

STATE OF NEW YORK

8673

2025-2026 Regular Sessions

IN ASSEMBLY

May 27, 2025

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

AN ACT to amend the state finance law, in relation to enacting the tropical rainforest economic & environmental sustainability act; and to amend the economic development law, in relation to establishing the supply chain transparency assistance program

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

- 1 Section 1. This act shall be known and may be cited as the "tropical
2 rainforest economic & environmental sustainability act".
3 § 2. Legislative findings. The legislature finds and declares the
4 following:
5 1. Tropical forests cover roughly 7 percent of Earth's surface, but
6 harbor close to 50 percent of all species on Earth.
7 2. Human activity is the driving force behind the current rate of
8 species extinction, which is at least 100 to 1,000 times higher than
9 historical levels. The Intergovernmental Science-Policy Platform on
10 Biodiversity and Ecosystem Services reported in 2019 that around 1
11 million animal and plant species are now threatened with extinction,
12 many within decades, more than ever before in human history. This is
13 directly linked to habitat loss, with more than a third of the world's
14 land surface and nearly 75 percent of freshwater resources now devoted
15 to crop or livestock production.
16 3. Globally, an estimated 18,000,000 acres of forest, an area more
17 than half the size of New York state, are lost every year to deforesta-
18 tion according to the Food and Agriculture Organization of the United
19 Nations, with over one-half of Earth's tropical forests already gone. At
20 the current pace, the entirety of Earth's tropical rainforests will be
21 degraded or destroyed within the next 100 years.
22 4. A significant percentage of the world's greenhouse gas emissions
23 come from deforestation and forest degradation. Taking into account

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

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1 carbon sequestration potential, stopping the loss of tropical forests,
2 mangroves, and wetlands could provide over 20 percent of climate miti-
3 gation by 2030.

4 5. Loss of biodiversity resulting from forest degradation and defores-
5 tation, as well as human encroachment on formerly undisturbed ecosys-
6 tems, increases the risks of zoonotic disease pandemics such as COVID-
7 19.

8 6. New York state is a leader in addressing the climate crisis, with a
9 statutory goal of achieving net-zero greenhouse gas emissions economy-
10 wide by 2050. However, our statutory goals miss an important element of
11 our climate footprint represented by our exported emissions, the emis-
12 sions created by the goods we consume. A significant portion of this
13 footprint is driven by tropical deforestation.

14 7. Tropical deforestation in many countries is closely associated with
15 violations of the land rights of indigenous peoples and local communi-
16 ties and with the exploitation of workers, including forced labor and
17 child labor, and in many cases is enabled by corruption, criminality,
18 and violence against conservationists and land defenders.

19 8. Tropical deforestation in many countries is also closely associated
20 with illegal wildlife trafficking, including, but not limited to, vari-
21 ous bird and reptile species, and many primate species, including great
22 apes, pangolins, and orangutans, as well as many tree and plant species,
23 including mahoganies, rosewoods, ebony, and ipe, all of which have
24 recently been listed on the Convention of International Trade in Endan-
25 gered Species of Fauna and Flora (CITES).

26 9. The primary factors leading to tropical deforestation are degrada-
27 tion and road-building associated with logging for timber, which opens
28 the door for deforestation caused by industrial-scale production of
29 agricultural commodities and conversion of forests into plantations for
30 the timber, pulp, paper, palm oil, soy, and livestock industries, among
31 others. Together, these are increasingly known as "forest-risk commod-
32 ities".

33 10. New York is inadvertently promoting and sanctioning deforestation
34 and forest degradation through the purchase of goods and products that
35 have been produced in supply chains that contribute to tropical defores-
36 tation and tropical forest degradation.

37 11. New York has one of the largest economies in the world and its
38 purchasing power has significant market force, allowing it to play a
39 leadership role in preventing forest loss and supporting markets for
40 sustainably-sourced products.

41 12. It is the intent of the legislature that it be the policy of this
42 state to ensure companies contracting with the state are not contribut-
43 ing to tropical deforestation or tropical forest degradation directly or
44 through their supply chains.

45 § 3. Paragraphs b, c, d and e of subdivision 1 of section 165 of the
46 state finance law, as added by chapter 83 of the laws of 1995, are
47 amended to read as follows:

48 b. (i) "Tropical hardwood" shall mean any and all hardwood, scientif-
49 ically classified as angiosperm, that grows in any tropical [~~moist~~]
50 forest. Tropical hardwoods shall [~~be~~] include but not be limited to the
51 following species:

Scientific Name	<u>Examples of</u> Common [Name]
	<u>Names</u>
<u>Prunus africana</u>	<u>African cherry, Red stinkwood</u>
<u>Caryocar costaricense</u>	<u>Ajo, Aji</u>
<u>Calophyllum spp.</u>	<u>Bintangor</u>

