

FOR CONSIDERATION

March 18, 2019

TO: The Board of Trustees of the Utility Debt Securitization Authority

FROM: Thomas Falcone

REQUEST: Approval of the Annual Review of Certain Board Policies

Requested Action

The Board of Trustees of the Utility Debt Securitization Authority (the “Authority”) is requested to adopt a Resolution reviewing and approving certain Board policies.

Discussion

In accordance with the New York State Public Authorities Law (“PAL”) and governance best practices, the Board has adopted various policies relating to the Authority’s mission, governance and operations. Specifically, these include the: (i) Mission Statement; (ii) By-laws; (iii) Board Policy on Procurement¹; (iv) Board Policy on Property Disposition²; (v) Board Policy on Real Property Acquisition; (vi) Board Policy on Lobbying; (vii) Trustee Code of Ethics and Conduct; and (viii) Board Policy on Prompt Payment.

Annual Review and Amendments to Certain Board Policies

Staff recommends no changes to the Board policies listed above and recommends approval of the review of those policies, as written.

Recommendation

Based upon the foregoing, it is recommended that the Trustees adopt the resolution in the form attached hereto as **Exhibit “A”**.

Attachments

<u>Exhibit “A”</u>	Resolution
<u>Exhibit “B”</u>	Mission Statement
<u>Exhibit “C”</u>	By-laws
<u>Exhibit “D”</u>	Board Policy on Procurement
<u>Exhibit “E”</u>	Board Policy on Property Disposition
<u>Exhibit “F”</u>	Board Policy on Real Property Acquisition
<u>Exhibit “G”</u>	Board Policy on Lobbying

¹ Section 2897(1) of the Public Authorities Law requires that the procurement guidelines be annually reviewed and approved by the Authority.

² Section 2896(1) of the Public Authorities Law requires that the property disposition guidelines be annually reviewed and approved by the Authority

Exhibit “H” Trustee Code of Ethics and Conduct
Exhibit “I” Board Policy on Prompt Payment

RESOLUTION APPROVING THE ANNUAL REVIEW OF CERTAIN MISSION, GOVERNANCE AND COMPLIANCE BOARD POLICIES

WHEREAS, in accordance with the New York State Public Authorities Law (“PAL”) and governance best practices, the Board has adopted various policies relating to the Authority’s mission, governance and compliance, including the: (i) Mission Statement; (ii) By-laws; (iii) Board Policy on Procurement; (iv) Board Policy on Property Disposition; (v) Board Policy on Real Property Acquisition; (vi) Board Policy on Lobbying; (vii) Trustee Code of Ethics and Conduct; and (viii) Board Policy on Prompt Payment.

WHEREAS, Staff recommends that the Board approve the annual review of the Board policies, listed above, as written.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby approves the annual review of the: (i) Mission Statement; (ii) By-laws; (iii) Board Policy on Procurement; (iv) Board Policy on Property Disposition; (v) Board Policy on Real Property Acquisition; (vi) Board Policy on Lobbying; (vii) Trustee Code of Ethics and Conduct; and (viii) Board Policy on Prompt Payment.

Dated: March 18, 2019

UTILITY DEBT SECURITIZATON AUTHORITY MISSION STATEMENT

The sole mission of the Utility Debt Securitization Authority is to authorize, issue and sell restructuring bonds, and to pay interest and principal on such bonds, in order to finance the purchase of restructuring property created pursuant to restructuring cost financing order adopted by the Long Island Power Authority and to pay upfront and ongoing financing costs in connection therewith and thereby (i) permit Long Island Power Authority to purchase, redeem or defease certain outstanding debt and reduce the debt service on such debt, and (ii) lower the costs of electricity utility service for consumers in the LIPA service area, all as provided in and more particularly set forth in Part B of Chapter 173 of the Laws of New York, 1973 and to otherwise effectuate the purposes declared in section one of such Part B.

Date adopted: November 14, 2013

**BY-LAWS
OF THE
UTILITY DEBT SECURITIZATION AUTHORITY**

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BY-LAWS
OF THE
UTILITY DEBT SECURITIZATION AUTHORITY

ARTICLE I – THE AUTHORITY

Section 1.1. Name of Authority. The name of the Authority shall be the “Utility Debt Securitization Authority.”

Section 1.2. Seal of the Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its creation.

