

STATE OF NEW YORK

8323

2025-2026 Regular Sessions

IN SENATE

June 2, 2025

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the public authorities law, in relation to expanding the small business mentoring program

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

1 Section 1. Section 1265-b of the public authorities law, as added by
2 chapter 206 of the laws of 2010, paragraphs (c), (d) and (e) of subdivi-
3 sion 1 as amended and subdivision 7 as added by chapter 574 of the laws
4 of 2023, is amended to read as follows:

5 § 1265-b. Metropolitan transportation authority small business mentor-
6 ing program. 1. Definitions. As used in this section, unless the context
7 requires otherwise: (a) "authority" means the metropolitan transporta-
8 tion authority and its subsidiaries consisting of the Long Island rail
9 road company, Metro-North commuter railroad company, metropolitan subur-
10 ban bus authority, Staten Island rapid transit operating authority, MTA
11 bus, MTA capital construction company, and first mutual transportation
12 assurance company, and its affiliates consisting of the New York City
13 transit authority, triborough bridge and tunnel authority, and Manhattan
14 and Bronx surface transit operating authority;

15 (b) [~~chairman~~] chair means the [~~chairman~~] chair of the authority
16 and its subsidiaries and affiliates;

17 (c) "small business" means a business [~~in the construction trades~~]
18 that performs contracts for construction or related services which (i)
19 is independently owned and operated; (ii) has annual revenues not
20 exceeding a fiscal limitation of ten million dollars or such lesser
21 amount as established by the authority pursuant to these provisions; and
22 (iii) meets additional criteria as otherwise established by the [~~chair-~~
23 ~~man~~] chair in consultation with the members of the MTA small business
24 mentoring program advisory committee. The chair of the committee shall
25 be the chief diversity officer of the MTA. [~~The~~] With respect to firms

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

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1 in the construction trades, the authority shall establish a detailed
2 definition in general and specific to different segments of the
3 construction industry to the extent necessary to reflect differing char-
4 acteristics of such segments based on the criteria used by the United
5 States small business administration for loans to small businesses as
6 set forth in Sections 121.301 through 121.305, or for awarding govern-
7 ment procurements as set forth in Sections 121.401 through 121.413, of
8 Subpart A of Part 121 of Chapter I of Title 13 of the Code of Federal
9 Regulations as amended, and such other criteria as determined by the
10 authority;

11 (d) "small business mentoring program" is a program established by the
12 authority pursuant to these provisions to provide small businesses
13 accepted into the program with the opportunity:

14 (i) for up to five years, to compete for and, where awarded, to
15 perform certain authority [~~public work~~] contracts for public work or
16 related services to be designated by the authority for inclusion in this
17 program under this subparagraph, with the assistance of an authority-
18 provided mentor, which shall be a firm competitively selected by the
19 authority that has extensive construction management and mentoring expe-
20 rience, with the mentor to provide the small business with advice and
21 assistance in competing for and managing authority [~~public work~~]
22 contracts for public work or related services; and

23 (ii) for a small business mentoring program participant which the
24 authority has determined has successfully completed the program under
25 subparagraph (i) of this paragraph, for up to five additional years, (A)
26 additional opportunities to compete with other designated small busi-
27 nesses in the program for certain [~~public work~~] contracts for public
28 work or related services to be designated for inclusion under this
29 subparagraph and, where awarded, to perform such authority [~~public work~~]
30 contracts for public work or related services, with the further assist-
31 ance of an authority-provided mentor, which shall be a firm competitive-
32 ly selected by the authority that has extensive construction management
33 and mentoring experience, with the mentor to provide the small business
34 with advice and technical assistance in competing for and managing
35 authority [~~public work~~] contracts for public work or related services,
36 and (B) authority-provided assistance, as determined by the authority,
37 for such a small business to obtain bonding for public work contracts
38 that are competitively awarded pursuant to provisions of law other than
39 this section.

40 (e) "small business mentoring program contract" means a non-federally
41 funded, unless authorized by the applicable federal funding agency,
42 authority [~~public work~~] contract for public work or related services
43 designated by the authority, in an estimated amount of not more than one
44 million five hundred thousand dollars for contracts under subparagraph
45 (i) of paragraph (d) of this subdivision and five million dollars for
46 contracts under subparagraph (ii) of paragraph (d) of this subdivision,
47 for which bids or proposals are to be invited and accepted only from
48 businesses that are enrolled in the small business mentoring program and
49 have been selected by the authority to compete for the contract.

50 2. Small business mentoring program. (a) Pursuant to these provisions,
51 the authority may establish a small business mentoring program. In
52 connection therewith, the authority may determine the criteria pursuant
53 to which a small business shall be eligible for and selected to partic-
54 ipate in the program under subparagraphs (i) and (ii) of paragraph (d)
55 of subdivision one of this section, the number of participants to
56 participate in each such components of the program, the criteria for the

1 competitive selection of the firms that will provide small businesses
2 with mentoring services, the assignment of a mentor to a specific small
3 business in the small business mentoring program, and the funding for
4 the program.