1	<u>Cedrela spp.</u>	<u>Cedar</u>
2	<u>Neobalanocarpus heimii,</u>	<u>Chengal</u>
3	<u>Balanocarpus heimii</u>	
4	<u>Octomeles sumatrana</u> Miq.	<u>Erima, benuang</u>
5	<u>Myroxylon balsamum</u>	<u>Estoraque</u>
6	<u>Apuleia leiocarpa</u>	<u>Garapa</u>
7	<u>Parastemon urophyllus, Parastemon</u>	<u>Malas</u>
8	<u>spicatus</u> Ridley	
9	<u>Hopea spp.</u>	<u>Merawan</u>
10	<u>Araucaria araucana</u>	<u>Monkey Puzzle, Chilean pine</u>
11	<u>Pterocarpus tinctorius</u>	<u>Mukula</u>
12	<u>Senna siamea</u>	<u>Siamese senna</u>
13	<u>Pometia pinata</u>	<u>Taun</u>
14	<u>Millettia leucantha</u> Kurz	<u>Thinwin</u>
15	<u>Bulnesia arborea, Bulnesia</u>	<u>Verawood, Argentine lignum</u>
16	<u>sarmientoi</u>	<u>vitae</u>
17	<u>Tristaniopsis laurina</u>	<u>Water gum</u>
18	<u>Terminalia spp.</u>	
19	<u>Homalium foetidum</u>	<u>Malas</u>
20	<u>Dillenia papuana</u>	<u>Dillenia</u>
21	<u>Canarium spp.</u>	<u>Red Canarium, Grey Canarium</u>
22	<u>Burkrella macropoda</u>	<u>Rang rang</u>
23	<u>Octomeles sumatrana</u>	<u>Erima, Benuang</u>
24	<u>Dracontomelon dao</u>	<u>New Guinea walnut</u>
25	<u>Planchonella spp.</u>	<u>White Planchonella, Red</u>
26		<u>Planchonella</u>
27	<u>Lophopetalum spp.</u>	<u>Perupok</u>
28	<u>Carinian pyriformis</u>	<u>Abarco, Jequitiba</u>
29	<u>Mitragyna ciliate</u>	<u>Abura</u>
30	<u>Vouacapous americana</u>	<u>Acapu</u>
31	<u>Amburana caerensis</u>	<u>Amburana, Cerejeira</u>
32	<u>Dalbergia melanoxylon</u>	<u>African Blackwood</u>
33	<u>Lovoa spp.</u>	<u>African Walnut, Tigerwood</u>
34	<u>Pericopsis elata</u>	<u>[Afrormosis] Afrormosia</u>
35	<u>[Shorea-almon]</u>	<u>[Almon]</u>
36	<u>Aspidosperma megalocarpon</u>	<u>Acaretto</u>
37	<u>Peltogyne spp.</u>	<u>Amaranth, purpleheart</u>
38	<u>Terminalia amazonia</u>	<u>Amarillo Real</u>
39	<u>[Guibourtis] Guibourtia ehie</u>	<u>Amazaque</u>
40	<u>Amburana cearensis</u>	<u>Amburana, Cerejeira, cumare</u>
41	<u>Pterogyne nitens</u>	<u>Amendoim</u>
42	<u>Carapa guianensis</u>	<u>Andiroba, False Mahogany</u>
43	<u>Dicorynia guianensis</u>	<u>Angilique Cris</u>
44	<u>[Aningeris] Aningeria</u> spp.	<u>Aningeria, anegre,</u>
45		<u>anigre</u>
46	<u>Dipterocarpus [grandiflorus]</u>	<u>[Apilong] Apitong, Keruing</u>
47	<u>spp.</u>	
48	<u>Centrolobium spp.</u>	<u>Arariba, Amarillo</u>
49	<u>Brosimum utile</u>	<u>Baco</u>
50	<u>Shorea spp.</u>	<u>Balau, Selangan batu</u>
51	<u>Ochroma lagopus</u>	<u>Balsa</u>
52	<u>Ochroma pyramidale</u>	<u>Balsa</u>
53	<u>Myroxylon balsamum</u>	<u>Balsamo</u>
54	<u>[Virola spp.]</u>	<u>[Banak]</u>
55	<u>[Anisoptera thurifera]</u>	<u>[Bella-Rose]</u>
56	<u>[Guibourtis] Guibourtia</u> arnoldiana	

1		Benge, <u>Mutenye</u>
2	<u>Berlinia spp.</u>	<u>Berlinia, Rose Zebrano</u>
3	<u>Symphonia globulifera</u>	<u>Boar Wood</u>
4	Deterium [<u>Senegalese</u>] <u>senegalese</u>	Boire
5	<u>Caesalpinia echinata,</u>	<u>Brazilwood, Pernambuco</u>
6	<u>Paubrasilia eschinata</u>	
7	<u>Bertholletia excels</u>	<u>Brazil Tree</u>
8	<u>Brosimum alicastrum</u>	<u>Breadnut</u>
9	<u>Guilbourtia spp.</u>	<u>Bubinga, African</u>
10	<u>(G. demusei, G. pellegriniana,</u>	<u>Rosewood, Kevazingo</u>
11	<u>G. tessmannii)</u>	
12	<u>Toona calantas, Cedrela calantas</u>	<u>Calantas, Kalantas</u>
13	Priora copaifera	Cativo
14	<u>Cedrela odorata, Cedrela fissilis</u>	<u>Cedro, Cedar, Spanish cedar,</u>
15		<u>South American cedar</u>
16	<u>Ceiba pentandra</u>	<u>Ceiba</u>
17	Antiaris africana	Chenchen, <u>Antiaris</u>
18	<u>Couratari guianensis</u>	<u>Coco Blanco</u>
19	[<u>Dalbergis</u>] <u>Dalbergia</u>	
20	retusa	[<u>Concebela</u>] <u>Cocobolo,</u>
21		<u>Granadillo</u>
22	<u>Tabebuia donnell-smithii</u>	<u>Copal</u>
23	<u>Daniellia spp.</u>	<u>Copal, Daniellia</u>
24	Cordia spp.	<u>Cordia, Bocote, Ziricote, Louro</u>
25	<u>Hymenaea courbaril</u>	<u>Courbaril, West Indian Locust</u>
26	<u>Dipteryx odorata</u>	<u>Cumaru</u>
27	<u>Piptadeniastrum africanum</u>	<u>Dahoma, Banzu</u>
28	<u>Calycophyllum candidissimum</u>	<u>Degame, Legame Lancewood,</u>
29		<u>Lemonwood</u>
30	<u>Afzelia spp.</u>	<u>Doussie, Lingue</u>
31	[<u>Diospyres</u>] <u>Diospyrus spp.</u>	<u>Ebony, Macassar</u>
32		<u>ebony,</u>
33		<u>Ceylon ebony</u>
34	<u>Lophira alata</u>	<u>Ekki, Azobe, Bangassi, Akoura,</u>
35		<u>Red Ironwood</u>
36	<u>Combretodendron macrocarpum</u>	<u>Esia, Essia</u>
37	<u>Cordia goeldiana</u>	<u>Freijo, Cordia Wood</u>
38	<u>Chlorophora tinctoria</u>	<u>Fustic, Yellow Wood, Tatajuba</u>
39	[<u>Aucoumes</u>] <u>Aucoumea klaineana</u>	<u>Gaboon, Okoume</u>
40	<u>Astronium spp.</u>	<u>Goncalo Alves, Zebrawood,</u>
41		<u>Tigerwood</u>
42	<u>Ocotea rodiaei</u>	<u>Greenheart</u>
43	<u>Enterolobium cyclocarpum</u>	<u>Guanacaste, Rain Tree,</u>
44		<u>Elephant Ear</u>
45	<u>Guarea spp.</u>	<u>Guarea, Bosse</u>
46	<u>Terminalia ivorensis</u>	<u>Idigbo, Framire, Black Afara</u>
47	<u>Phoebe porosa</u>	<u>Imbuia, Imbuya, Embuia,</u>
48		<u>Brazilian Walnut</u>
49	<u>Handroanthus spp.</u>	<u>Ipe, Brazilian walnut,</u>
50		<u>bethabarra, Pau d'arco,</u>
51		<u>Ironwood, Lapacho</u>
52	Chlorophors excelsa	Iroko
53	<u>Hymenaea courbaril</u>	<u>Jatoba, "Brazilian Cherry"</u>
54	<u>Jacaranda copaia</u>	<u>Jacaranda</u>
55	<u>Machaerium villosum</u>	<u>Jacaranda Pardo</u>
56	<u>Dyera costulata</u>	<u>Jelutong</u>

