

# STATE OF NEW YORK

7534

2021-2022 Regular Sessions

## IN SENATE

November 19, 2021

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

AN ACT to amend the general municipal law, in relation to the awarding of certain purchase contracts

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

1 Section 1. Subdivision 1 of section 103 of the general municipal law,  
2 as amended by section 1 of chapter 2 of the laws of 2012, is amended to  
3 read as follows:  
4 1. (a) Except as otherwise expressly provided by an act of the legis-  
5 lature or by a local law adopted prior to September first, nineteen  
6 hundred fifty-three, all contracts for public work involving an expendi-  
7 ture of more than thirty-five thousand dollars and all purchase  
8 contracts involving an expenditure of more than twenty thousand dollars,  
9 shall be awarded by the appropriate officer, board or agency of a poli-  
10 tical subdivision or of any district therein including but not limited  
11 to a soil conservation district to the lowest responsible bidder  
12 furnishing the required security after advertisement for sealed bids in  
13 the manner provided by this section, provided, however, that purchase  
14 contracts (including contracts for service work, but excluding any  
15 purchase contracts necessary for the completion of a public works  
16 contract pursuant to article eight of the labor law) may be awarded on  
17 the basis of best value, as defined in section one hundred sixty-three  
18 of the state finance law, to a responsive and responsible bidder or  
19 offerer in the manner provided by this section except that in a poli-  
20 tical subdivision other than a city with a population of one million  
21 inhabitants or more or any district, board or agency with jurisdiction  
22 exclusively therein the use of best value for awarding a purchase  
23 contract or purchase contracts must be authorized by local law or, in  
24 the case of a district corporation, school district or board of cooper-  
25 ative educational services, by rule, regulation or resolution adopted at

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

LBD11795-08-1

1 a public meeting, provided further, however, that purchase contracts  
2 (including contracts for service work, but excluding any purchase  
3 contracts necessary for the completion of a public works contract pursu-  
4 ant to article eight of the labor law) may be awarded to an otherwise  
5 qualified bidder who fulfills one or more of the values based procure-  
6 ment standards pursuant to paragraph (b) of this subdivision and the  
7 contract may be given preference over other bidders provided, however,  
8 that the cost included in the bid is not more than ten percent greater  
9 than the cost included in a bid by the lowest responsible bidder and  
10 provided further that the bidder provides all relevant supply chain data  
11 in its bid to the appropriate officer, board or agency, updated annually  
12 and upon changes, and that the appropriate officer, board or agency  
13 shall make this data publicly available without the need for a freedom  
14 of information law request, excepting data prohibited by state law. In  
15 any case where a responsible bidder's or responsible offerer's gross  
16 price is reducible by an allowance for the value of used machinery,  
17 equipment, apparatus or tools to be traded in by a political subdivi-  
18 sion, the gross price shall be reduced by the amount of such allowance,  
19 for the purpose of determining the best value. In cases where two or  
20 more responsible bidders furnishing the required security submit identi-  
21 cal bids as to price, such officer, board or agency may award the  
22 contract to any of such bidders. Such officer, board or agency may, in  
23 his or her or its discretion, reject all bids or offers and readvertise  
24 for new bids or offers in the manner provided by this section. In deter-  
25 mining whether a purchase is an expenditure within the discretionary  
26 threshold amounts established by this subdivision, the officer, board or  
27 agency of a political subdivision or of any district therein shall  
28 consider the reasonably expected aggregate amount of all purchases of  
29 the same commodities, services or technology to be made within the  
30 twelve-month period commencing on the date of purchase. Purchases of  
31 commodities, services or technology shall not be artificially divided  
32 for the purpose of satisfying the discretionary buying thresholds estab-  
33 lished by this subdivision. A change to or a renewal of a discretionary  
34 purchase shall not be permitted if the change or renewal would bring the  
35 reasonably expected aggregate amount of all purchases of the same  
36 commodities, services or technology from the same provider within the  
37 twelve-month period commencing on the date of the first purchase to an  
38 amount greater than the discretionary buying threshold amount. For  
39 purposes of this section, "sealed bids" and "sealed offers", as that  
40 term applies to purchase contracts, (including contracts for service  
41 work, but excluding any purchase contracts necessary for the completion  
42 of a public works contract pursuant to article eight of the labor law)  
43 shall include bids and offers submitted in an electronic format includ-  
44 ing submission of the statement of non-collusion required by section one  
45 hundred three-d of this article, provided that the governing board of  
46 the political subdivision or district, by resolution, has authorized the  
47 receipt of bids and offers in such format. Submission in electronic  
48 format may, for technology contracts only, be required as the sole meth-  
49 od for the submission of bids and offers. Bids and offers submitted in  
50 an electronic format shall be transmitted by bidders and offerers to the  
51 receiving device designated by the political subdivision or district.  
52 Any method used to receive electronic bids and offers shall comply with  
53 article three of the state technology law, and any rules and regulations  
54 promulgated and guidelines developed thereunder and, at a minimum, must  
55 [~~(a)~~] (i) document the time and date of receipt of each bid and offer  
56 received electronically; [~~(b)~~] (ii) authenticate the identity of the

