§ 239. Provisions in contracts prohibiting discrimination on account of race, creed, color, national origin, age or sex. Every contract for service work shall contain provisions by which the contractor agrees:

(1) that in the hiring of employees for the performance of work under the contract or any subcontract thereunder within the territorial limits of this state, no contractor, subcontractor, nor any person acting on behalf of such contractor or subcontractor, shall by reason of race, creed, color, national origin, age, sex or disability, discriminate against any citizen of the state of New York who is qualified and available to perform the work to which the employment relates;

(2) that no contractor, subcontractor, nor any person on his behalf shall, in any manner, discriminate against or intimidate any employee hired for the performance of work under the contract on account of race, creed, color, national origin, age, sex or disability;

(3) that there may be deducted from the amount payable to the contractor by the public agency under the contract a penalty of fifty dollars for each person for each day during which such person was discriminated against or intimidated in violation of the provisions of the contract;

(4) that the contract may be cancelled or terminated by the public agency, and all moneys due or to become due thereunder may be forfeited for a second or any subsequent violation of the terms or conditions of this section of the contract.