1	<u>Dryobalanops spp.</u>	<u>Kapur, Keladan</u>
2	<u>Koompassia malaccensis</u>	<u>Kempas, Impas</u>
3	Acacia koa	Koa
4	<u>Entandrophragma candollei</u>	<u>Kosipo, Omu</u>
5	Pterygota macrocarpa	<u>Koto, African Pterygota, Ware</u>
6	<u>Oxandra lanceolate</u>	<u>Lancewood</u>
7	Shorea spp. [negrosensis]	[Red] <u>Lauan, Luan,</u>
8		<u>Lawaan, Meranti, White</u>
9		<u>meranti, yellow meranti, dark</u>
10		<u>red meranti, light red meranti,</u>
11		<u>Seraya, Tanguile, Bang,</u>
12		<u>Philippine Mahogany</u>
13	[Pentaeme contorta]	[White Lauan]
14	[Shorea ployssprma]	[Tanguile]
15	<u>Nothofagus pumilio</u>	<u>Lenga</u>
16	<u>Guaiacum officinale</u>	<u>Lignum Vitae, Guayacan,</u>
17		<u>Ironwood</u>
18	Terminalia superba	<u>Limba, Afara, Ofram</u>
19	[Aniba duckei] <u>Aniba rosedora</u>	[Loure] <u>Brazilian</u>
20		<u>rosewood, pau rosa, bois</u>
21		<u>de rose</u>
22	<u>Nectandra spp.</u>	<u>Louro Preto</u>
23	[Kyaya ivorensis] <u>Khaya spp.</u>	[Africa] <u>African</u>
24		<u>Mahogany</u>
25	[Swietenia macrophylla]	[Amer. Mahogany]
26	<u>Swietenia spp.</u>	<u>American Mahogany, West Indian</u>
27		<u>Mahogany, Central American</u>
28		<u>Mahogany, Honduran Mahogany,</u>
29		<u>South American Mahogany,</u>
30		<u>Mexican Mahogany, Bigleaf</u>
31		<u>Mahogany, Little Leaf</u>
32		<u>Mahogany, Acajou, Caoba</u>
33		<u>Mogno</u>
34	Tieghemella [heckelii] <u>heckelii</u>	[Makora]
35		<u>Makore,</u>
36		<u>Baku</u>
37	<u>Diospyros marmorata</u>	<u>Marblewood, Zebrawood</u>
38	<u>Intsia bijuga, Intsia palembanica</u>	<u>Merbau, Ipil, Kwila</u>
39	<u>Anisoptera spp.</u>	<u>Mersawa, Krabak, Palosapis,</u>
40		<u>Bella Rosa</u>
41	<u>Mora excelsa</u>	<u>Mora</u>
42	Distemonanthus benthamianus	<u>Movingui, Ayan</u>
43	<u>Terminalia amazonia</u>	<u>Nargusta</u>
44	<u>Pterocarpus spp.</u>	<u>Narra, Ambyna, Papua New Guinea</u>
45		<u>Rosewood, Red Sanders, Mukula,</u>
46		<u>Kosso, zitan, Hongmu, Pandauk,</u>
47		<u>Vermillion Wood</u>
48	<u>Palaguium spp.</u>	<u>Nyatoh, Padang, Pencil Cedar</u>
49	<u>Triplochiton scleroxylon</u>	<u>Obeche, Samba</u>
50	<u>Nauclea diderrichii</u>	<u>Opepe, Sibö</u>
51	[Pterocarpus soyaukii]	[African Padauk]
52	[Pterocarpus angolensis]	[Angola Padauk]
53	<u>Millettia stuhlmannii</u>	<u>Panga Panga</u>
54	<u>Balfourodendron riedelianum</u>	<u>Pau Marfim</u>
55	Aspidosperma spp.	<u>Peroba, Rosa</u>
56	<u>Paratecoma peroba</u>	<u>Peroba Branca</u>

1	<u>Dalbergia frutescens, D. tomentosa</u>	<u>Pinkwood, Brazilia Tulipwood</u>
2	<u>Tabebuia donnell-smithii</u>	<u>Prima Vera, Roble, Durango</u>
3	Peltogyne spp.	Purpleheart
4	Gonystylus spp.	Ramin
5	<u>Melanorrhoea curtisii</u>	<u>Rengas, Borneo Rosewood</u>
6	<u>Nothofagus obliqua</u>	<u>Roble</u>
7	<u>Hevea brasiliensis</u>	<u>Rubberwood</u>
8	Dalbergia spp.	<u>Rosewood, Indian Rosewood,</u>
9		<u>Honduras Rosewood, cocobolo,</u>
10		<u>granadillo</u>
11	<u>Aniba duckei</u>	<u>Brazilian Rosewood</u>
12	[Entandrophragm-a] <u>Entandrophragma</u>	
13	cylindricum	[Sapela] <u>Sapele, Sapelli</u>
14	<u>Acanthopanax ricinofolius</u>	<u>Sen, Castor Arabia</u>
15	<u>Brosimum aubletti, Piratinera</u>	<u>Snakewood, Letterwood, Leopard</u>
16	<u>guianensis</u>	<u>Wood</u>
17	[Shores-philippinensis]	[Senora]
18	<u>Juglans spp. (juglans</u>	<u>South American Walnut, Peruvian</u>
19	<u>australis, J. neotropica,</u>	<u>Walnut, Tropical Walnut</u>
20	<u>J. Olanchana, etc.)</u>	
21	<u>Sterculia rhinopetala</u>	<u>Sterculia</u>
22	<u>Bagassa guianensis</u>	<u>Tatajuba, Bagasse</u>
23	Tectona grandis	Teak
24	Lovoa trichilloides	Tigerwood
25	<u>Entandrophragma utile</u>	<u>Utile, Sipo</u>
26	<u>Virola spp.</u>	<u>Virola, Cumala, Banak, Tapsava</u>
27	Milletia laurentii	Wenge
28	<u>Pentacme contorta</u>	<u>White Lauan</u>
29	Microberlinia [brazzavillensis]	Zebrawood,
30	<u>spp.</u>	<u>Zebrano, Zingana</u>

31 (ii) No later than January first, two thousand twenty-nine, and at
32 least every three years thereafter, the department of environmental
33 conservation, in consultation with the office of general services, shall
34 through regulations update the list of tropical hardwood species in
35 subparagraph (i) of this paragraph to ensure that such list includes all
36 such species that are currently commonly available for commercial use in
37 the United States, reflecting the most current data on production,
38 trade, and marketing, and to account for any changes in taxonomy,
39 marketing or trade names, market preference, usage, or other factors.
40 Species shall not be removed from the list of examples except for
41 purposes of correcting errors.

