STATE OF NEW YORK

6566

2023-2024 Regular Sessions

IN SENATE

April 26, 2023

Introduced by Sen. CHU -- read twice and ordered printed, and when printed to be committed to the Committee on Procurement and Contracts

AN ACT to amend the executive law, in relation to exempting certain business enterprise subcontractors who seek to do work with not-for-profit corporations from certain requirements

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

Section 1. Section 314 of the executive law is amended by adding a new subdivision 2-d to read as follows:

2-d. (a) The director shall establish a procedure enabling the office to accept business enterprise subcontractor verification for minority and women-owned business enterprise applicants who apply to do work for non-for-profit corporations in lieu of requiring such business enterprise subcontractor to complete the state certification process. The director shall promulgate rules and regulations to set forth criteria for the acceptance of such business enterprise subcontractor certification.

(b) All business enterprise subcontractor certifications shall require business enterprises who apply to do work for not-for-profit corporations and seek certification to meet the following standards:

(i) have at least fifty-one percent ownership by a minority or a women-owned enterprise and be owned by United States citizens or permanent resident noncitizens;

(ii) be an enterprise in which the minority and/or women-ownership interest is real, substantial and continuing;

(iii) be an enterprise in which the minority and/or women-ownership has and exercises the authority to control independently the day-to-day business decisions of the enterprise;

(iv) be an enterprise authorized to do business in this state;

(v) be subject to a physical site inspection to verify the fifty-one percent ownership requirement;

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

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(vi) be owned by an individual or individuals, whose ownership, control and operation are relied upon for certification, with a personal net worth that does not exceed fifteen million dollars and such other amount as the director shall set forth in regulations, as adjusted annually for inflation according to the consumer price index;

(vii) be an enterprise that is a small business pursuant to subdivision twenty of section three hundred ten of this article;

(viii) services and/or the work being performed are at a cost of less than fifty thousand one dollars;

(ix) have not received such exemption more than three times in the preceding twelve calendar months; and

(x) comply with any reporting requirements pursuant to this article.

§ 2. This act shall take effect immediately, provided however, the amendments to article 15-A of the executive law made by section one of this act shall not affect the expiration of such article and shall be deemed repealed therewith.