1 sender; [~~e~~] (iii) ensure the security of the information transmitted;  
2 and [~~d~~] (iv) ensure the confidentiality of the bid or offer until the  
3 time and date established for the opening of bids or offers. The timely  
4 submission of an electronic bid or offer in compliance with instructions  
5 provided for such submission in the advertisement for bids or offers  
6 and/or the specifications shall be the responsibility solely of each  
7 bidder or offerer or prospective bidder or offerer. No political subdivi-  
8 sion or district therein shall incur any liability from delays of or  
9 interruptions in the receiving device designated for the submission and  
10 receipt of electronic bids and offers.

11 (b) Supplier data shall be submitted at the time of bid, to the best  
12 of the bidder's ability, updated at point of contract, and then updated  
13 annually and upon changes. Any contractor shall submit updated supplier  
14 data. Such data required pursuant to this paragraph shall include the  
15 name and address of each supplier, distributor, processor, and  
16 producer involved in the provision of the products that the bidder will  
17 supply.

18 (c) For the purposes of this subdivision, "values based procurement  
19 standards" shall mean procurement criteria that is based on:

20 (i) local economies. Preference shall be given to New York state or  
21 regional suppliers that are sourcing food products in which fifty-one  
22 percent of the raw agricultural materials have been grown, harvested,  
23 processed and manufactured from within the state or region (within two  
24 hundred fifty miles for produce and five hundred miles for animal  
25 products); or

26 (ii) environmental sustainability. Preference shall be given to  
27 producers that adopt practices that contribute to improved soil health  
28 and increased carbon sequestration and storage, and that achieve net  
29 short-term and long-term greenhouse gas benefits. Such practices shall  
30 include those recommended by the United States department of agriculture  
31 natural resources conservation service or their equivalent, that will:

32 (A) achieve the reduction or elimination of synthetic pesticides and  
33 fertilizers through use of precision agriculture, integrated pest  
34 management, and/or advanced nutrient management;

35 (B) avoid the misuse or routine use of hormones or antibiotics for  
36 growth promotion or ongoing disease prevention;

37 (C) preserve and rebuild soil quality through use of soil health prac-  
38 tices, including but not limited to planting cover crops, adopting  
39 no-till and reduced tillage, increasing crop rotations and intercrop-  
40 ping, and planting perennial crops, to improve the function and resili-  
41 ence of soils;

42 (D) protect and enhance wildlife habitats and biodiversity;

43 (E) avoid contributing to water quality impairment and avoid contrib-  
44 uting to deterioration of local air quality;

45 (F) reduce greenhouse gas emissions attributable to livestock through  
46 use of feed management, prescribed grazing, amendments for treatment of  
47 agricultural waste, and manure management; and

48 (G) reduce on-farm energy and water consumption, food waste and green-  
49 house gas emissions; or

50 (iii) racial equity. Preference shall be given to minority and women-  
51 owned business enterprises as defined in article fifteen-a of the execu-  
52 tive law.