Section 1.3. Offices of the Authority. The principal office of the Authority shall be located in Uniondale, New York. The Authority may also have offices at such other place or places within the State of New York as it may from time to time designate by resolution.

Section 1.4. Books and Records. Except as otherwise directed by the Authority or as the operations of the Authority may require, all the books and records of the Authority shall be kept at the principal office of the Authority.

ARTICLE II – TRUSTEES

Section 2.1. Number, Term, Appointment and Vacancies. The number and term of Trustees and the appointment and process of filling vacancies shall be governed by Part B of Chapter 173 of the State of New York Laws of 2013, as it may be amended from time to time (hereinafter referred to as the “Act”). The Trustees shall not be trustees, directors, officers or employees of the Long Island Power Authority, the Long Island Lighting Company d/b/a LIPA or any successor owner of the transmission and distribution system assets.

Section 2.2. Powers and Duties. The powers and duties of the Trustees shall be governed by the Act. Such Trustees may engage in private employment, or in a profession or business. The Authority, its Trustees, Officers and employees shall be subject to the provisions of Sections 73 and 74 of the Public Officers Law.

Section 2.3. No Compensation. Trustees of the Authority shall serve without salary or other compensation but each Trustee shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of his or her official duties.

Section 2.4. Removal. In accordance with Section 4(4)(f) of the Act, the Governor may remove any Trustee for inefficiency, neglect of duty or misconduct in office after giving him or her a copy of the charges against him or her and an opportunity to be heard, in person or by counsel, in his or her defense, upon not less than ten (10) days notice.

Section 2.5. Fiduciary Duty. Each Trustee shall have a fiduciary duty to act in the best interests of the Authority, including its creditors and the owners of bonds issued by the

Authority, and such other duties as may be specified in the Act and these By-Laws or other agreements of the Authority.

ARTICLE III – TRUSTEES’ MEETINGS

Section 3.1. Place of Meetings. Meetings of the Trustees shall be held at the principal office of the Authority or at such other place as the Chair may from time to time designate

Section 3.2. Meetings. Meetings of the Trustees may be called by the Chair or upon the request of any two Trustees. The Secretary shall give notice of the time, place and purpose or purposes of each meeting by mail at least three (3) days before the meeting or in person or by telephone, email or facsimile at least two (2) days before the meeting to each Trustee. The notice required to be given under this section may be waived by the Trustee to whom such notice is required to be given. Attendance of a Trustee of the Authority at a meeting without objection shall constitute waiver of notice of the meeting.

Section 3.3. Quorum. A majority of the Trustees shall constitute a quorum for the transaction of any business or the exercise of any power or function of the Authority. Any one or more Trustees may participate in a meeting of the Authority by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. The Authority may delegate to one or more of its Trustees, or Officers, agents and employees, such powers and duties as the Authority may deem proper.

Section 3.4. Adjournment of Meetings. A majority of Trustees may adjourn any meeting to another time and place. Notice of such adjourned time and place shall be given to each Trustee not present at such meeting or, if no announcement of such adjourned time and place was made at such meeting, at least three (3) days’ notice of the newly scheduled meeting must be given to all Trustees. No such adjournment shall be used to defeat a notice provision.

Section 3.5. Order of Business. At every meeting of the Authority, the order of business and all other matters or procedure may be determined by the person presiding at the meeting.

Section 3.6. Open Meetings. All meetings of the Trustees shall be conducted in compliance with the provisions of the Open Meetings Law, set forth in Article 7 of the Public Officers Law, as modified by the Act.

Section 3.7. Notice of Telephone Participation. Any required notice of the place of a meeting at which participation is by means of conference telephone or similar communication equipment shall be sufficient if it designates as the place of the meeting the place at which one or more of the participants in the meeting is located at the time the meeting is held.

Section 3.8. Certification of Resolutions. Each Officer of the Authority is authorized to certify, when required, the records, proceedings, documents and resolutions of the Authority and to affix the seal of the Authority to all contracts, documents and instruments to be executed by the Authority.

ARTICLE IV – OFFICERS AND EMPLOYEES

Section 4.1. Officers. The Trustees shall select a Chair, a Vice-Chair, a Chief Financial Officer and a Secretary any or all of whom may be from their own number. For the purposes of these By-Laws, and of any resolution of the Authority, the Chair, a Vice-Chair, Chief Financial Officer and Secretary may be referred to as “Officers”.

