



Legislation Details (With Text)

File #: Int 1224-2016 **Version:** A **Name:** Increasing the contract award threshold requiring a vendor doing business with the city to complete a VENDEX questionnaire.

Type: Introduction **Status:** Enacted
In control: Committee on Contracts

On agenda: 6/21/2016

Enactment date: 5/10/2017 **Enactment #:** 2017/072

Title: A Local Law to amend the administrative code of the city of New York, in relation to increasing the contract award threshold requiring a vendor doing business with the city to complete a VENDEX questionnaire

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Indexes: Agency Rule-making Required, Oversight

Attachments: 1. Legislative History Report, 2. Summary of Int. No. 1224-A, 3. Summary of Int. No. 1224, 4. Int. No. 1224 - 6/21/16, 5. June 21, 2016 - Stated Meeting Agenda with Links to Files, 6. Committee Report 11/7/16, 7. Hearing Testimony 11/7/16, 8. Hearing Transcript 11/7/16, 9. Committee Report 4/24/17, 10. Hearing Transcript 4/24/17, 11. Proposed Int. No. 1224-A - 4/27/17, 12. April 25, 2017 - Stated Meeting Agenda with Links to Files, 13. Fiscal Impact Statement, 14. Int. No. 1224-A (FINAL), 15. Mayor's Letter, 16. Hearing Transcript - Stated Meeting 4-25-17, 17. Minutes of the Stated Meeting - April 25, 2017, 18. Local Law 72

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------|------------------------------|--------|
| 6/21/2016 | * | City Council | Introduced by Council | |
| 6/21/2016 | * | City Council | Referred to Comm by Council | |
| 11/7/2016 | * | Committee on Contracts | Hearing Held by Committee | |
| 11/7/2016 | * | Committee on Contracts | Laid Over by Committee | |
| 4/24/2017 | * | Committee on Contracts | Hearing Held by Committee | |
| 4/24/2017 | * | Committee on Contracts | Amendment Proposed by Comm | |
| 4/24/2017 | * | Committee on Contracts | Amended by Committee | |
| 4/24/2017 | A | Committee on Contracts | Approved by Committee | Pass |
| 4/25/2017 | A | City Council | Approved by Council | Pass |
| 4/25/2017 | A | City Council | Sent to Mayor by Council | |
| 5/10/2017 | A | Mayor | Hearing Held by Mayor | |
| 5/10/2017 | A | Mayor | Signed Into Law by Mayor | |
| 5/11/2017 | A | City Council | Recved from Mayor by Council | |

Int. No. 1224-A

By Council Members Rosenthal, Chin, Lander, Cohen, Dromm, Levin and Kallos

A Local Law to amend the administrative code of the city of New York, in relation to increasing the contract award threshold requiring a vendor doing business with the city to complete a VENDEX questionnaire

Be it enacted by the Council as follows:

Section 1. Paragraph v of subdivision b of section 6-116.2 of the administrative code of the city of New York, as amended by local law 13 for the year 1991, is amended to read as follows:

(v) Where a contractor or subcontractor becomes obligated to submit information required by this subdivision by reason of having been awarded a contract or subcontract, the value of which, when aggregated with the value of all other contracts or subcontracts awarded to that contractor or subcontractor during the immediately preceding twelve-month period, is valued at [one hundred thousand dollars] \$250,000, or more, such information shall be submitted no later than thirty days after registration of the contract which resulted in the obligation to submit such information. A contractor or subcontractor who fails to provide such information as required by this paragraph shall be ineligible to bid or propose on a contract or subcontract until such information is provided and shall be subject to such other penalties as may be prescribed by rule of the procurement policy board, where applicable, or any rule of the council relating to procurement.

§2. Paragraph 3 of subdivision i of section 6-116.2 of the administrative code of the city of New York, as amended by local law 44 for the year 1992, is amended to read as follows:

(3) "contract" shall mean and include any agreement between an agency, New York city affiliated agency, elected official or the council and a contractor, or any agreement between such a contractor and a subcontractor, which (a) is for the provision of goods, services or construction and has a value that when aggregated with the values of all other such agreements with the same contractor or subcontractor and any franchises or concessions awarded to such contractor or subcontractor during the immediately preceding twelve -month period is valued at [one hundred thousand dollars] \$250,000 or more; or (b) is for the provision of goods, services or construction, is awarded to a sole source and is valued at [ten thousand dollars] \$10,000 or more; or (c) is a concession and has a value that when aggregated with the value of all other contracts held by the same concessionaire is valued at [one hundred thousand dollars] \$100,000 or more; or (d) is a franchise.

