



S.5994-A (Ryan)/A.1338-A (Magnarelli)

STAFF CONTACT : Melvin Norris | Senior Director, Government Affairs | 518-694-4464

BILL S.5994-A (Ryan)/A.1338-A (Magnarelli)
SUBJECT Duplicative Contractor and Subcontractor Registration
DATE May 03, 2022
OPPOSE

The Business Council opposes S.5994-A (Ryan)/A.1338-A (Magnarelli), which establishes a registration system for contractors and subcontractors engaged in public work and other covered projects. Under this legislation, contractors would be required to register with the Department of Labor and pay a registration fee. The legislation aims to provide a system to vet contractors and prevent unscrupulous entities from receiving contacts.

Currently, contractors must submit information regarding their ability to meet their contractual obligations through the New York State Vendor Responsibility (VendRep) system administered by the State Comptroller. This online system supports a more effective and efficient way in determining vendor responsibility determinations. Several factors are considered in this process, including: (I) Financial and Organizational Capacity, (II) Legal Authority to do Business in New York State, (III) Integrity, and (IV) Past Performance. It was created to prevent fraud, waste, and or abuse by determining if a vendor is responsible and capable, and to ensure the integrity of the contractor, or subcontractor, to justify the award of public dollars.

This bill unnecessarily duplicates the vendor responsibility process by mandating that the New York State Department of Labor establish and maintain a contractor and subcontractor registration system for public projects. New York should not pursue duplicative programs that lead to waste and ineffectiveness. This measure will result in the opposite of savings and improved government services, especially as it relates to the goal of protecting state agencies against failed contracts and non-responsible vendors.

Compliance with the public works requirements of Labor Law Article 8 is being effectively addressed by the VendRep system and we are unaware of a compelling rationale to create an additional registration system in the NYS Department of Labor resulting in increased costs that will be passed onto construction companies throughout the state.

For these reasons, the Business Council respectfully opposes S.5994-A (Ryan)/A.1338-A (Magnarelli).