

STATE OF NEW YORK

5090--A

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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 and relating to consultant disclosure requirements

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

1 Section 1. Paragraphs (a) and (b) of subdivision 7 of section 73 of
2 the public officers law, as amended by section 3 of part K of chapter
3 286 of the laws of 2016, are amended and two new paragraphs (a-1) and
4 (b-1) are added to read as follows:
5 (a) No statewide elected official, or state officer or employee, other
6 than in the proper discharge of official state or local governmental
7 duties, or member of the legislature or legislative employee, or political
8 party [~~chairman~~] chair shall receive, directly or indirectly, or
9 enter into any agreement express or implied for, any compensation, in
10 whatever form, for the appearance or rendition of services by [~~himself,~~
11 ~~herself~~] themselves or another in relation to any case, proceeding, application
12 or other matter before a state agency where such appearance or
13 rendition of services is in connection with:
14 (i) the purchase, sale, rental or lease of real property, goods or
15 services, or a contract therefor, from, to or with any such agency;
16 (ii) any proceeding relating to rate making;
17 (iii) the adoption or repeal of any rule or regulation having the
18 force and effect of law;
19 (iv) the obtaining of grants of money or loans;
20 (v) licensing; or

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

LBD07904-03-5

1 (vi) any proceeding relating to a franchise provided for in the public
2 service law.

3 (a-1) No statewide elected official, or state officer or employee,
4 other than in the proper discharge of official state or local govern-
5 mental duties, or member of the legislature or legislative employee, or
6 political party chair shall receive, directly or indirectly, or enter
7 into any agreement express or implied for any compensation, in whatever
8 form, for legal services, consulting, or any other contractual expendi-
9 ture for services, whether actually performed or not from a state or
10 local authority if such statewide elected official, state officer or
11 employee, member of the legislature, legislative employee or political
12 party chair: (i) is directly contracted by a state or local authority
13 for the related services; (ii) owns or controls directly or indirectly
14 ten per centum or more of stock in a corporation that is contracted by a
15 state or local authority for the related services; or (iii) owns or
16 controls ten per centum or more of the capital, profits, or beneficial
17 interest in a firm or association that is contracted by a state or local
18 authority for the related services.

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

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

28 (ii) any proceeding relating to ratemaking;

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

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

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

41 (vi) any proceeding relating to a franchise.

42 (b-1) No political party chair in a county wholly included in a city
43 having a population of one million or more shall receive, directly or
44 indirectly, or enter into any agreement express or implied for, any
45 compensation, in whatever form, for legal service, consulting, or any
46 other contractual expenditure for services, whether actually performed
47 or not from a state or local authority if such political party chair:
48 (i) is directly contracted by a state or local authority for the related
49 services; (ii) owns or controls directly or indirectly ten per centum or
50 more of stock in a corporation that is contracted by a state or local
51 authority for the related services; or (iii) owns or controls ten per
52 centum or more of the capital, profits, or beneficial interest in a firm
53 or association that is contracted by a state or local authority for the
54 related services.

55 § 2. Section 2825 of the public authorities law is amended by adding a
56 new subdivision 1-a to read as follows:

1 1-a. No public officer or employee shall receive compensation for
2 legal fees, consulting, or any other contractual expenditure for
3 services, whether actually performed or not, from a state or local
4 authority if such public officer or employee: (a) is directly
5 contracted by a state or local authority for the related services; (b)
6 owns or controls directly or indirectly ten per centum or more of stock
7 in a corporation or that is contracted by a state or local authority for
8 the related services; or (c) owns or controls ten per centum or more of
9 the capital, profits, or beneficial interest in a firm or association
10 that is contracted by a state or local authority for the related
11 services.

12 § 3. Section 801 of the general municipal law, as amended by chapter
13 1043 of the laws of 1965, is amended to read as follows:

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

40 § 4. The general municipal law is amended by adding a new section
41 858-c to read as follows:

42 § 858-c. Disclosure requirement. 1. Any individual, firm, company,
43 developer, or other entity that provides consulting services, included
44 but not limited to legal, lobbying, financial advisory, marketing, stra-
45 tegic, or other professional services to an applicant or beneficiary of
46 financial assistance from an agency in connection with a proposed or
47 approved project, shall be required to submit a disclosure statement to
48 the agency and to the authorities budget office.

49 2. Each disclosure statement shall include the following information:
50 the name of the individual, firm, company, developer, or other entity
51 providing the consulting services; a description of the nature and scope
52 of the services provided; the dates or period of engagement; the total
53 amount of compensation paid or payable for such services; and whether
54 such services were provided pursuant to a contract, retainer, or other
55 arrangement, and a copy of such agreement, if available.

1 3. Disclosure statements shall be submitted to the agency and the
2 authorities budget office no later than thirty days following the
3 execution of the service agreement or the commencement of services,
4 whichever is earlier. Updates shall be filed annually by January thir-
5 ty-first of each year for ongoing engagements.

6 4. All disclosure statements shall be made publicly available on the
7 websites of the agency and the authorities budget office.

8 5. Failure to file the required disclosure pursuant to this section
9 shall result in referral to the authorities budget office for further
10 investigation. In addition to the powers provided for in this chapter,
11 the authorities budget office shall have the power to disqualify the
12 consultant from participation in future agency projects for a period of
13 up to two years.

14 6. Within sixty days of the effective date of this subdivision, the
15 authorities budget office shall promulgate such rules and regulations as
16 may be necessary to implement the provisions of this section, including
17 a uniform disclosure form.

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