate with the office and to furnish to the office such
8 information and assistance as may be required in the performance of its
9 functions under this article.

10 2. Each contracting agency shall provide to prospective bidders a
11 current copy of the directory of certified businesses, and a copy of the
12 regulations required pursuant to sections three hundred twelve and three
13 hundred thirteen of this article at the time bids or proposals are
14 solicited.

15 2-a. Each contracting agency when notifying a contractor of a winning
16 bid award shall also notify any minority or women-owned business enter-
17 prises affiliated with such contractor, per the contractor's submitted
18 utilization plan, of such contractor's receipt of the winning bid award.

19 ~~3. [Each contracting agency shall report to the director with respect~~
20 ~~to activities undertaken to promote employment of minority group members~~
21 ~~and women and promote and increase participation by certified businesses~~
22 ~~with respect to state contracts and subcontracts. Such reports shall be~~
23 ~~submitted periodically, but not less frequently than annually, as~~
24 ~~required by the director, and shall include such information as is~~
25 ~~necessary for the director to determine whether the contracting agency~~
26 ~~and contractor have complied with the purposes of this article, includ-~~
27 ~~ing, without limitation, a summary of all waivers of the requirements of~~
28 ~~subdivisions six and seven of section three hundred thirteen of this~~
29 ~~article allowed by the contracting agency during the period covered by~~
30 ~~the report, including a description of the basis of the waiver request~~
31 ~~and the rationale for granting any such waiver. Each agency shall also~~
32 ~~include in such annual report whether or not it has been required to~~
33 ~~prepare a remedial plan, and, if so, the plan and the extent to which~~
34 ~~the agency has complied with each element of the plan.]~~

35 (a) Each contracting agency shall prepare a quarterly report and submit copies to
36 the commissioner of economic development, the commissioner of general
37 services, and the director as to the level of minority and women-owned
38 business enterprises participation in the awarding of agency contracts
39 for goods and services, including but not limited to, the number of
40 state contracts awarded to certified minority or women-owned business
41 enterprises; the maximum dollar amount obligated pursuant to all those
42 contracts, and the total expenditures made pursuant to all such
43 contracts; the number of state contracts awarded which include a utili-
44 zation plan for business participation by certified minority or women-
45 owned business enterprises, the maximum amount obligated pursuant to
46 those contracts, and the total expenditures made pursuant to all such
47 contracts; the number of state contracts awarded upon which a waiver was
48 granted from goals required by the contracts for business participation
49 by certified minority or women-owned business enterprises, and the maxi-
50 imum amount obligated pursuant to those contracts; the number of state
51 contracts awarded which required goals for employment of minority group
52 members and women; and the number of state contracts awarded for which
53 wavers of employment goals required by the contracts have been granted;

54 (b) In addition, each contracting agency shall be responsible for the
55 cost of an independent audit resulting from the agency's repeated
56 violations of this section.

(c) Within thirty days after completion, a copy of the quarterly minority and women-owned business enterprise report shall be transmitted to the commissioner of economic development, the commissioner of general services, and the director. A contracting agency, which has not let more than two million dollars in service and/or construction contracts within the applicable period may apply to the commissioner of economic development, and the director for a waiver of the required annual report. The waiver application shall be made on such form as the commissioner of economic development and the director may prescribe.

(d) If a contracting agency shall fail to file or substantially complete, as determined by the commissioner of economic development and the director, the report required by this section, the director shall provide notice to the contracting agency. The notice shall state the following:

(i) that the failure to file a report as required is a violation of this section, or in the case of an insufficient report, the manner in which the report submitted is deficient;

(ii) that the contracting agency has thirty days to comply with this section or provide an adequate written explanation to the commissioner of economic development and the commissioner of general services and the director of the contracting agency's reasons for the inability to comply; and

(iii) that the contracting agency's continued failure to provide either the required report or an adequate explanation will result in an independent audit of the contracting agency, the cost of which shall be borne by the contracting agency.

§ 5. Section 316 of the executive law, as amended by chapter 175 of the laws of 2010, is amended to read as follows:

§ 316. ~~[Enforcement]~~ Violations and enforcement. 1. It shall be a violation for any person or entity to:

(a) intentionally use or acquire an MWBE name through deceit or other dishonest means in order to negotiate a lower bid from a non-MWBE.

(b) submit to the department of economic development, documents or other material as evidence of a good faith effort to comply with the provisions of this article without, in fact, having entered into any contract, agreement, subcontract, or sub-agreement with an MWBE for the use or purchase of such business enterprise's goods or services in the performance of the awarded state contract.