42 c. "Tropical [~~rain~~] forests" shall mean [~~any and all forests classi-~~
43 ~~fied by the scientific term "Tropical moist forests", the classification~~
44 ~~determined by the equatorial region of the forest and average rainfall]~~
45 a natural ecosystem within the tropical regions, approximately bounded
46 geographically by the tropics of Cancer and Capricorn, but possibly
47 affected by other factors such as prevailing winds, containing native
48 species composition, structure, and ecological function, with a tree
49 canopy cover of more than ten percent over an area of at least 0.5
50 hectares. "Tropical forests" shall include all of the following: (i)
51 human-managed tropical forests or partially degraded tropical forests
52 that are regenerating; and (ii) tropical forests identified by multi-ob-
53 jective conservation based assessment methodologies, such as High
54 Conservation Value (HCV) areas, as defined by the HCV Resource Network,
55 or High Carbon Stock forests, as defined by the High Carbon Stock

1 Approach, or by another methodology with equivalent or higher standards
 2 that includes primary forests and tropical peatlands of any depth.
 3 "Tropical forests" shall not include tree plantations of any type.

4 d. "Tropical hardwood products" shall mean any wood products, whole-
 5 sale or retail, in any form, including but not limited to plywood,
 6 veneer, furniture, cabinets, paneling, siding, moldings, doors, doors-
 7 kins, joinery, flooring or sawnwood, which are composed, in whole or in
 8 part, of tropical hardwood [~~except plywood~~].

9 e. "Peat" means a soil that is rich in organic matter composed of
 10 partially decomposed plant materials equal to or greater than 40 centi-
 11 meters of the top 100 centimeters of the soil.

12 f. "Tropical peatlands" means wetlands within the tropical regions
 13 with a layer of peat made up of dead and decaying plant material. Trop-
 14 ical peatlands includes moors, bogs, mires, and peat swamp forests.

15 g. "Secondary materials" means any material recovered from or other-
 16 wise destined for the waste stream, including, but not limited to, post-
 17 consumer material, industrial scrap material and [~~overstock-or~~] obsolete
 18 inventories from distributors, wholesalers and other companies but such
 19 term does not include those materials and by-products generated from,
 20 and commonly reused within, an original manufacturing process.

21 § 4. Paragraphs a, b, c, and d of subdivision 2 of section 165 of the
 22 state finance law, as added by chapter 83 of the laws of 1995, are
 23 amended and four new paragraphs e, f, g and h are added to read as
 24 follows:

25 a. Except as hereinafter provided, the state and any governmental
 26 agency or political subdivision or public benefit corporation of the
 27 state shall not purchase or obtain for any purpose any tropical hard-
 28 woods or tropical hardwood products, wholesale or retail, in any form,
 29 unless such tropical hardwoods or tropical hardwood products are second-
 30 ary materials.

31 b. The provisions of paragraph a of this subdivision shall not apply
 32 to:

33 (i) [~~Any hardwoods purchased from a sustained, managed forest, or~~
 34 ~~(ii)~~] Any binding contractual obligations for purchase of commodities
 35 entered into prior to August twenty-fifth, nineteen hundred ninety-one;
 36 or

37 [~~(iii) The purchase of any tropical hardwood or tropical hardwood~~
 38 ~~product for which there is no acceptable non-tropical hardwood species,~~
 39 ~~or~~

40 ~~(iv) Where the contracting officer finds that no person or entity~~
 41 ~~doing business in the state is capable of providing acceptable non-trop-~~
 42 ~~ical hardwood species sufficient to meet the particular contract~~
 43 ~~requirements, or~~

44 ~~(v)~~ (ii) Where the inclusion or application of such provisions will
 45 violate or be inconsistent with the terms or conditions of a grant,
 46 subvention or contract in an agency of the United States or the
 47 instructions of an authorized representative of any such agency with
 48 respect to any such grant, subvention or contract[~~, or~~

49 ~~(vi) Where inclusion or application of such provisions results in a~~
 50 ~~substantial cost increase to the state, government agency, political~~
 51 ~~subdivision, public corporation or public benefit corporation].~~

52 c. (i) In the case of any bid proposal or solicitation, request for
 53 bid or proposal or contract for the construction of any public work,
 54 building maintenance or improvement for or on behalf of the state and
 55 any governmental agency or political subdivision or public benefit
 56 corporation of the state, it shall not require or permit the use of any

1 tropical hardwood or [~~wood~~] tropical hardwood product, unless such trop-
2 ical hardwood or tropical hardwood product is a secondary material.

3 (ii) Every bid proposal, solicitation, request for bid or proposal and
4 contract for the construction of any public work, building maintenance
5 or improvement shall contain a statement that any bid, proposal or other
6 response to a solicitation for bid or proposal which proposes or calls
7 for the use of any tropical hardwood or [~~wood~~] tropical hardwood product
8 in performance of the contract shall be deemed non-responsive, unless
9 such tropical hardwood or tropical hardwood product is a secondary mate-
10 rial.

11 d. The provisions of paragraph c of this subdivision shall not apply:

12 (i) To bid packages advertised and made available to the public or any
13 competitive and sealed bids received or entered into prior to August
14 twenty-fifth, nineteen hundred ninety-one; or

15 (ii) To any amendment, modification or renewal of a contract, which
16 contract was entered into prior to August twenty-fifth, nineteen hundred
17 ninety-one, where such application would delay timely completion of a
18 project or involve an increase in the total monies to be paid under that
19 contract; or

20 (iii) Where the contracting officer finds that[+]

21 ~~(A) No person or entity doing business in the state is capable of~~
22 ~~performing the contract using acceptable non-tropical hardwood species,~~
23 ~~or~~

24 ~~(B) The~~ the inclusion or application of such provisions will violate
25 or be inconsistent with the terms or conditions of a grant, subvention
26 or contract with an agency of the United States or the instructions of
27 an authorized representative of any such agency with respect to any such
28 grant, subvention or contract[+~~or~~

29 ~~(C) The use of tropical woods is deemed necessary for purposes of~~
30 ~~historical restoration and there exists no available acceptable non-~~
31 ~~tropical wood species].~~

32 e. The use of any tropical hardwood or tropical hardwood product as
33 part of the construction, renovation, maintenance, or installation of
34 any public work, building or other structure, or improvement on lands
35 owned or managed by the state or any governmental agency or political
36 subdivision or public benefit corporation of the state shall be prohib-
37 ited, except where such prohibition would violate or be inconsistent
38 with the terms and conditions of a grant, subvention or contract with an
39 agency of the United States or the instructions of an authorized repre-
40 sentative of any such agency with respect to any such grant, subvention,
41 or contract.

