STATE OF NEW YORK

2262

2025-2026 Regular Sessions

IN SENATE

January 16, 2025

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

AN ACT to amend the state finance law, in relation to the not-for-profit contracting advisory committee

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

Section 1. Section 179-aa of the state finance law, as amended by chapter 672 of the laws of 2019, is amended to read as follows:

§ 179-aa. Advisory committee. **1.** There is hereby established a not-for-profit contracting advisory committee. [~~The~~] **Such** advisory committee shall consist of [~~sixteen members which shall include eight appointed members, four to~~] **seven members, three of which shall** be appointed by the governor [~~who~~]**, each of whom** shall be representatives of not-for-profit organizations providing services in the state, [~~and two~~] **one** each to be appointed by the governor upon recommendation of the temporary president of the senate and speaker of the assembly, [~~and eight~~] **the chair of the senate committee on procurements and contracts, and the chair of the assembly committee on governmental operations. Such members shall be appointed on staggered terms to ensure continuity and knowledge sharing. Eight additional non-voting members shall be appointed as** ex officio members of the committee, [~~one each~~] designated from **the following entities,** the division of the budget, the department of law, the office of the state comptroller, and the education department. The governor [~~shall~~] **may** also designate **an additional** four **non-voting ex officio** members from [~~among~~] **any of** the following agencies**, provided only one shall be designated per agency**: the department of state, the office of children and family services, the office of temporary and disability assistance, the department of health, the office of mental hygiene, the office for people with developmental disabilities, and the department of labor.

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

LBD03575-01-5

2. The governor shall designate an appointee to serve as chair of the committee.

3. The advisory committee shall meet at least quarterly [~~and upon its own initiative may: comment and~~] each calendar year. Such committee is authorized to promulgate by-laws they see fit in accordance with this section.

4. (a) The advisory committee shall perform the following functions:

(i) independently advise the governor, the legislature, the comptroller and state agencies on the implementation and operation of this article, and provide expert comment, if requested by such on the implementation and operation of the provisions contained within this article and issue an annual report on such, which shall be made publicly accessible;

(ii) comment, monitor and report on the implementation and operation of the not-for-profit short-term revolving loan fund[~~; advise the governor, comptroller and state agencies on the implementation and operation of this article; evaluate the benefits of requiring all state agencies to use standard contract language and the extent to which standard language may be effectively included in contracts with not-for-profit organizations; review annually the report of the office of the state comptroller made pursuant to section one hundred seventy-nine-bb of this article; and propose any legislation they deem necessary to improve the fund and this article. The committee shall~~], as provided for in section one hundred seventy-nine-z of this article;

(iii) regularly review and report on state agency compliance with the statutory timelines specified in section one hundred seventy-nine-s of this article;

(iv) periodically review and report on the use of the state's grant management system by contracting agencies or any other centralized systems that may be introduced from time to time to streamline agencies' work;

(v) review annually and provide comment on the report by the office of the state comptroller made pursuant to section one hundred seventy-nine-bb of this article;

(vi) receive, and if necessary invite, feedback from state agencies on how the process of procurement, contracting, and vetting of not-for-profit organizations can be improved, make the necessary recommendations, and ensure implementation of such recommendations;

(vii) issue any recommendations deemed necessary or helpful to ensure such committee is effectively operational to the governor and the legislature; and

(viii) report to the governor and the legislature with recommendations on improving the contracting procedures with not-for-profit organizations which receive state funds through the intermediary of municipalities.

(b) Such reports shall be due annually not later than December first.

5. If the advisory committee is found not to be in compliance with any of the provisions of this section, the governor may, upon motion by any member of the legislature, the chair of the advisory committee, or by the governor's own initiative, dissolve such advisory committee and reappoint the advisory committee with new members pursuant to subdivision one of this section, provided, however, the chair of the senate committee on procurements and contracts, and the chair of the assembly committee on governmental operations shall remain.

§ 2. This act shall take effect on the ninetieth day after it shall have become a law.