

STATE OF NEW YORK

506

2025-2026 Regular Sessions

IN ASSEMBLY

(Prefiled)

January 8, 2025

Introduced by M. of A. PAULIN, SIMONE, SIMON, RAGA, HEVESI, LEVENBERG, SAYEGH, BURDICK, SHIMSKY, OTIS, GIBBS, TAYLOR, ZACCARO, DAVILA -- read once and referred to the Committee on Governmental Operations

AN ACT to amend the state finance law, in relation to state agency contracts with not-for-profit corporations

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

1 Section 1. Section 179-q of the state finance law is amended by adding
2 a new subdivision 15 to read as follows:

3 15. "Noncompliant state agency" means a state agency that has failed
4 to execute certain contracts within required time frames.

5 § 2. Section 179-t of the state finance law is amended by adding a new
6 subdivision 4-a to read as follows:

7 4-a. A state agency shall be deemed to be noncompliant if, for six of
8 the last twelve preceding months, it has (a) failed to submit any
9 renewal contracts to the attorney general within the time frame required
10 by subdivision four of this section when not-for-profit organizations
11 are parties to such contracts and a written directive has been issued,
12 (b) failed to submit any renewal contracts to the attorney general prior
13 to commencement when not-for-profit organizations are parties to such
14 contracts, and/or (c) in any other manner failed to fully execute a
15 contract before its start date.

16 § 3. Section 179-bb of the state finance law is amended by adding a
17 new subdivision 4 to read as follows:

18 4. (a) A noncompliant state agency shall prepare and transmit to the
19 office of the state comptroller, by the end of every month for which it
20 is noncompliant, a report addressing those renewal contracts which have
21 not been submitted to the attorney general within the time frame
22 required by subdivision four of section one hundred seventy-nine-t of
23 this article. In addition, such agency shall provide notification

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

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1 regarding the submission of such report to the not-for-profit organiza-
2 tion it is contracting with. Such report shall (i) describe the
3 contracts that have not been submitted, (ii) detail the reasons the
4 contract has not been submitted, (iii) detail the steps the agency is
5 taking to submit and fully execute the contract, and (iv) provide an
6 estimate of when it shall submit and fully execute the contract. The
7 agency shall also make such reports publicly accessible on its website.

8 (b) Within six months of becoming a noncompliant state agency, such
9 agency shall prepare and transmit to the office of the state comp-
10 troller, the temporary president of the senate, and the speaker of the
11 assembly, a report describing its efforts to become compliant with the
12 requirements of section one hundred seventy-nine-t of this article. Such
13 report shall describe in detail efforts to revise internal policies and
14 procedures, identify bottlenecks and other barriers to efficient
15 contracting, retrain staff and management, incorporate improved manage-
16 ment practices, reform procurement processes, and any other factor which
17 will enable the agency to meet the requirements of section one hundred
18 seventy-nine-t of this article as related to not-for-profit organiza-
19 tions. The agency shall also prepare and deliver updated reports every
20 six months after the delivery of the first report describing the
21 progress it has made. Such reports shall also be posted on the agency's
22 website.

23 § 4. Subdivision 14 of section 179-q of the state finance law, as
24 added by chapter 166 of the laws of 1991, is amended to read as follows:

25 14. "Written directive" means a written request by a state agency to a
26 not-for-profit organization authorizing such organization either to
27 begin providing services during the negotiation of a contract or to
28 continue providing services during the negotiation of a renewal
29 contract. All written directives shall state that payment for the
30 services provided is subject to the availability of appropriations[
31 ~~execution of either the contract or renewal contract, and approval of~~
32 ~~the contract or renewal contract by the comptroller and the attorney~~
33 ~~general]. All written directives shall also include the state's payment
34 schedule, which will remain in effect until a contract is approved. Any
35 late payments from the state based on the schedule will be subject to
36 interest.~~

37 § 5. This act shall take effect immediately.