42 f. (i) Until January first, two thousand thirty-one, the provisions of
43 paragraphs a, c, and e of this subdivision shall not apply to the use of
44 ekki wood by the metropolitan transportation authority for the purpose
45 of railroad ties in the New York city transit system, provided that the
46 metropolitan transportation authority shall, no later than October
47 first, two thousand twenty-six, after providing notice and an opportu-
48 nity for public comment, develop and issue an ekki transition plan
49 outlining the steps the authority will take to minimize to the greatest
50 extent possible, and eventually phase out, the use of ekki wood, and
51 provided further that until such phase out has been completed, such
52 agency shall use, to the greatest extent possible, only secondary mate-
53 rials when the use of ekki wood is specified and unavoidable. Such plan
54 shall be made publicly available on the authority's website. No later
55 than October first, two thousand twenty-seven, and annually thereafter

1 until the expiration of this paragraph, the authority shall issue a
2 public report outlining its progress toward achieving such plan.

3 (ii) If, on or after April first, two thousand thirty, the director of
4 the budget issues a determination, after providing notice and an oppor-
5 tunity for public comment, that the authority has made significant
6 progress in phasing out the use of ekki wood, but that a full phase out
7 has been delayed due to technical or safety considerations, the
8 provisions of subparagraph (i) of this paragraph may be extended until
9 December thirty-first of the subsequent calendar year. Such determi-
10 nation may be made annually thereafter, on or after April first of
11 subsequent years, provided that under no circumstances shall the
12 provisions of this paragraph extend beyond January first, two thousand
13 thirty-six.

14 g. (i) Until January first, two thousand thirty-four, the provisions
15 of paragraphs a, c, and e of this subdivision shall not apply to the use
16 of greenheart wood by a ferry service directly owned and operated by an
17 agency of a city of one million or more, provided that such agency
18 shall, no later than October first, two thousand twenty-six, after
19 providing notice and an opportunity for public comment, develop and
20 issue a greenheart transition plan outlining the steps such agency will
21 take to minimize to the greatest extent possible, and eventually phase
22 out, the use of greenheart wood, and provided further that until such
23 phase out has been completed, such agency shall use, to the greatest
24 extent possible, only secondary materials when the use of greenheart
25 wood is specified and unavoidable. Such plan shall be made publicly
26 available on the agency's website. No later than October first, two
27 thousand twenty-seven, and annually thereafter until the expiration of
28 this paragraph, the agency shall issue a public report outlining its
29 progress toward achieving such plan.

30 (ii) If, on or after April first, two thousand thirty-three, the
31 director of the budget issues a determination, after providing notice
32 and an opportunity for public comment, that such agency has made signif-
33 icant progress in phasing out the use of greenheart wood, but that a
34 full phase out has been delayed due to technical or safety consider-
35 ations, the provisions of subparagraph (i) of this paragraph may be
36 extended until December thirty-first of the subsequent calendar year.
37 Such determination may be made annually thereafter, on or after April
38 first of subsequent years, provided that under no circumstances shall
39 the provisions of this paragraph extend beyond January first, two thou-
40 sand thirty-nine.

41 h. (i) Until January first, two thousand thirty-four, the provisions
42 of paragraphs a, c, and e of this subdivision shall not apply to the use
43 of greenheart wood on bridges managed by the department of transporta-
44 tion of a city of one million or more, provided that such department
45 shall, no later than October first, two thousand twenty-six, after
46 providing notice and an opportunity for public comment, develop and
47 issue a greenheart transition plan outlining the steps such department
48 will take to minimize to the greatest extent possible, and eventually
49 phase out, the use of greenheart wood, and provided further that until
50 such phase out has been completed, such department shall use, to the
51 greatest extent possible, only secondary materials when the use of
52 greenheart wood is specified and unavoidable. Such plan shall be made
53 publicly available on the department's website. No later than October
54 first, two thousand twenty-seven, and annually thereafter until the
55 expiration of this paragraph, the department shall issue a public report
56 outlining its progress toward achieving such plan.

1 (ii) If, on or after April first, two thousand thirty-three, the
2 director of the budget issues a determination, after providing notice
3 and an opportunity for public comment, that such department has made
4 significant progress in phasing out the use of greenheart wood, but that
5 a full phase out has been delayed due to technical or safety consider-
6 ations, the provisions of subparagraph (i) of this paragraph may be
7 extended until December thirty-first of the subsequent calendar year.
8 Such determination may be made annually thereafter, on or after April
9 first of subsequent years, provided that under no circumstances shall
10 the provisions of this paragraph extend beyond January first, two thou-
11 sand thirty-nine.

12 § 5. Section 165 of the state finance law is amended by adding a new
13 subdivision 10 to read as follows:

14 10. Tropical deforestation-free procurement. a. For purposes of this
15 subdivision, the following definitions shall apply:

16 (i) "Contractor" means any person or entity that has a contract with a
17 state agency or state authority for public works or improvements to be
18 performed, for a franchise, concession or lease of property, for grant
19 monies or goods and services or supplies to be purchased at the expense
20 of the agency or authority or to be paid out of monies deposited in the
21 treasury or out of trust monies under the control or collected by the
22 agency or authority.

23 (ii) "Tropical forest-risk commodity" means any commodity and its
24 derived products, including agricultural and non-agricultural commod-
25 ities but excluding tropical hardwood and tropical hardwood products
26 covered by subdivisions one and two of this section, whether in raw or
27 processed form, that is commonly extracted from, or grown, derived,
28 harvested, reared, or produced on land where tropical deforestation or
29 tropical forest degradation has occurred or is likely to occur. Tropical
30 forest-risk commodities include palm oil, beef, coffee, cocoa, wood
31 pulp, paper and any additional commodities defined by the commissioner
32 pursuant to subparagraph (i) of paragraph g of this subdivision, but do
33 not include recovered fiber.

34 (iii) "Covered tropical forest-risk product type" means any product
35 type listed by the department of environmental conservation pursuant to
36 subparagraph (ii) of paragraph g of this subdivision.

37 (iv) "Free, prior, and informed consent" means the principle that a
38 community has the right to give or withhold its consent to proposed
39 developments that may affect the land and waters it legally or customar-
40 ily owns, occupies, or otherwise uses, as described in the United
41 Nations Declaration on the Rights of Indigenous Peoples, the Indigenous
42 and Tribal Peoples Convention of 1989, also known as the International
43 Labor Organization Convention 169, and other international instruments.
44 "Free, prior, and informed consent" means informed, noncoercive negoti-
45 ations between investors, companies, or governments, and indigenous
46 peoples and local communities, prior to project development.