(c) fail to provide an MWBE with sufficient information or other required supporting documentation in order for the MWBE to prepare a proper bid.

2. Upon receipt by the director of a complaint by a contracting agency that a contractor has violated the provisions of a state contract which have been included to comply with the provisions of this article or of a contractor that a contracting agency has violated such provisions or has failed or refused to issue a waiver where one has been applied for pursuant to subdivision six of section three hundred thirteen of this article or has denied such application, the director shall attempt to resolve the matter giving rise to such complaint. If efforts to resolve such matter to the satisfaction of all parties are unsuccessful, the director shall refer the matter, within thirty days of the receipt of the complaint, to the division's hearing officers. Upon conclusion of the administrative hearing, the hearing officer shall submit to the director his or her decision regarding the alleged violation of the contract and recommendations regarding the imposition of sanctions, fines or penalties. The director, within ten days of receipt of the

1 decision, shall file a determination of such matter and shall cause a
2 copy of such determination along with a copy of this article to be
3 served upon the contractor by personal service or by certified mail
4 return receipt requested. The decision of the hearing officer shall be
5 final and may only be vacated or modified as provided in article seven-
6 ty-eight of the civil practice law and rules upon an application made
7 within the time provided by such article. The determination of the
8 director as to the imposition of any fines, sanctions or penalties shall
9 be reviewable pursuant to article seventy-eight of the civil practice
10 law and rules. The penalties imposed for any violation which is premised
11 upon either a fraudulent or intentional misrepresentation by the
12 contractor or the contractor's willful and intentional disregard of the
13 minority and women-owned participation requirement included in the
14 contract may include a determination that the contractor shall be ineli-
15 gible to submit a bid to any contracting agency or be awarded any such
16 contract for a period not to exceed one year following the final deter-
17 mination; provided however, if a contractor has previously been deter-
18 mined to be ineligible to submit a bid pursuant to this section, the
19 penalties imposed for any subsequent violation, if such violation occurs
20 within five years of the first violation, may include a determination
21 that the contractor shall be ineligible to submit a bid to any contract-
22 ing agency or be awarded any such contract for a period not to exceed
23 five years following the final determination. The division of minority
24 and women's business development shall maintain a website listing all
25 contractors that have been deemed ineligible to submit a bid pursuant to
26 this section and the date after which each contractor shall once again
27 become eligible to submit bids.

28 3. The director shall impose a sanction, penalty, or fine on any
29 individual or entity that has three or more violations of this article
30 within five years. Such fine shall be paid by such individual or entity.
31 Such fine shall be remitted and deposited into a fund, to be managed by
32 the commissioner of economic development. Such funds shall be used to
33 subsidize the facilitation of the provisions of this article. Other
34 sanctions shall include barring such entity or individual from contract-
35 ing with such agency for a period not to exceed five years.

36 § 6. Subdivision 1 of section 137 of the state finance law, as sepa-
37 rately amended by section 17 of part MM of chapter 57 and by chapter 619
38 of the laws of 2008, is amended to read as follows:

39 1. In addition to other bond or bonds, if any, required by law for the
40 completion of a work specified in a contract for the prosecution of a
41 public improvement for the state of New York a municipal corporation, a
42 public benefit corporation or a commission appointed pursuant to law, or
43 in the absence of any such requirement, the comptroller may or the other
44 appropriate official, respectively, shall nevertheless require prior to
45 the approval of any such contract a bond guaranteeing prompt payment of
46 moneys due to all persons furnishing labor or materials to the contrac-
47 tor or any subcontractors in the prosecution of the work provided for in
48 such contract. Whenever a municipal corporation issues a permit subject
49 to compliance with section two hundred twenty of the labor law, such
50 permittee or its contractor or subcontractors furnishing workers shall
51 post a payment bond subject to this section. Provided, however, that all
52 performance bonds and payment bonds may, at the discretion of the head
53 of the state agency, public benefit corporation or commission, or his or
54 her designee, be dispensed with for the completion of a work specified
55 in a contract for the prosecution of a public improvement for the state
56 of New York for which bids are solicited where the aggregate amount of

