

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:

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

3 2-d. (a) The director shall establish a procedure enabling the office
4 to accept business enterprise subcontractor verification for minority
5 and women-owned business enterprise applicants who apply to do work for
6 non-for-profit corporations in lieu of requiring such business enter-
7 prise subcontractor to complete the state certification process. The
8 director shall promulgate rules and regulations to set forth criteria
9 for the acceptance of such business enterprise subcontractor certifi-
10 cation.

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

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

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

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

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

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

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

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

6 (vii) be an enterprise that is a small business pursuant to subdivi-
7 sion twenty of section three hundred ten of this article;

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

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

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

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