47 (v) "Large contractor" means any contractor whose annual revenue, or
48 that of their parent company, is equal to or greater than one hundred
49 million dollars.

50 (vi) "Recovered Fiber" means postconsumer fiber such as paper, paper-
51 board, and fibrous materials from retail stores, office buildings,
52 homes, and so forth, after having passed through their end usage,
53 including used corrugated boxes, old newspapers, old magazines, mixed
54 waste paper, tabulating cards, and used cordage, and all paper, paper-
55 board, and fibrous materials that enter and are collected from municipal
56 solid waste; and manufacturing wastes such as dry paper and paperboard

1 waste generated after completion of the papermaking process, including
2 envelope cuttings, bindery trimmings, and other paper and paperboard
3 waste resulting from printing, cutting, forming, and other converting
4 operations, bag, box, and carton manufacturing wastes, and butt rolls,
5 mill wrappers, and rejected unused stock, and repulped finished paper
6 and paperboard from obsolete inventories of paper and paperboard
7 manufacturers, merchants, wholesalers, dealers, printers, converters,
8 and others.

9 (vii) "Tree plantation" means an area of land predominantly composed
10 of trees established through planting and/or deliberate seeding, usually
11 by planting one or two species, for the purpose of producing and
12 harvesting a particular commodity. Tree plantation does not include
13 forest planted for ecosystem restoration.

14 (viii) "Tropical deforestation" means direct human-induced conversion
15 of tropical forest to agriculture, a tree plantation, or other non-for-
16 est land use.

17 (ix) "Tropical forest degradation" means direct human-induced severe
18 and sustained degradation of a tropical forest resulting in significant
19 forest loss and/or a profound change in species composition, structure,
20 or ecological function of that forest.

21 (x) "New York state products" means products that are grown,
22 harvested, or produced in this state, or processed inside or outside
23 this state comprising over fifty-one percent raw materials grown,
24 harvested, or produced in this state, by weight or volume.

25 (xi) "Small business" means small business as defined in section one
26 hundred thirty-one of the economic development law.

27 (xii) "Medium-sized business" shall mean a business that is resident
28 in this state, independently owned and operated, not dominant in its
29 field, and employs between one hundred and five hundred persons.

30 (xiii) "Minority-owned business enterprise" shall have the same mean-
31 ing as in article fifteen-A of the executive law.

32 (xiv) "Women-owned business enterprise" shall have the same meaning as
33 in article fifteen-A of the executive law.

34 b. (i) Every contract entered into by a state agency or authority that
35 includes the procurement of any covered tropical forest-risk product
36 type shall require that the contractor certify, after completing neces-
37 sary due diligence measures as determined by the commissioner of the
38 department of environmental conservation pursuant to paragraph g of this
39 subdivision, that, to the best of the contractor's knowledge, the
40 products furnished to the state pursuant to the contract do not contain
41 any tropical forest-risk commodities that were extracted from, grown,
42 derived, harvested, reared, or produced on land where tropical defores-
43 tation or tropical forest degradation occurred on or after January
44 first, two thousand twenty-three. The contractor shall agree to comply
45 with this provision of the contract.

46 (ii) The contract shall specify that the contractor is required to
47 cooperate fully in providing reasonable access to the contractor's
48 records, documents, agents, employees, or premises if reasonably
49 required by authorized officials of the contracting agency or authority,
50 the office of general services, the office of the attorney general, or
51 the department of environmental conservation, to determine the contrac-
52 tor's compliance with the requirements of this paragraph.

53 (iii) Contractors shall exercise due diligence in ensuring that their
54 subcontractors comply with the requirements of this paragraph. Contrac-
55 tors shall require each subcontractor to certify that the subcontractor
56 is in compliance with the requirements of this paragraph.

1 (iv) In addition to the requirements of subparagraphs (i), (ii) and
2 (iii) of this paragraph, large contractors subject to this paragraph
3 must certify that they have adopted a tropical forest policy that
4 complies with regulations issued pursuant to subparagraph (vi) of para-
5 graph g of this subdivision. Such tropical forest policy and data docu-
6 menting implementation shall be made publicly available and updated
7 annually, and shall include, at a minimum:

8 A. Procedures for identifying and mitigating the risk of tropical
9 deforestation and tropical forest degradation in tropical forest-risk
10 commodity supply chains.

11 B. Procedures to ensure respect for nationally and internationally
12 recognized rights of indigenous peoples and local communities, including
13 the principle of free, prior and informed consent, the rights and safety
14 of local environmental and human rights defenders, the rights of work-
15 ers, and compliance with source country laws, in tropical forest-risk
16 commodity supply chains.

17 (v) The provisions of this paragraph shall not apply to primary,
18 secondary, or tertiary packaging used for the purpose of containment,
19 protection, handling, delivery, transport, distribution, or presentation
20 of a covered tropical forest-risk product type.

21 (vi) The provisions of this paragraph shall not apply when the inclu-
22 sion or application of such provisions will violate or be inconsistent
23 with the terms or conditions of a grant, subvention or contract with an
24 agency of the United States or the instructions of an authorized repre-
25 sentative of any such agency with respect to any such grant, subvention
26 or contract.

27 (vii) The provisions of this paragraph shall not apply if the head of
28 the contracting state agency or authority issuing a solicitation for
29 covered tropical forest-risk product types issues a determination, after
30 providing notice and an opportunity for public comment, with the
31 approval of the director of the budget, that upon the closing of such
32 solicitation such provisions have resulted in the failure to receive any
33 offers in response to such solicitation and that there is no alternative
34 product available that is able to meet the generally accepted standard
35 performance requirements for the specified application within such
36 solicitation. Such determination shall explain in detail the necessity
37 of such exemption for each specified application, including a list of
38 all available alternative products considered and an explanation as to
39 why each product does not meet the relevant generally accepted perform-
40 ance requirements. Such determination shall be made publicly available,
41 in writing, on the website of the office of general services and the
42 relevant agency or authority. If the head of the contracting state agen-
43 cy or authority has not issued such a determination for three consec-
44 utive years, then the power of the head of the contracting state agency
45 or authority to issue such a determination shall be deemed expired, and
46 any subsequent determination shall be null and void.

47 (viii) The provisions of this paragraph shall not apply to a central-
48 ized contract developed by the office of general services if, during the
49 process of developing such centralized contract, the commissioner of
50 general services issues a determination, after providing notice and an
51 opportunity for public comment, with the approval of the director of the
52 budget, that incorporating the provisions of this paragraph will result
53 in a failure to receive any bids in response to a solicitation for such
54 centralized contract, and that there is no alternative product available
55 that is able to meet the generally accepted standard performance
56 requirements for the specified application within such contract. Such

1 determination shall explain in detail the necessity of such exemption
2 for each specified application, including a list of all available alter-
3 native products considered and an explanation as to why each product
4 does not meet the relevant generally accepted performance requirements.
5 Such determination shall be made publicly available, in writing, on the
6 website of the office of general services. If such a determination is
7 issued in regards to a centralized contract, such contract shall have a
8 term of no more than three years.