53 (iv) valued workforce. In order to avoid labor unrest and thereby  
54 secure best value, preference shall be given to suppliers who: respect  
55 and protect workers' rights to freedom of association, to organize a  
56 union, and to bargain collectively free from retaliation; as evidenced

1 by a union contract or agreeing to enter into a labor peace agreement  
2 with a bona fide labor union upon request by that union; or are a work-  
3 er-owned cooperative; or

4 (v) valued agricultural workforce. Preference shall be given to  
5 suppliers who pay farmers a fair price, using United States department  
6 of agriculture pricing standards, for the products they supply that  
7 covers their actual cost of production and fair remuneration for their  
8 management and labor; or

9 (vi) animal welfare. Preference shall be given to producers who  
10 provide more humane care for farmed animals by prohibiting intensive  
11 confinement (e.g. caging, crating or tethering), providing enough space  
12 and environmental enrichments to allow animals to carry out their  
13 natural behaviors, using pain control as needed when carrying out phys-  
14 ical alterations, utilizing responsible, therapeutic antibiotic use, and  
15 requiring humane handling and slaughter, as demonstrated by an independ-  
16 ent United States department of agriculture recognized animal welfare  
17 certification program with regular, third-party on-farm audits assessing  
18 a producer's compliance with one hundred percent of the program's  
19 welfare standards; or

20 (vii) nutrition. Preference shall be given to foods that promote  
21 health and well-being, comprised of namely whole grains, fresh and mini-  
22 minally-processed fruits and vegetables, essential fats (including nuts,  
23 seeds and fish), and whole plant-based and lean proteins so as to  
24 decrease sodium, added sugars, artificial additives, and saturated,  
25 hydrogenated, and trans fats.

26 § 2. Subdivision 1 of section 103 of the general municipal law, as  
27 amended by section 2 of chapter 2 of the laws of 2012, is amended to  
28 read as follows:

29 1. (a) Except as otherwise expressly provided by an act of the legis-  
30 lature or by a local law adopted prior to September first, nineteen  
31 hundred fifty-three, all contracts for public work involving an expendi-  
32 ture of more than thirty-five thousand dollars and all purchase  
33 contracts involving an expenditure of more than twenty thousand dollars,  
34 shall be awarded by the appropriate officer, board or agency of a poli-  
35 tical subdivision or of any district therein including but not limited  
36 to a soil conservation district to the lowest responsible bidder  
37 furnishing the required security after advertisement for sealed bids in  
38 the manner provided by this section, provided, however, that purchase  
39 contracts (including contracts for service work, but excluding any  
40 purchase contracts necessary for the completion of a public works  
41 contract pursuant to article eight of the labor law) may be awarded on  
42 the basis of best value, as defined in section one hundred sixty-three  
43 of the state finance law, to a responsive and responsible bidder or  
44 offerer in the manner provided by this section except that in a poli-  
45 tical subdivision other than a city with a population of one million  
46 inhabitants or more or any district, board or agency with jurisdiction  
47 exclusively therein the use of best value of awarding a purchase  
48 contract or purchase contracts must be authorized by local law or, in  
49 the case of a district corporation, school district or board of cooper-  
50 ative educational services, by rule, regulation or resolution adopted at  
51 a public meeting, provided further, however, that purchase contracts  
52 (including contracts for service work, but excluding any purchase  
53 contracts necessary for the completion of a public works contract pursu-  
54 ant to article eight of the labor law) may be awarded to an otherwise  
55 qualified bidder who fulfills one or more of the values based procure-  
56 ment standards pursuant to paragraph (b) of this subdivision and the

contract may be given preference over other bidders provided, however that the cost included in the bid is not more than ten percent greater than the cost included in a bid by the lowest responsible bidder and provided further that the bidder provides all relevant supply chain data in its bid to the appropriate officer, board or agency, updated annually and upon changes, and that the appropriate officer, board or agency shall make this data publicly available without the need for a freedom of information law request, excepting data prohibited by state law.

In determining whether a purchase is an expenditure within the discretionary threshold amounts established by this subdivision, the officer, board or agency of a political subdivision or of any district therein shall consider the reasonably expected aggregate amount of all purchases of the same commodities, services or technology to be made within the twelve-month period commencing on the date of purchase. Purchases of commodities, services or technology shall not be artificially divided for the purpose of satisfying the discretionary buying thresholds established by this subdivision. A change to or a renewal of a discretionary purchase shall not be permitted if the change or renewal would bring the reasonably expected aggregate amount of all purchases of the same commodities, services or technology from the same provider within the twelve-month period commencing on the date of the first purchase to an amount greater than the discretionary buying threshold amount. In any case where a responsible bidder's or responsible offerer's gross price is reducible by an allowance for the value of used machinery, equipment, apparatus or tools to be traded in by a political subdivision, the gross price shall be reduced by the amount of such allowance, for the purpose of determining the low bid or best value. In cases where two or more responsible bidders furnishing the required security submit identical bids as to price, such officer, board or agency may award the contract to any of such bidders. Such officer, board or agency may, in his, her or its discretion, reject all bids or offers and readvertise for new bids or offers in the manner provided by this section.