5 (b) Under the small business mentoring program, the [~~chairman~~] chair
6 or the [~~chairman's~~] chair's designee is authorized, notwithstanding any
7 other provision of law:

8 (i) to designate which eligible [~~public work~~] contracts for public
9 work or related services shall be small business mentoring program
10 contracts under subparagraphs (i) and (ii) of paragraph (d) of subdivi-
11 sion one of this section, respectively;

12 (ii) to establish standards for qualifying small business mentoring
13 program participants to compete for a small business mentoring program
14 contract, provided that no less than three qualified small businesses in
15 the program must submit responsive offers to perform the contract;

16 (iii) to determine when bids or proposals for a small business mentor-
17 ing program contract should be restricted to small business mentoring
18 program participants which, prior to the receipt of bids or proposals,
19 have been qualified by the authority for such competition;

20 (iv) to competitively select, designate and contract with one or more
21 experienced construction management firms that, under the general super-
22 vision of the authority, will provide mentoring services to the small
23 businesses participating in the small business mentoring program, and to
24 assign such mentors one or more designated small businesses participat-
25 ing in the program;

26 (v) for small business mentoring program contracts, except as set
27 forth herein, to waive requirements for the solicitation and award of a
28 [~~public work~~] contract for public work or related services pursuant to
29 sections twelve hundred nine, twelve hundred sixty-five-a and twenty-
30 eight hundred seventy-nine of this chapter and any other provision of
31 law;

32 (vi) to assist only small business mentoring program participants that
33 have been awarded small business mentoring program contracts to obtain
34 any surety bond or contract of insurance required of them in connection
35 with such contract only notwithstanding any provision of section two
36 thousand five hundred four of the insurance law to the contrary; and

37 (vii) for small businesses that have been accepted into the small
38 business mentoring program under subparagraph (ii) of paragraph (d) of
39 subdivision one of this section, in addition to the benefits of such
40 program and notwithstanding any other provision of law, to provide tech-
41 nical assistance in obtaining bid, payment and performance bonding for
42 authority public work contracts that are not small business mentoring
43 program contracts, for which the small business is otherwise qualified.

44 3. Withdrawal of designation of small business mentoring program
45 contracts. (a) If the total number of qualified small business mentoring
46 program participants that respond to a competition and are considered
47 capable of meeting the specifications and terms of the invitation to
48 compete is less than three, or if the [~~chairman~~] chair or the [~~chair-~~
49 ~~man's~~] chair's designee determines that acceptance of the best offer
50 will result in the payment of an unreasonable price, the authority may
51 reject all offers and withdraw the designation of the contract as a
52 small business mentoring program contract.

53 (b) If the authority withdraws the designation of contract as a small
54 business mentoring program contract, the firms, if any, that made offers
55 shall be notified. Invitations to compete containing the same or rewrit-

1 ten specifications and terms shall then be re-issued as a small business
2 mentoring program contract for one or more additional contract period.

3 4. [~~Construction manager mentors~~] Mentors. A mentor shall provide
4 services and assistance to a small business as designated by the author-
5 ity, which may include the following: (a) provide business training in
6 the skills necessary to operate a successful business that performs
7 contracts for construction [~~business~~] or related services and to compete
8 for and perform a [~~public work~~] contract for public work or related
9 services;

10 (b) provide technical assistance to the small business to assess the
11 outcome if the small business competes for but is not awarded a
12 contract;

13 (c) if the small business mentoring program contract is awarded to the
14 small business, provide guidance, advice and technical assistance to the
15 small business in the performance of the contract;

16 (d) provide other technical assistance to the small business to facil-
17 itate learning, training and other issues which may arise.

18 5. The authority may delegate to the [~~chairman~~] chair or the [~~chair-~~
19 ~~man's~~] chair's designee, the authority's responsibilities set forth
20 herein.

21 6. The small business mentoring program contracts authorized by this
22 legislation shall, for the initial year of the program, be in an aggre-
23 gate amount of not less than ten million dollars, and shall not exceed
24 one hundred million dollars, with the maximum amount in future years to
25 be set by the [~~chairman~~] chair.

26 7. The authority shall submit a report, no later than September thir-
27 tieth, two thousand twenty-five, and annually thereafter, to the gover-
28 nor, the temporary president of the senate, and the speaker of the
29 assembly regarding procurements made pursuant to this section. Such
30 report shall include a description of each procurement made pursuant to
31 this subdivision and the rationale for why the [~~public work~~] contract
32 for public work or related services was selected as a small business
33 mentoring program contract, information regarding the procurement proc-
34 ess for each such mentoring program contract and the name or names of
35 the small businesses that fulfilled the contract, the project identifi-
36 cation number and a description for each such project performed pursuant
37 to the contract, the contractual completion date for each contract, the
38 status of each such project, the contract price, including executed
39 modifications, whether a project received surety bond or insurance
40 contract assistance pursuant to subparagraph (vi) of paragraph (b) of
41 subdivision two of this section, the total dollar value of monies paid
42 to minority-owned and women-owned business enterprises and disadvantaged
43 business enterprises pursuant to this section itemized by year and
44 including the total dollar values for the five years preceding the
45 respective annual report's release date. Such report shall additionally
46 identify the authority-provided [~~construction manager~~] mentors and
47 describe their competitive selection process, describe the technical
48 assistance and advice provided by the authority and the mentors to
49 program participants, and describe the business training provided by
50 such mentor. For annual reports, any new procurements and changes during
51 the period covered by the report shall be identified separately.

52 § 2. This act shall take effect immediately; provided, however, that
53 the amendments to section 1265-b of the public authorities law made by
54 section one of this act shall not affect the repeal of such section and
55 shall be deemed repealed therewith.