Section 4.2. Chair. The Chair shall preside at all meetings of the Trustees and shall exercise such duties and powers as hereinafter described and as customarily pertain to the office of Chair. In carrying out the policies as determined by the Trustees, the Chair shall be responsible for overseeing the discharge of the executive and administrative functions of the Authority and responsibility for oversight of the Authority’s strategic direction. Except as may be prescribed by the Trustees, the Chair shall have general supervision and control over the property, business and affairs of the Authority and over its several officers, employees and agents other than the Chair and any Vice-Chair who may have been designated by the Chair from among the Trustees. The Chair may sign, execute and deliver in the name of the Authority powers of attorney, contracts, agreements, leases, notes, checks, drafts, bonds, obligations and such documents other than those required by these By-Laws, law or resolution to be executed by some other Trustee, Officer or person. The Chair may also have such other duties and responsibilities as the Trustees may from time to time assign. The Chair may delegate to any other Trustee such of the Chair’s powers and functions in the general supervision of the business of the Authority as he or she may deem appropriate from time to time.

Section 4.3. Vice-Chair. The Vice Chair, who shall be a Trustee and shall be appointed by the Chair, shall in the absence or incapacity of the Chair, preside at meetings of the Trustees of the Authority and perform such other duties as shall have been delegated to the Chair.

Section 4.4. Chief Financial Officer. The Chief Financial Officer shall have general custody of all funds and securities of the Authority and have general supervision of the collection and disbursement of Authority funds and shall endorse on behalf of the Authority for collection checks, notes and other obligations, and shall deposit the same to the credit of the Authority in such bank or banks or depositories as the Trustees may designate, and shall perform such other duties as customarily pertain to such office and as may be assigned from time to time by the Chair, subject, however, at all times to the supervision and control of the Chair and subject further to any limitations which the Chair may from time to time prescribe.

Section 4.5. Secretary. The Secretary shall attend all meetings of the Trustees and act as Secretary thereof and record all votes and shall keep a record of the proceedings of the Trustees in a Minute Book to be kept for that purpose. The Secretary shall cause notice to be given of all meetings of the Trustees and shall be custodian of the records of the actions of the Trustees and shall keep in safe custody the seal of the Authority and shall have the authority to affix such seal to all documents and papers authorized to be executed by the Trustees or officers of the Authority requiring such seal to be affixed. The Secretary shall attest to the signatures of the Trustees and officers of the Authority and shall have the authority to cause copies to be made of all minutes, resolutions, records and documents of the Authority and to deliver certificates under seal to the effect that such copies are true and accurate and that all persons dealing with the

Authority may rely on same. The Secretary shall possess such powers and perform such other duties as customarily pertain to the office or may be from time to time assigned by the Chair, subject, however, at all times to the supervision, control of and any limitations prescribed by the Chair.

Section 4.6. Officers Holding Two or More Offices. Any two or more offices may be held by the same person, except as otherwise provided by law. No officer shall execute or verify any instrument in more than one capacity if such instrument be required by law or otherwise to be executed or verified by any two or more officers.

Section 4.7. Compensation of Officers. No officer of the Authority who is also serving as a trustee, director, member, public officer or employee of any public entity, including the Authority shall receive any additional compensation for services rendered to the Authority, other than reimbursement for actual and necessary expenses incurred in the performance of his or her official duties.

Section 4.8. Additional Personnel. The Chair may from time to time appoint additional persons, employees or officers as he or she may deem necessary to exercise the powers, duties and functions of the Authority as prescribed by law, including officers to serve as Treasurer, General Counsel or Assistant Secretary. For the purposes of these By-Laws and of any resolution of the Authority, unless otherwise provided by the Chair in a letter or certificate of appointment, any such Treasurer, General Counsel or Assistant Secretary may be referred to as "Officers". The selection, qualification, duties and compensation, if any, of such additional officers or employees shall be determined by the Chair, provided that the duties of any Assistant Secretary may include only those duties as may be assigned to the Secretary. The Chair shall report to the Trustees on the employment, qualification, duties and compensation, if any, of any such additional officers and employees.

Section 4.9. Long Island Power Authority. Any officer or employee of the Long Island Power Authority or the Long Island Lighting Company d/b/a LIPA may serve as an Officer or employee of the Authority.

