

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2015**

No. 22

Introduced by Council Members Rosenthal, Menchaca, Arroyo, Chin, Koo, Levine, Mendez, Reynoso, Rodriguez, Levin, Palma, Cornegy, Constantinides, Lander, Williams, Gibson, Vacca, Garodnick, Dromm, Van Bramer, Eugene and Kallos.

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to worker cooperatives.

Be it enacted by the Council as follows:

Section 1. Title 6 of the administrative code of the city of New York is amended by adding a new section 6-139 to read as follows:

§ 6-139 *Worker cooperatives. a. Definitions. As used in this section:*

“City chief procurement officer” means the person to whom the mayor has delegated authority to coordinate and oversee the procurement activity of mayoral agency staff, including the agency chief contracting officers and any offices that have oversight responsibility for procurement.

“Commissioner” means the commissioner of small business services or the commissioner of any successor agency thereto.

“Department” means the department of small business services or any successor agency thereto.

“Non-member worker” means, with respect to a worker cooperative, a natural person who works for such cooperative and who is not a worker-member of such cooperative.

“Worker cooperative” means a business in which the workers are represented on the board of directors and the workers control the majority of the voting stock, or if the business is held in a trust which controls the majority of the voting stock, the trustees are elected by the workers. The term “worker cooperative” includes a worker cooperative as defined in section 81 of the cooperative corporations law.

“Worker-member” means, with respect to a worker cooperative, a natural person who works for such cooperative and holds voting stock in such cooperative.

b. No later than six months after the end of each fiscal year, beginning with the 2016 fiscal year, the city chief procurement officer shall, with the cooperation of all relevant agencies, prepare and submit to the speaker of the council and the mayor, and publish on the mayor’s office of contract services website, a report containing, at a minimum, the following information for such fiscal year:

1. the number and total dollar value of city contracts awarded to worker cooperatives, disaggregated by agency and type of business;

2. the number and total dollar value of all city contracts, disaggregated by agency and type of business; and

3. the percentage of city contracts awarded to worker cooperatives, disaggregated by agency and type of business.

c. 1. No later than six months after the end of each fiscal year, beginning with the 2016 fiscal year, the commissioner, in consultation with the city chief procurement officer, shall submit to the speaker of the council and the mayor, and shall make publicly available online, a report containing, at a minimum, the following information:

(a) the number of worker cooperatives that applied for assistance from the department in the previous fiscal year; the number of worker cooperatives assisted by the department in the previous fiscal year; the industries in which such worker cooperatives operate and the community districts in which such worker cooperatives are headquartered; and the specific actions taken by the department in the previous fiscal year to assist the development of worker cooperatives, including, but not limited to, the services rendered by the department to enhance the ability of such worker cooperatives to compete for and obtain city contracts; and

(b) for each of the worker cooperatives assisted by the department in the previous fiscal year as described in subparagraph (a) of this paragraph, the department shall furnish the name and address of such worker cooperative; the number of natural persons who became worker-members during the previous fiscal year, where made available to the department; the number of non-member workers who were hired during the previous fiscal year, where made available to the department; and a summary of the services provided by the department to such worker cooperative in the previous fiscal year.

2. No later than six months after the end of every third fiscal year, beginning with the 2016 fiscal year, the commissioner, in consultation with the city chief procurement officer, shall submit to the speaker of the council and the mayor, and shall make publicly available online, a report containing, at a minimum, the following information:

(a) a description of difficulties or obstacles that worker cooperatives encounter when competing for city contracts;

(b) recommended measures to lessen the effects of such difficulties and obstacles and to enhance the ability of worker cooperatives to compete for and obtain city contracts; and

(c) a description of the impact of services provided by the department to worker cooperatives in the previous three fiscal years, to the extent such impact can be assessed through consultation with such worker cooperatives and entities that provide advice or other services for worker cooperatives located in the city, to the extent such entities can be identified through the consultations described in paragraph four of this subdivision. No such description shall be required for any fiscal year prior to the 2016 fiscal year.

3. By January 1, 2016, the commissioner, in consultation with the city chief procurement officer, shall submit to the speaker of the council and the mayor, and shall make publicly available online, a report that shall include, for each entity that received funding from the department in connection with the worker cooperative business development initiative as described in schedule C of the fiscal year 2015 adopted expense budget, a summary of the actions taken by such entity, using such funding, to assist the development of worker cooperatives, including but not limited to a description of any workshops, technical assistance or financial assistance provided.

4. In preparing the report required by paragraph two of this subdivision, the commissioner and city chief procurement officer shall, to the extent feasible, consult with worker cooperatives and entities that provide advice or other services for worker cooperatives located in the city and shall include in such report a summary of findings from such consultations.

d. Except as provided in paragraph three of subdivision c of this section, for purposes of any report required by this section, the report shall be limited to worker cooperatives that have identified themselves to the department or a relevant agency through the electronic system used for vendor enrollment with the city or through the department's electronic customer relationship management system.

§2. This local law shall take effect immediately.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on February 26, 2015 and approved by the Mayor on March 18, 2015.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 22 of 2015, Council Int. No. 423-A of 2014) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council and approved by the Mayor.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel.