

# STATE OF NEW YORK

2740--A

2023-2024 Regular Sessions

## IN ASSEMBLY

January 27, 2023

Introduced by M. of A. PAULIN, WALLACE, SIMONE, SIMON, LAVINE, RAGA, HEVESI, LEVENBERG, SAYEGH, BURDICK, SHIMSKY, OTIS, BURGOS, GIBBS, TAYLOR, ZACCARO, DAVILA -- read once and referred to the Committee on Governmental Operations -- recommitted to the Committee on Governmental Operations in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the state finance law, in relation to state agency contracts with not-for-profit corporations

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

1 Section 1. Section 179-q of the state finance law is amended by adding  
2 a new subdivision 15 to read as follows:

3 15. "Noncompliant state agency" means a state agency that has failed  
4 to execute certain contracts within required time frames.

5 § 2. Section 179-t of the state finance law is amended by adding a new  
6 subdivision 4-a to read as follows:

7 4-a. A state agency shall be deemed to be noncompliant if, for six of  
8 the last twelve preceding months, it has (a) failed to submit renewal  
9 contracts to the attorney general within the time frame required by  
10 subdivision four of this section when not-for-profit organizations are  
11 parties to such contracts and a written directive has been issued, (b)  
12 failed to submit renewal contracts to the attorney general prior to  
13 commencement when not-for-profit organizations are parties to such  
14 contracts, and/or (c) in any other manner failed to fully execute a  
15 contract before its start date.

16 § 3. Section 179-bb of the state finance law is amended by adding a  
17 new subdivision 4 to read as follows:

18 4. (a) A noncompliant state agency shall prepare and transmit to the  
19 office of the state comptroller, by the end of every month for which it  
20 is noncompliant, a report addressing those renewal contracts which have

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

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1 not been submitted to the attorney general within the time frame  
2 required by subdivision four of section one hundred seventy-nine-t of  
3 this article. In addition, such agency shall provide notification  
4 regarding the submission of such report to the not-for-profit organiza-  
5 tion it is contracting with. Such report shall (i) describe the  
6 contracts that have not been submitted, (ii) detail the reasons the  
7 contract has not been submitted, (iii) detail the steps the agency is  
8 taking to submit and fully execute the contract, and (iv) provide an  
9 estimate of when it shall submit and fully execute the contract. The  
10 agency shall also make such reports publicly accessible on its website.

11 (b) Within six months of becoming a noncompliant state agency, such  
12 agency shall prepare and transmit to the office of the state comp-  
13 troller, the temporary president of the senate, and the speaker of the  
14 assembly, a report describing its efforts to become compliant with the  
15 requirements of section one hundred seventy-nine-t of this article. Such  
16 report shall describe in detail efforts to revise internal policies and  
17 procedures, identify bottlenecks and other barriers to efficient  
18 contracting, retrain staff and management, incorporate improved manage-  
19 ment practices, reform procurement processes, and any other factor which  
20 will enable the agency to meet the requirements of section one hundred  
21 seventy-nine-t of this article as related to not-for-profit organiza-  
22 tions. The agency shall also prepare and deliver updated reports every  
23 six months after the delivery of the first report describing the  
24 progress it has made. Such reports shall also be posted on the agency's  
25 website.

26 § 4. Subdivision 14 of section 179-q of the state finance law, as  
27 added by chapter 166 of the laws of 1991, is amended to read as follows:

28 14. "Written directive" means a written request by a state agency to a  
29 not-for-profit organization authorizing such organization either to  
30 begin providing services during the negotiation of a contract or to  
31 continue providing services during the negotiation of a renewal  
32 contract. All written directives shall state that payment for the  
33 services provided is subject to the availability of appropriations[  
34 ~~execution of either the contract or renewal contract, and approval of~~  
35 ~~the contract or renewal contract by the comptroller and the attorney~~  
36 ~~general]. All written directives shall also include the state's payment  
37 schedule, which will remain in effect until a contract is approved. Any  
38 late payments from the state based on the schedule will be subject to  
39 interest.~~

40 § 5. This act shall take effect immediately.