Section 4.10. Outside Experts. Financial advisors, accountants, auditors, engineers, attorneys and other consultants may be retained on a contract basis or otherwise for rendering professional, technical, financial, legal or administrative services or advice by appointment of the Chair subject, except as may otherwise be provided in the Authority's procurement guidelines, to approval by resolution of the Trustees. Such outside experts shall perform their designated duties under the direct supervision of the Authority.

Section 4.11. Execution of Documents and Authorization of Payments. Except where otherwise specifically provided by resolution of the Authority for the purpose of executing any document other than notes or bonds of the Authority, each of the Officers shall be deemed an Authorized Signatory.

Any Officer shall have authority to make final certification and payment of all duly authenticated and authorized items of expenditures for payment from any Authority funds from whatever source derived, and, whenever the Chair is required to sign vouchers, requisitions and

other instruments made by the Authority, either the Chief Financial Officer or the Secretary shall approve the same for submission to the Chair for signature.

Except as otherwise provided by resolution of the Authority, any expenditure involving an estimated amount of one hundred thousand dollars (\$100,000) or more shall be authorized prior to its approval by no less than a majority of the Trustees; except that expenditures in excess of one hundred thousand dollars (\$100,000) related to the sale of the Authority's bonds and notes may be approved by any of the Chair or the Chief Financial Officer when the Trustees have adopted a bond or note resolution; and expenditures involving an estimated amount of less than one hundred thousand dollars (\$100,000) may be approved by any of the Chair or the Chief Financial Officer.

Section 4.12. Attestation of Execution of Notes and Bonds. For the purpose of attesting the execution of notes and bonds issued by the Authority, the Chair may designate any or all of the other Trustees, the Chief Financial Officer or the Secretary, as he or she may deem appropriate.

Section 4.13. Execution of Documents. An officer authorized to execute documents on behalf of the Authority may delegate that authority to any other Officer of the Authority, with the approval of the Chair. No additional approval is necessary if the delegating officer is the Chair.

Section 4.14. Custody of Seal. The Secretary shall keep the seal of the Authority in safe custody. Each officer of the Authority and any attorney in the regular employ of the Authority is empowered to affix the seal to all documents executed by the Authority.

ARTICLE V – COMMITTEES

Section 5.1. Committees. The Authority shall have a standing Finance and Audit Committee and a standing Governance Committee. So long as the Act provides that the Authority is to be governed by a Board of Trustees consisting of only three Trustees, all three Trustees shall sit on all standing committees. Members shall be appointed to or removed from the Authority's Committees by the Chair. The Chair of the Authority shall appoint the Chair of each Committee. The Chair of the Authority may appoint himself or herself as Chair of any or all Committees. The Chair shall file with the Secretary a letter evidencing such appointments or removals. A Committee, meeting in the absence of its Chair, may appoint a temporary Chair for such meeting. The Secretary of the Authority shall be the Secretary of the Committee unless a Committee designates otherwise. A majority (i.e. more than one-half) of all of the members of such committees shall constitute a quorum for the transaction of business or the exercise of any power or function of such committee.

Section 5.2. Other Committees. The Chair or the Trustees may appoint other committees which shall have and may exercise such powers as shall be authorized by the Chair or Trustees. For those Committees appointed by the Chair, notice of the purpose and scope of such committees will be provided to the Trustees.

Section 5.3. Finance and Audit Committee. The Finance and Audit Committee shall review and make recommendations to the Trustees as to the engagement of and compensation to be paid to the Authority's independent certified accountants and the Authority's general

accounting and internal control systems and policies and practices. The Finance and Audit Committee will have responsibility to directly oversee the performance of the audits performed by the Authority's independent accountants and to review the results of the annual internal control review and changes in accounting policies that may be required. The Finance and Audit Committee will present these results and changes with their recommendation to the Trustees. Any audit of the Authority by the State or any other agency which is conducted and results in the issuance of interim and/or formal reports shall also be reported to the Finance and Audit Committee for conveyance to the Trustees. The Finance and Audit Committee shall also review and make recommendations concerning the Authority's annual budget, the management and investment of all funds of the Authority, the Authority's financial and investment policies, and proposals for the issuance of debt by the Authority and make recommendations.

Section 5.4. Governance Committee. The purpose of the Governance Committee shall be to keep the Trustees informed of current best governance practices; to review corporate governance trends; to recommend updates to the Authority's corporate governance principles; to advise appointing authorities on the skills and experiences required of potential Authority members; to examine ethical and conflict of interest issues; to perform Trustee self-evaluations; and to recommend By-Laws which include rules and procedures for conduct of Trustee business.