(b) Supplier data shall be submitted at the time of bid, to the best of the bidder's ability, updated at point of contract, and then updated annually and upon changes. Any contractor shall submit updated supplier data. Such data required pursuant to this paragraph shall include the name and address of each supplier, distributor, processor, and producer involved in the provision of the products that the bidder will supply.

(c) For the purposes of this subdivision, "values based procurement standards" shall mean procurement criteria that is based on:

(i) local economies. Preference shall be given to New York state or regional suppliers that are sourcing food products in which fifty-one percent of the raw agricultural materials have been grown, harvested, processed and manufactured from within the state or region (within two hundred fifty miles for produce and five hundred miles for animal products); or

(ii) environmental sustainability. Preference shall be given to producers that adopt practices that contribute to improved soil health and increased carbon sequestration and storage, and that achieve net short-term and long-term greenhouse gas benefits. These practices include those recommended by the United States department of agriculture natural resources conservation service or their equivalent, that will:

(A) achieve the reduction or elimination of synthetic pesticides and fertilizers through use of precision agriculture, integrated pest management, and/or advanced nutrient management;

1 (B) avoid the misuse or routine use of hormones or antibiotics for  
2 growth promotion or ongoing disease prevention;

3 (C) preserve and rebuild soil quality through use of soil health prac-  
4 tices, including but not limited to planting cover crops, adopting  
5 no-till and reduced tillage, increasing crop rotations and intercrop-  
6 ping, and planting perennial crops, to improve the function and resili-  
7 ence of soils;

8 (D) protect and enhance wildlife habitats and biodiversity;

9 (E) avoid contributing to water quality impairment and avoid contrib-  
10 uting to deterioration of local air quality;

11 (F) reduce greenhouse gas emissions attributable to livestock through  
12 use of feed management, prescribed grazing, amendments for treatment of  
13 agricultural waste, and manure management; and

14 (G) reduce on-farm energy and water consumption, food waste and green-  
15 house gas emissions; or

16 (iii) racial equity. Preference shall be given to minority and women-  
17 owned business enterprises as defined in article fifteen-a of the execu-  
18 tive law

19 (iv) valued workforce. In order to avoid labor unrest and thereby  
20 secure best value, preference shall be given to suppliers who: respect  
21 and protect workers' rights to freedom of association, to organize a  
22 union, and to bargain collectively free from retaliation; as evidenced  
23 by a union contract or agreeing to enter into a labor peace agreement  
24 with a bona fide labor union upon request by that union; or are a work-  
25 er-owned cooperative; or

26 (v) valued agricultural workforce. Preference shall be given to  
27 suppliers who pay farmers a fair price, using United States department  
28 of agriculture pricing standards, for the products they supply that  
29 covers their actual cost of production and fair remuneration for their  
30 management and labor; or

31 (vi) animal welfare. Preference shall be given to producers who  
32 provide more humane care for farmed animals by prohibiting intensive  
33 confinement (e.g. caging, crating or tethering), providing enough space  
34 and environmental enrichments to allow animals to carry out their  
35 natural behaviors, using pain control as needed when carrying out phys-  
36 ical alterations, utilizing responsible, therapeutic antibiotic use, and  
37 requiring humane handling and slaughter, as demonstrated by an independ-  
38 ent United States department of agriculture recognized animal welfare  
39 certification program with regular, third-party on-farm audits assessing  
40 a producer's compliance with one hundred percent of the program's  
41 welfare standards; or

42 (vii) nutrition. Preference shall be given to foods that promote  
43 health and well-being, comprised of namely whole grains, fresh and mini-  
44 mally-processed fruits and vegetables, essential fats (including nuts,  
45 seeds and fish), and whole plant-based and lean proteins so as to  
46 decrease sodium, added sugars, artificial additives, and saturated,  
47 hydrogenated, and trans fats.

48 § 3. This act shall take effect immediately; provided, however, that  
49 the amendments to subdivision 1 of section 103 of the general municipal  
50 law made by section one of this act shall be subject to the expiration  
51 and reversion of such subdivision when upon such date the provisions of  
52 section two of this act shall take effect.