However, the amount provided for in clause a herein may be varied by rule of the procurement policy board, where applicable, or rule of the council relating to procurement, or, for franchises and concessions, rule of the franchise and concession review committee, as that amount applies to the information required by paragraphs 7, 8, 9 and 12 of subdivision b of this section, and the procurement policy board, where applicable, or the council, or, for franchises and concessions, the franchise and concession review committee, may by rule define specifically identified and limited circumstances in which contractors may be exempt from the requirement to submit information otherwise required by subdivision b of this section, but the rulemaking procedure required by chapter forty-five of the charter may not be initiated for such rule of the procurement policy board or franchise and concession review committee less than forty-five days after the submission by the procurement policy board or, for franchises and concessions, the franchise and concession review committee, to the council of a report stating the intention to promulgate such rule, the proposed text of such rule and the reasons therefor;

§3. Paragraph (a) of subdivision 18 of section 3-702 of the administrative code of the city of New York, as amended by local law 67 for the year 2007, is amended to read as follows:

a. The term “business dealings with the city” shall mean (i) [any contract] one or more contracts (other than an emergency contract or a contract procured through publicly-advertised competitive sealed bidding) [which is] with a single person or entity for the procurement of goods, services or construction that [is] in effect or that were entered into [or in effect] within the preceding twelve-month period with the city of New York or any agency or entity affiliated with the city of New York and [is valued] have a total value at or above [the dollar value defined in subparagraph (a) of paragraph (3) of subdivision i of section 6-116.2 of the administrative code] \$100,000, or, with respect to [a contract] contracts for construction, at or above [five hundred thousand dollars, or an emergency contract awarded pursuant to section 315 of the charter] \$500,000, and shall include any contract for the underwriting of the debt of the city of New York or any agency or entity affiliated with the city of New York and the retention of any bond counsel, disclosure counsel or underwriter’s

counsel in connection therewith; or (ii) any acquisition or disposition of real property (other than a public auction or competitive sealed bid transaction or the acquisition of property pursuant to the department of environmental protection watershed land acquisition program) with the city of New York or any agency or entity affiliated with the city of New York; or (iii) any application for approval sought from the city of New York pursuant to the provisions of section 195 of the charter, any application for approval sought from the city of New York that has been certified pursuant to the provisions of section 197-c of the charter, and any application for a zoning text amendment that has been certified pursuant to section 201 of the charter; provided, however, that for purposes of this clause, with respect to section 195 an applicant shall include the lessor of an office building or office space, and with respect to section 197-c an applicant shall include a designated developer or sponsor of a project for which a city agency or local development corporation is the applicant and provided, further, however, that owner-occupants of one, two and three family homes shall not be considered applicants pursuant to this clause; or (iv) [any concession] one or more concessions (other than a concession awarded through publicly-advertised competitive sealed bid) [or any franchise] or one or more franchises with a single person or entity that are in effect or that were entered into within the preceding twelve-month period from the city of New York or any agency or entity affiliated with the city of New York which [has an] have a total estimated annual value at or above [the dollar value defined in subparagraph (a) of paragraph (3) of subdivision i of section 6-116.2 of the administrative code] \$100,000; or (v) [any grant that is valued] one or more grants made to a single person or entity that are in effect or that were entered into within the preceding twelve-month period that have a total value at or above [the dollar value defined in subparagraph (a) of paragraph (3) of subdivision i of section 6-116.2 of the administrative code] \$100,000, received from the city of New York or any agency or entity affiliated with the city of New York; or (vi) any economic development agreement entered into or in effect with the city of New York or any agency or entity affiliated with the city of New York; or (vii) any contract for the investment of pension funds, including investments in a private equity firm and contracts with investment related consultants. In addition, for purposes of this chapter a lobbyist as

defined in section 3-211 of this title shall be deemed to be engaged in business dealings with the city of New York during all periods covered by a registration statement. For purposes of clauses (i), (iv) and (v) of this subdivision, all contracts, concessions, franchises and grants that are [five thousand dollars] \$5,000 or less in value shall be excluded from any calculation as to whether a contract, concession, franchise or grant is a business dealing with the city. For purposes of clauses (ii) and (iii) of this subdivision, the department of city planning, in consultation with the board, may promulgate rules to require the submission by applicants to the city of information necessary to implement the requirements of subdivisions 1-a and 1-b of section 3-703 of this chapter as they relate to clauses (ii) and (iii) of paragraph (a) of this subdivision for purposes of inclusion in the doing business database established pursuant to subdivision 20 of this section. For purposes of this subdivision, “agency or entity affiliated with the city of New York” shall mean the city school district of the city of New York and any public authority, public benefit corporation or not for profit corporation, the majority of whose board members are officials of the city of New York or are appointed by such officials. The department of housing preservation and development shall promulgate rules setting forth which categories of actions, transactions and agreements providing affordable housing shall and shall not constitute business dealings with the city of New York for purposes of this subdivision. The department shall consider the significance of the affordable housing program and the degree of discretion by city officials in determining which actions, transactions and agreements shall and shall not constitute such business dealings. Notwithstanding any provision of this subdivision, a housing assistance payment contract between a landlord and the department of housing preservation and development or the New York city housing authority relating to the provision of rent subsidies pursuant to Section 8 of the United States Housing Act of 1937, 42 USC 1437 et., seq., shall not constitute business dealings with the city of New York for the purposes of this subdivision.

§4. This local law takes effect January 1, 2018.

ENB/ARP
LS #8086
4/14/2017