ARTICLE VI – FISCAL MANAGEMENT

Section 6.1. Fiscal Year. The Trustees shall have the power to fix, and may from time to time change by resolution, the fiscal year of the Authority. Unless otherwise fixed by the Trustees, the calendar year shall be the fiscal year. The fiscal year of the Authority shall commence January 1 of each calendar year and conclude December 31 of the same calendar year.

Section 6.2. Annual Budgets and Reports. The Trustees shall annually adopt a budget for the Authority. As prescribed by Public Authorities Law Section 2800, the Authority shall submit and make available an annual report, within ninety days after the end of its fiscal year. Such annual report shall be approved by the Board of Trustees and certified in writing by the Chair and the Chief Financial Officer in accordance with Public Authorities Law Section 2800(3).

Section 6.3. Disbursement of Funds. The Trustees, except as otherwise provided in these By-Laws, may authorize any officer, person or other employee to execute any requisition, voucher, draft or check for the disbursement or transfer of funds of the Authority.

ARTICLE VII – AMENDMENTS

Section 7.1. Amendment of By-Laws. These By-Laws may be amended by resolution duly adopted at any meeting, provided that notice of intention to present such resolution shall be given at least two days in advance of the meeting at which the motion to adopt such resolution is made. Such notice may be given by any manner, including orally at any meeting, in which event such notice shall be noted in the minutes of the meeting at which it is given. Advance notice of motions to amend motions to amend the By-Laws need not be given.

ARTICLE VIII – SUSPENSION OF BY-LAWS

Section 8.1. Suspension of By-Laws. Any and all of the provisions of the By-Laws may be suspended by unanimous consent of the Trustees constituting a quorum present at any meeting of the Authority.

ARTICLE IX – INDEMNIFICATION OF TRUSTEES, OFFICERS AND EMPLOYEES

Section 9.1. Purpose and Definitions. The purpose of this Article is to provide for indemnification of Trustees, Officers and employees of the Authority so as to encourage the service of the most competent and civic-minded persons to effectuate the purposes of the Act. In this Article, the following terms shall have the meanings indicated below:

(1) “action or proceeding” shall be broadly construed and shall include, without limitation, the investigation, preparation, defense, settlement and appeal of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative;

(2) “party to an action or proceeding” means a person made, or threatened to be made, a defendant or respondent or otherwise a party in an action or proceeding, and includes a person called upon, voluntarily or by subpoena, to give testimony, produce documents or respond to interrogatories in connection with any action or proceeding;

(3) “Trustee” means each Trustee of the Authority appointed pursuant to the Act, including the Trustee designated as Chair;

(4) “Officer” means each officer of the Authority holding office pursuant to the Act and these By-Laws;

(5) “employee” means each employee of the Authority who is not also a Trustee or Officer;

(6) “Trustee,” “Officer” and “employee” of the Authority each includes persons who formerly served in such capacity and the estates of deceased persons who had served in such capacity, and the legal or personal representative of such persons;

(7) “applicable standard of conduct” means that the Trustee, Officer or employee seeking to be indemnified hereunder acted (or omitted to take action) in good faith for a purpose which he or she reasonably believed to be in the best interests of the Authority and, in criminal actions or proceedings, had reasonable cause to believe his or her action or inaction was lawful; and in no case shall any acts or omissions by the Trustee, Officer or employee which may be determined to constitute negligence, recklessness, or gross negligence be deemed violative of the applicable standard of conduct. Furthermore, the termination of any action or proceeding by judgment, settlement, conviction or upon plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such Trustee,

Officer or employee did not act in accordance with the applicable standard of conduct.

Section 9.2. General Scope of Indemnification. The Authority hereby confers the benefits of Section 18 of the New York Public Officers Law ("POL § 18") on the Authority's Trustees, Officers and employees and agrees to be held liable for the costs thereof. Further, the Authority shall, to the fullest extent permitted by law, including, but not limited to, POL § 18, indemnify and hold harmless any person who becomes a party to an action or proceeding by reason of the fact that he or she is or was a Trustee, officer or employee of the Authority against judgments, penalties, amounts paid in settlement and reasonable expenses, including attorney's fees actually and necessarily incurred as a result thereof, unless the conduct of such Trustee, officer or employee in the matters at issue in such action or proceeding is found by a final judgment of a court of applicable jurisdiction, in the manner prescribed in the Article, not to have met the applicable standard of conduct. Neither the failure of the Authority (including its Trustees or counsel) to have made a determination that the person seeking indemnification or advancement of expenses is entitled to indemnification or advancement of expenses in the circumstances nor an actual determination by the Authority (including its Trustees or independent legal counsel) that the person seeking indemnification or advancement of expenses is not so entitled shall be a defense to an action or create a presumption that the person seeking indemnification or advancement of expenses is not so entitled.