9 (ix) Until January first, two thousand thirty-two, the provisions of
10 this paragraph shall only apply to contracts with a total value greater
11 than or equal to one million dollars, or to contractors whose annual
12 revenue, or that of their parent company, is greater than or equal to
13 ten million dollars.

14 c. (i) If it is determined that any contractor contracting with the
15 state knew or should have known that a covered forest-risk product type
16 was furnished to the state in violation of this subdivision, the
17 contracting agency or authority shall issue a written notice of
18 violation and provide an opportunity for such contractor to come into
19 compliance. If, after such notice, a contractor fails to come into
20 compliance within a timeframe established by the commissioner of the
21 department of environmental conservation, such contractor may, subject
22 to subparagraph (ii) of this paragraph, have either or both of the
23 following sanctions imposed:

24 A. The contract under which the violation occurred may be voided at
25 the option of the contracting agency or authority.

26 B. The contractor may be assessed a penalty that shall be the greater
27 of one thousand dollars or an amount equaling twenty percent of the
28 value of the product that the state agency or authority demonstrates was
29 furnished in violation of this subdivision. A hearing or opportunity to
30 be heard shall be provided prior to the assessment of any penalty.

31 (ii) Notwithstanding subparagraph (i) of this paragraph, a contractor
32 that has complied with the provisions of subparagraph (iii) of paragraph
33 b of this subdivision shall not be subject to sanctions for violations,
34 of which the contractor had no knowledge, of the requirements of this
35 subdivision that were committed solely by a subcontractor. Sanctions
36 described under subparagraph (i) of this paragraph shall instead be
37 imposed against the subcontractor that committed the violation.

38 d. (i) Any state agency or authority that investigates a complaint
39 against a contractor or subcontractor for violation of this subdivision
40 may limit its investigation to evaluating the information provided by
41 the person or entity submitting the complaint and the information
42 provided by the contractor or subcontractor.

43 (ii) Whenever a contracting officer of the contracting agency or
44 authority has reason to believe that the contractor failed to comply
45 with paragraph b of this subdivision, the agency or authority shall
46 refer the matter for investigation to the head of the agency or authori-
47 ty and, as the head of the agency or authority determines appropriate,
48 to either the office of the attorney general or the department of envi-
49 ronmental conservation.

50 e. (i) When a state agency or authority's contract for the purchase of
51 a commodity or product covered by this subdivision is to be awarded to
52 the lowest responsible bidder, an otherwise qualified bidder who is a
53 small or medium-sized business or a minority or women-owned business
54 enterprise, or who will fulfill the contract through the use of New York
55 state products, may be given preference over other bidders, provided
56 that the cost included in the bid is not more than ten percent greater

1 than the cost included in a bid that is not from a small or medium-sized
2 business or a minority or women-owned business enterprise or fulfilled
3 through the use of New York state products.

4 (ii) The provisions of this paragraph shall not apply if the head of
5 the contracting state agency or authority purchasing such products, in
6 such head of such state agency's sole discretion, determines that giving
7 preference to bidders pursuant to the provisions of this paragraph
8 would:

9 (a) be against the public interest;

10 (b) increase the cost of the contract by an unreasonable amount; or

11 (c) New York state products cannot be obtained in sufficient and
12 reasonable available quantities and of satisfactory quality to meet the
13 contracting state agency or authority's requirements.

14 (iii) Nothing in this paragraph shall be construed to conflict with or
15 otherwise limit the goals and requirements set forth by section one
16 hundred sixty-two of this article, article fifteen-A of the executive
17 law, or article three of the veterans' services law.

18 f. Prior to issuing regulations pursuant to paragraph g of this subdivi-
19 vision, the commissioner of the department of environmental conservation
20 shall convene four meetings with relevant stakeholders, including but
21 not limited to:

22 (i) representatives of current or former state contractors dealing in
23 products containing each of the tropical forest-risk commodities speci-
24 fied in subparagraph (ii) of paragraph a of this subdivision, with an
25 emphasis on small and medium-sized businesses;

26 (ii) representatives not affiliated with covered industries with rele-
27 vant expertise in supply chain traceability, tropical forest sustaina-
28 bility, biodiversity, climate science, human and labor rights, and
29 indigenous rights; and

30 (iii) representatives from indigenous communities within the geograph-
31 ic areas containing tropical forests covered by this subdivision.

32 g. On or before July first, two thousand twenty-seven, the commis-
33 ioner of the department of environmental conservation shall adopt regu-
34 lations for the implementation of this subdivision. Such regulations
35 shall be developed in consultation with the commissioner of the office
36 of general services. Such regulations shall include, but not be limited
37 to, all of the following:

38 (i) A list of tropical forest-risk commodities subject to the require-
39 ments of this subdivision, including, but not limited to, palm oil,
40 beef, coffee, cocoa, wood pulp and paper. The list shall be reviewed and
41 updated at least every three years. When evaluating inclusion of addi-
42 tional commodities in the list, the commissioner of the department of
43 environmental conservation shall consider the impact of the commodity as
44 a driver of tropical deforestation or tropical forest degradation, the
45 state of existing supply chain transparency and traceability systems for
46 the commodity, the volume or quantity of products comprised wholly or in
47 part of the commodity that are regularly purchased by state agencies or
48 authorities, and the feasibility of including the commodity in the
49 requirements of this subdivision. The first review shall include, but
50 not be limited to, evaluation of soy, rubber, bananas, avocados, sugar-
51 cane, leather and other cattle-derived products, and mining products.
52 Following a review of the list of tropical forest-risk commodities, the
53 commissioner shall issue a report to the governor, the temporary presi-
54 dent of the senate, and the speaker of the assembly, outlining the
55 reasons for the inclusion or non-inclusion of any reviewed commodities.

1 (ii) A list of covered tropical forest-risk product types comprised
2 wholly or in part of tropical forest-risk commodities. Such list shall
3 be updated no less frequently than every three years. In developing such
4 list, the department shall consider:

5 A. The state of existing supply chain traceability and transparency
6 systems for the product type.

7 B. The volume, quantity, or monetary value of such product type regu-
8 larly procured by state agencies or authorities, with priority given to
9 product types procured in high volumes or quantities or with high mone-
10 tary value.

