# STATE OF NEW YORK

5090

2025-2026 Regular Sessions

# IN ASSEMBLY

February 12, 2025

Introduced by M. of A. SOLAGES -- read once and referred to the Committee on Governmental Operations

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:**

Section 1. Paragraphs (a) and (b) of subdivision 7 of section 73 of the public officers law, as amended by section 3 of part K of chapter 286 of the laws of 2016, are amended to read as follows:

(a) No statewide elected official, or state officer or employee, other than in the proper discharge of official state or local governmental duties, or member of the legislature or legislative employee, or political party [~~chairman~~] **chair** shall receive, directly or indirectly, or enter into any agreement express or implied for, any compensation, in whatever form, for the appearance or rendition of services by [~~himself, herself~~] **themself** or another in relation to any case, proceeding, application or other matter before a state agency where such appearance or rendition of services is in connection with:

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

(ii) any proceeding relating to rate making;

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

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

(v) licensing; [~~or~~]

(vi) any proceeding relating to a franchise provided for in the public service law[~~.~~]**; or**

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

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(vii) legal services, consulting, or any other contractual expenditure for services, whether actually performed or not from a state or local authority if such statewide elected official, state officer or employee, member of the legislature, legislative employee or political party chair: (A) is directly contracted by a state or local authority for the related services; (B) owns or controls directly or indirectly ten per centum or more of stock in a corporation that is contracted by a state or local authority for the related services; or (C) owns or controls ten per centum or more of the capital, profits, or beneficial interest in a firm or association that is contracted by a state or local authority for the related services.

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

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

(ii) any proceeding relating to ratemaking;

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

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

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

(vi) any proceeding relating to a franchise[~~.~~]; and

(vii) legal services, consulting, or any other contractual expenditure for services, whether actually performed or not from a state or local authority if such political party chair: (A) is directly contracted by a state or local authority for the related services; (B) owns or controls directly or indirectly ten per centum or more of stock in a corporation that is contracted by a state or local authority for the related services; or (C) owns or controls ten per centum or more of the capital, profits, or beneficial interest in a firm or association that is contracted by a state or local authority for the related services.

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

1. No public officer or employee shall be ineligible for appointment as a trustee or member of the governing body of a state or local authority, as defined in section two of this chapter, and any public officer or employee may accept such appointment and serve as such trustee or member without forfeiture of any other public office or position of public employment by reason thereof. Provided, no statewide elected official, state officer or employee, member of the legislature, legislative employee or political party chair as defined in sections seventy-three and seventy-three-a of the public officers law shall receive compensation for legal fees, consulting, or any other contractual expenditure for services, whether actually performed or not, from a

state or local authority if such statewide elected official, state officer or employee, member of the legislature, legislative employee or political party chair: (i) is directly contracted by a state or local authority for the related services; (ii) owns or controls directly or indirectly ten per centum or more of stock in a corporation or that is contracted by a state or local authority for the related services; or (iii) owns or controls ten per centum or more of the capital, profits, or beneficial interest in a firm or association that is contracted by a state or local authority for the related services.

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

§ 801. Conflicts of interest prohibited. Except as provided in section eight hundred two of this chapter, (1) no municipal officer or employee shall have an interest in any contract with the municipality of which [~~he is~~] they are an officer or employee, when such officer or employee, individually or as a member of a board, has the power or duty to (a) negotiate, prepare, authorize or approve the contract or authorize or approve payment thereunder (b) audit bills or claims under the contract, or (c) appoint an officer or employee who has any of the powers or duties set forth above [~~and~~], (2) no chief fiscal officer, treasurer, or [~~his~~] their deputy or employee, shall have an interest in a bank or trust company designated as a depository, paying agent, registration agent or for investment of funds of the municipality of which [~~he is~~] they are an officer or employee, and (3) no municipal officer shall receive compensation for legal fees, consulting, or any other contractual expenditure for services, whether actually performed or not, from a state or local authority if such municipal officer: (a) is directly contracted by a state or local authority for the related services, (b) owns or controls directly or indirectly ten percent or more of stock in a corporation that is contracted by a state or local authority for the related services, or (c) owns or controls ten percent or more of the capital, profits, or beneficial interest in a firm or association that is contracted by a state or local authority for the related services. The provisions of this section shall in no event be construed to preclude the payment of lawful compensation and necessary expenses of any municipal officer or employee in one or more positions of public employment, the holding of which is not prohibited by law.

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