

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 2025**

No. 156

Introduced by The Speaker (Council Member Adams) and Council Members Stevens, Won, Brannan, Louis, Brewer, Farías, Hanks, Riley, Restler, Hanif, Gutiérrez, Ossé, Banks, Dinowitz, Joseph, Schulman, Avilés, Ung, Cabán, Lee, Feliz, Narcisse, De La Rosa and Nurse.

A LOCAL LAW

To amend the New York city charter, in relation to the disbursement of a percentage of contract awards to non-profit organizations for human services upon registration by the comptroller

Be it enacted by the Council as follows:

Section 1. Section 332 of the New York city charter is amended to add a new subdivision c to read as follows:

c. Payments to non-profit organizations for human services shall be made in accordance with paragraph 1 of this subdivision. 1. For each contract with an eligible non-profit organization for human services that is funded by an appropriation made in the expense budget, the city shall make a payment of at least 50 percent of the fiscal year budget for such contract within 30 days of registration of such contract, and for each contract with a duration that extends beyond one fiscal year, the city shall make such payment upon the start of each fiscal year succeeding such registration. For purposes of this subdivision, the term “human services” means any social services provided to members of the public including, but not limited to, day care, foster care, home care, health or medical services, housing and shelter assistance, preventative services, youth

services, the operation of senior centers, employment training and assistance, vocational and educational programs, legal services, and recreation programs.

2. For the purposes of calculating 50 percent of the fiscal year budget of a contract, the following amounts shall be excluded:

(a) funds designfated in such contract as unallocated or as allowance; and

(b) the portion of such contract which is estimated to be funded by state or federal funds.

3. Paragraph 1 of this subdivision shall not apply to the following contracts:

(a) contracts awarded by the department of homeless services for temporary housing assistance for single adults, adult families, and families with children;

(b) contracts awarded by the office of criminal justice;

(c) emergency contracts, including emergency procurements pursuant to section 315 of the charter;

(d) contracts awarded for residential foster care; and

(e) contracts awarded for emergency services for victims of domestic violence.

4. The payment described in paragraph 1 of this subdivision shall not be made to any contractor that failed to submit a required invoice for 3 or more invoice periods during the preceding fiscal year and has failed to recoup at least 75 percent of the monies advanced for such contract during the preceding fiscal year, except that such payment shall be made where such failure is attributable to a delay by the contracting agency in submitting such contract, or any modification of such contract, to the comptroller for registration, or any other agency processing delay or pending agency action. For purposes of this subdivision, the term "recoup" means to account for advanced spending by submitting invoices in accordance with the contract.

5. The office of management and budget in the executive office of the mayor may defer the payment required by paragraph 1 of this subdivision when such office determines that the timing of such payment is impracticable due to fiscal constraints, provided that any such deferral shall not exceed 180 days from the date required by paragraph 1 of this subdivision and shall not extend beyond December 31 of the fiscal year for which such payment is budgeted. In such event, the office of management and budget shall provide, within 10 days of the determination of such deferral, written notice to contracting agencies and the speaker of the council of such deferral, the reason for the determination, and the expected duration of such deferral. The office of management and budget shall provide additional written notice to contracting agencies and the speaker of the council of any subsequent determination to cancel such deferral.

6. The office of contract services shall promulgate rules establishing a process for the contracting agency to recover from a contractor monies paid pursuant to paragraph 1 of this subdivision where the amount of monies paid exceeds the value of the services received and accepted by such contracting agency, and may enact any additional rules necessary for the implementation of this subdivision, provided that any such rule shall be superseded by any applicable rule of the procurement policy board.

§ 2. This local law takes effect July 1, 2026.

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 October 9, 2025 and returned unsigned by the Mayor on November 10, 2025.

ALISA FUENTES, Acting City Clerk, Acting Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 156 of 2025, Council Int. No. 1247-B of 2025) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council, presented to the Mayor, and neither approved nor disapproved within thirty days thereafter.

SPENCER FISHER, Acting Corporation Counsel.