11 C. The relative complexity of identifying the presence of tropical
12 forest-risk commodities in the product type.

13 D. The proportion of the product type comprised of tropical forest-
14 risk commodities.

15 E. The availability of substitute products produced using commodities
16 sourced from New York State or within the United States.

17 F. Maximizing the deforestation-reduction impact of the policy estab-
18 lished pursuant to this subdivision while limiting the administrative
19 burden of implementation, including consideration of a phased-in
20 approach to implementation with the goal of covering all product types
21 regularly procured by state agencies or authorities containing more than
22 de minimus amounts of tropical forest-risk commodities or their deriva-
23 tives no later than January first, two thousand thirty-two. For food
24 products, more than de minimus amounts shall include components listed
25 as an ingredient.

26 (iii) Specific supply chain due diligence measures based on interna-
27 tional best practices that contractors must perform before making the
28 certification required by this subdivision. For any products comprised
29 wholly or in part of tropical forest-risk commodities that were
30 extracted from, grown, harvested, or reared on land in a country or
31 countries that do not contain tropical forests, a contractor shall only
32 be required to demonstrate that such commodities originated in such
33 country or countries. If information, documents, and data that meet the
34 requirements of the due diligence measures established pursuant to this
35 subparagraph have been produced by a supplier from whom the contractor
36 has been supplied covered products, and have been provided to the
37 contractor or made publicly available, such information, documents, and
38 data may constitute sufficient due diligence on the part of the contrac-
39 tor to comply with this paragraph.

40 (iv) A process for developing, with an opportunity for public input,
41 list of favored suppliers of tropical forest-risk commodities and
42 products derived therefrom whose products have been determined to meet
43 the requirements of this subdivision, and a process through which
44 suppliers may apply for inclusion on such list. Such list shall be made
45 publicly available no later than one hundred eighty days after the
46 adoption of regulations pursuant to this paragraph, and shall be updated
47 not less than annually.

48 (v) The full set of requirements for a large contractor's tropical
49 forest policy pursuant to subparagraph (iv) of paragraph b of this
50 subdivision.

51 (vi) The process through which contractors shall certify to the
52 department of environmental conservation that they are in compliance
53 with paragraph b of this subdivision.

54 (vii) A process for ensuring that details of certifications are made
55 available for public inspection on the website of the department of
56 environmental conservation.

1 (viii) An easily accessible procedure to receive public complaints and
2 information regarding violations of this subdivision.

3 h. The certification requirements set forth in this subdivision shall
4 not apply to a credit card purchase of goods of fifteen thousand dollars
5 or less.

6 i. This subdivision shall apply to all contracts entered into,
7 extended, or renewed on or after January first, two thousand twenty-
8 eight.

9 j. Commencing two years after the effective date of this subdivision
10 and biennially thereafter, the commissioner of the department of envi-
11 ronmental conservation shall issue a report to the governor, the tempo-
12 rary president of the senate, and the speaker of the assembly, on the
13 implementation of this subdivision and subdivisions one and two of this
14 section.

15 § 6. The economic development law is amended by adding a new article
16 28 to read as follows:

17 ARTICLE 28

18 SUPPLY CHAIN TRANSPARENCY ASSISTANCE PROGRAM

19 Section 500. Definitions.

20 501. The supply chain transparency assistance program.

21 § 500. Definitions. For purposes of this article:

22 1. "Small business" means a small business as defined in section one
23 hundred thirty-one of this chapter.

24 2. "Medium-sized business" shall mean a business that is resident in
25 this state, independently owned and operated, not dominant in its field,
26 and employs between one hundred and five hundred persons.

27 3. "Eligible business" shall mean any small and medium-sized business
28 as defined in this article, and any minority or women-owned business
29 enterprise as defined in article fifteen-A of the executive law.

30 4. "Supply chain" shall mean a system of extraction, production,
31 transportation, and distribution involving multiple processes, organiza-
32 tions, individuals, and resources, beginning with raw materials and
33 culminating in the delivery of a product or service to a consumer.

34 § 501. The supply chain transparency assistance program. 1. The
35 department is hereby authorized and directed, within one year of the
36 effective date of this article, to establish, develop, implement, and
37 maintain, within available appropriations, a supply chain transparency
38 assistance program to assist small and medium-sized businesses and
39 minority and women-owned businesses in achieving supply chains that are:

40 (a) Transparent, meaning a supply chain for which sufficient informa-
41 tion has been disclosed regarding all relevant units of production from
42 the raw material stage to the delivery of a product or service to a
43 consumer, including, but not limited to, extraction sites, suppliers,
44 manufacturers, transporters, wholesalers, and retailers, to allow
45 consumers to determine whether the supply chain is ethical and sustaina-
46 ble.

47 (b) Traceable, meaning a supply chain for which distributors, retail-
48 ers, and other businesses down the supply chain are able to gather
49 sufficient and relevant information regarding all units of production
50 further up the supply chain to determine whether a supply chain is
51 ethical and sustainable.

52 (c) Ethical, meaning a supply chain that upholds the human rights and
53 all other legal rights, supports the well-being, and prevents the
54 exploitation, of workers and communities, and guarantees the free,
55 prior, and informed consent, land, and other legal rights of affected
56 indigenous peoples and other local and traditional communities.

1 (d) Sustainable, meaning a supply chain that takes all necessary meas-
2 ures to avoid, minimize, and reduce degradation of natural environmental
3 systems, and maximizes efforts to contribute to the restoration and
4 regeneration of impacted ecosystems.

5 2. The purpose of such program shall be to:

6 (a) Develop and share best practices and provide technical assistance
7 to help participating eligible businesses develop and implement stand-
8 ards, plans, and benchmarks for transparency and traceability, environ-
9 mental sustainability, and ethical practices throughout their supply
10 chains.

11 (b) Assist participating eligible businesses with compliance with
12 supply chain related regulations, procurement standards, or contracting
13 requirements.

14 (c) Identify funding streams, grant monies, financial assistance and
15 other resources that may be available to help participating eligible
16 businesses achieve transparent, traceable, ethical, and sustainable
17 supply chains.

18 (d) Help participating eligible businesses with marketing, communi-
19 cation, and other activities to achieve maximum competitive advantage
20 from their transparent, traceable, ethical, and sustainable supply
21 chains.

22 (e) Conduct market analysis to identify opportunities for participat-
23 ing eligible businesses to access new markets and increase competitive-
24 ness through achieving transparent, traceable, ethical, and sustainable
25 supply chains.

26 (f) Conduct outreach to promote awareness of the program among eligi-
27 ble businesses, business organizations, and regional and local economic
28 development agencies.

29 § 7. This act shall take effect on the ninetieth day after it shall
30 have become a law and shall apply to all contracts and binding contrac-
31 tual obligations entered into on and after such effective date.