1 the contract is under one hundred fifty thousand dollars and provided
2 further, that in a case where the contract is not subject to the multi-
3 ple contract award requirements of section one hundred thirty-five of
4 this article, such requirements may be dispensed with where the head of
5 the state agency, public benefit corporation or commission finds it to
6 be in the public interest and where the aggregate amount of the contract
7 awarded or to be awarded is less than two hundred thousand dollars. The
8 head of the state agency, public benefit corporation or commission, or
9 his or her designee, shall adjust the aggregate contract amounts listed
10 in this subdivision every year to account for increases in the costs of
11 construction. Advertisements for bids shall provide information on the
12 requirements for, or dispensation of, performance and payment bonds.
13 Provided further, that in a case where a performance or payment bond is
14 dispensed with, twenty per centum may be retained from each progress
15 payment or estimate until the entire contract work has been completed
16 and accepted, at which time the head of the state agency, public benefit
17 corporation or commission shall, pending the payment of the final esti-
18 mate, pay not to exceed seventy-five per centum of the amount of the
19 retained percentage.

20 § 7. Subdivision 4 of section 139-f of the state finance law, as
21 amended by chapter 83 of the laws of 1995, is amended to read as
22 follows:

23 4. Notwithstanding any other provision of this section or other law,
24 requirements for the furnishing of a performance bond or a payment bond
25 may be dispensed with at the discretion of the head of the state agency
26 or corporation, or his or her designee, where the public owner is a
27 state agency or corporation described in subdivision one-a of this
28 section and the aggregate amount of the contract awarded or to be
29 awarded is under fifty thousand dollars and, in a case where the
30 contract is not subject to the multiple contract award requirements of
31 section one hundred thirty-five of this article, such requirements may
32 be dispensed with where the head of the state agency or corporation
33 finds it to be in the public interest and where the aggregate amount of
34 the contract awarded or to be awarded is under [~~two~~] three hundred thou-
35 sand dollars. The head of the state agency, public benefit corporation
36 or commission, or his or her designee, shall adjust the aggregate
37 contract amounts listed in this subdivision every year to account for
38 increases in the costs of construction. Advertisements for bids shall
39 provide information on the requirements for, or dispensation of,
40 performance and payment bonds. Provided further, that in a case where a
41 performance or payment bond is dispensed with, twenty per centum may be
42 retained from each progress payment or estimate until the entire
43 contract work has been completed and accepted, at which time the head of
44 the state agency or corporation shall, pending the payment of the final
45 estimate, pay not to exceed seventy-five per centum of the amount of the
46 retained percentage.

47 § 8. The opening paragraph of section 139-g of the state finance law,
48 as amended by chapter 636 of the laws of 2003, is amended to read as
49 follows:

50 In every state agency, department and authority which has let more
51 than two million dollars in service and construction contracts and state
52 assisted project contracts in the prior fiscal year, the chief executive
53 officer of that agency, department or authority shall, with respect to
54 those contracts and state assisted project contracts let by his or her
55 agency, department or authority:

§ 9. The opening paragraph of subdivision (b) of section 139-g of the state finance law, as amended by chapter 636 of the laws of 2003, is amended to read as follows:

identify all small-business and certified women and minority-owned business concerns which, in the judgment of the chief executive officer of that agency, department or authority, can bid on those contracts and state assisted project contracts which are usually and customarily let by that agency, department or authority, or in which that authority provides a grant or loan or tax exempt financing, with a reasonable expectation of success. Such chief executive officers shall carry out the provisions of this subdivision:

§ 10. Section 139-g of the state finance law is amended by adding a new subdivision (e) to read as follows:

(e) For the purposes of this section, the following words shall have the following meanings:

(i) "State assisted project contract" shall mean any written agreement arising out of a state assisted housing project or state assisted economic development project or state assisted higher education project or state assisted hospital or health care facility project, for which the total project cost exceeds two million dollars and for which the project owner is committed to spend or does expend funds for the acquisition, construction, demolition, replacement, major repair, or renovation of real property and improvements thereon for such project.

(ii) "State assisted housing project" shall mean those projects which receive from the New York state housing finance agency tax-exempt financing for all or part of the total project cost.

(iii) "State assisted economic development project" shall mean those projects which receive from the New York foundation of science technology and innovation, or the urban development corporation and its subsidiaries a grant or loan or tax-exempt financing for all or part of the total project cost.

(iv) "State assisted higher education project" shall mean those projects which receive from the dormitory authority of the state of New York a grant or loan or tax-exempt financing for all or part of the total project cost.

(v) "State assisted hospital or health care facility project" shall mean those projects which receive from the dormitory authority of the state of New York a grant or loan or tax-exempt financing for all or part of the total project cost.

§ 11. This act shall take effect immediately, provided however, the amendments to article 15-A of the executive law made by sections one, two, three, four and five of this act shall not affect the expiration of such article and shall expire therewith.