

STATE OF NEW YORK

3310--A

2023-2024 Regular Sessions

IN SENATE

January 30, 2023

Introduced by Sen. SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Ethics and Internal Governance -- recommitted to the Committee on Ethics and Internal Governance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the public officers law, the public authorities law and the general municipal law, in relation to prohibiting certain persons from receiving compensation for legal fees, consulting, or other work performed for an industrial development agency, an economic assistance corporation, or from a state or local authority

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

- 1 Section 1. Paragraphs (a) and (b) of subdivision 7 of section 73 of
2 the public officers law, as amended by section 3 of part K of chapter
3 286 of the laws of 2016, are amended to read as follows:
- 4 (a) No statewide elected official, or state officer or employee, other
5 than in the proper discharge of official state or local governmental
6 duties, or member of the legislature or legislative employee, or poli-
7 tical party chairman shall receive, directly or indirectly, or enter
8 into any agreement express or implied for, any compensation, in whatever
9 form, for the appearance or rendition of services by [~~himself, herself~~
10 themselves or another in relation to any case, proceeding, application or
11 other matter before a state agency where such appearance or rendition of
12 services is in connection with:
- 13 (i) the purchase, sale, rental or lease of real property, goods or
14 services, or a contract therefor, from, to or with any such agency;
- 15 (ii) any proceeding relating to rate making;
- 16 (iii) the adoption or repeal of any rule or regulation having the
17 force and effect of law;
- 18 (iv) the obtaining of grants of money or loans;

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

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1 (v) licensing; [~~ex~~]

2 (vi) any proceeding relating to a franchise provided for in the public
3 service law[-]; or

4 (vii) legal services, consulting, or any other contractual expenditure
5 for services, whether actually performed or not from a state or local
6 authority if such statewide elected official, state officer or employ-
7 ee, member of the legislature, legislative employee or political
8 party chairman: (A) is directly contracted by a state or local authority
9 for the related services; (B) owns or controls directly or indirectly
10 ten per centum or more of stock in a corporation that is contracted
11 by a state or local authority for the related services; or (C) owns
12 or controls ten per centum or more of the capital, profits, or bene-
13 ficial interest in a firm or association that is contracted by a state
14 or local authority for the related services.

15 (b) No political party chairman in a county wholly included in a city
16 having a population of one million or more shall receive, directly or
17 indirectly, or enter into any agreement express or implied for, any
18 compensation, in whatever form, for the appearance or rendition of
19 services by [~~himself, herself~~] themselves or another in relation to any
20 case, proceeding, application or other matter before any city agency
21 where such appearance or rendition of services is in connection with:

22 (i) the purchase, sale, rental or lease of real property, goods or
23 services, or a contract therefor, from, to or with any such agency;

24 (ii) any proceeding relating to ratemaking;

25 (iii) the adoption or repeal of any rule or regulation having the
26 force and effect of law;

27 (iv) the obtaining of grants of money or loans;

28 (v) licensing. For purposes of this paragraph, the term "licensing"
29 shall mean any city agency activity respecting the grant, denial,
30 renewal, revocation, enforcement, suspension, annulment, withdrawal,
31 recall, cancellation or amendment of a license, permit or other form of
32 permission conferring the right or privilege to engage in (i) a profes-
33 sion, trade, or occupation or (ii) any business or activity regulated by
34 a regulatory agency of a city agency which in the absence of such
35 license, permit or other form of permission would be prohibited; [~~and~~]

36 (vi) any proceeding relating to a franchise[-]; and

37 (vii) legal services, consulting, or any other contractual expenditure
38 for services, whether actually performed or not from a state or local
39 authority if such political party chairman: (A) is directly
40 contracted by a state or local authority for the related services; (B)
41 owns or controls directly or indirectly ten per centum or more of stock
42 in a corporation that is contracted by a state or local authori-
43 ty for the related services; or (C) owns or controls ten per centum or
44 more of the capital, profits, or beneficial interest in a firm or
45 association that is contracted by a state or local authority for the
46 related services.

47 § 2. Subdivision 1 of section 2825 of the public authorities law, as
48 amended by chapter 766 of the laws of 2005, is amended to read as
49 follows:

50 1. No public officer or employee shall be ineligible for appointment
51 as a trustee or member of the governing body of a state or local author-
52 ity, as defined in section two of this chapter, and any public officer
53 or employee may accept such appointment and serve as such trustee or
54 member without forfeiture of any other public office or position of
55 public employment by reason thereof. Provided, no statewide elected
56 official, state officer or employee, member of the legislature, legisla-

1 tive employee or political party chairman as defined in sections seven-
2 ty-three and seventy-three-a of the public officers law shall receive
3 compensation for legal fees, consulting, or any other contractual
4 expenditure for services, whether actually performed or not, from a
5 state or local authority if such statewide elected official, state
6 officer or employee, member of the legislature, legislative employee or
7 political party chairman: (i) is directly contracted by a state or local
8 authority for the related services; (ii) owns or controls directly or
9 indirectly ten per centum or more of stock in a corporation or that is
10 contracted by a state or local authority for the related services; or
11 (iii) owns or controls ten per centum or more of the capital, profits,
12 or beneficial interest in a firm or association that is contracted by a
13 state or local authority for the related services.

14 § 3. Section 801 of the general municipal law, as amended by chapter
15 1043 of the laws of 1965, is amended to read as follows:

16 § 801. Conflicts of interest prohibited. Except as provided in section
17 eight hundred two of this chapter, (1) no municipal officer or employee
18 shall have an interest in any contract with the municipality of which
19 [~~he is~~] they are an officer or employee, when such officer or employee,
20 individually or as a member of a board, has the power or duty to (a)
21 negotiate, prepare, authorize or approve the contract or authorize or
22 approve payment thereunder (b) audit bills or claims under the contract,
23 or (c) appoint an officer or employee who has any of the powers or
24 duties set forth above [~~and~~], (2) no chief fiscal officer, treasurer, or
25 [~~his~~] their deputy or employee, shall have an interest in a bank or
26 trust company designated as a depository, paying agent, registration
27 agent or for investment of funds of the municipality of which [~~he is~~]
28 they are an officer or employee, and (3) no municipal officer shall
29 receive compensation for legal fees, consulting, or any other contractu-
30 al expenditure for services, whether actually performed or not, from a
31 state or local authority if such municipal officer: (a) is directly
32 contracted by a state or local authority for the related services, (b)
33 owns or controls directly or indirectly ten percent or more of stock in
34 a corporation that is contracted by a state or local authority for the
35 related services, or (c) owns or controls ten percent or more of the
36 capital, profits, or beneficial interest in a firm or association that
37 is contracted by a state or local authority for the related services.

38 The provisions of this section shall in no event be construed to
39 preclude the payment of lawful compensation and necessary expenses of
40 any municipal officer or employee in one or more positions of public
41 employment, the holding of which is not prohibited by law.

42 § 4. This act shall take effect immediately, and apply to contracts
43 entered into on or after such effective date.