Section 9.3. Representation of Persons Indemnified. Where not otherwise inconsistent with law, the Authority may, either by its own in-house counsel or by outside counsel of its choice, assume the representation of any person entitled to indemnification by the Authority who becomes a party to an action or proceeding, except in situations in which the Authority's Chair or counsel determines that it is a conflict or otherwise inappropriate or inadvisable for such person to be represented by counsel chosen by the Authority. In the event that the Authority does not assume such representation, such person shall have the right to engage private counsel of his or her choice and the Authority shall have the obligation of indemnification for the reasonable fees and expenses of such private counsel as provided in this Article; provided however, that the Authority as a condition to such indemnification for the cost of private counsel may, and where the Attorney General has so required as a condition to indemnification by the State of New York shall, require appropriate groups of persons to be represented by the same counsel except when there is a conflict.

Section 9.4. Advances of Expenses. (a) Trustee, officer or employee who becomes a party to an action or proceeding may request that the Authority advance expenses pending the final disposition of such action or proceeding. Upon such request, the Authority shall promptly pay, from time to time in advance of the final disposition of the action or proceeding, reasonable expenses as described in Section 9.2 incurred by such Trustee, officer or employee in connection with such action or proceeding.

(b) The Authority shall require each person receiving amounts under paragraph (a) of this Section 9.4 to agree in writing that the same shall be repaid if the person receiving such advance is ultimately found not to be entitled to indemnification, or to the extent the expenses so advanced by the Authority exceed the indemnification to which he or she is ultimately found to be entitled.

Section 9.5. Indemnification on Final Disposition. (a) A person who has been wholly successful, on the merits or otherwise, in the defense of an action or proceeding shall be deemed to have met the applicable standard of conduct and shall be entitled to indemnification against reasonable expenses as described in Section 9.2, and the Authority shall make such indemnification without necessity for any authorization, findings or other action by the Trustees prior to such indemnification (b) A Trustee, officer or employee who has not been wholly successful in the defense of an action or proceeding, or who was a party to an action or proceeding without being a defendant or respondent therein, may request indemnification from the Authority. Upon such request: (i) if there is a quorum of Trustees who are not parties to such action or proceeding, the Authority shall make a finding as to whether the requesting Trustee, officer or employee has met the applicable standard of conduct; or (ii) if such a quorum of Trustees is not obtainable with due diligence, the Authority shall obtain an opinion in writing of outside legal counsel as to whether such standard of conduct has been met by the requesting Trustee, officer or employee. If a quorum of Trustees makes such finding or outside legal counsel gives such opinion, the Authority shall authorize, and the Authority shall make, indemnification as provided in Section 9.2, upon a determination by the Trustees (or a person or body designated by the Trustees) that expenses sought be to indemnified were reasonable and actually and necessarily incurred as a result of the action or proceeding, and that any amounts paid in settlement (unless approved by the Trustees prior to such settlement) were reasonable in the circumstances.

Section 9.6. Insurance. The Authority may purchase and maintain insurance, at its expense, to protect itself and any Trustee, officer or employee of the Authority against any expense, liability or loss sought to be indemnified, whether or not the Authority would have the power to indemnify such person against such expense, liability or loss under this Article.

Section 9.7. Applicability of this Article. (a) This Article is to be construed liberally in favor of each Trustee, officer or employee to the fullest extent permitted by law, and any ambiguity, uncertainty or reasonable doubt as to facts, interpretation or legal conclusions shall be resolved in favor of such Trustee, officer or employee.

(b) The provisions of this Article shall not impair, limit or modify the rights and obligations of any insurer under any policy of insurance.

(c) The provisions of this Article shall be in addition to and shall not supplant any indemnification by the State heretofore of hereafter conferred upon any Trustee, officer or employee by the Act, by applicable provisions of the Public Officers Law, or otherwise. The indemnification hereby granted by the Authority shall be in addition to and not in restriction or limitation of any other privilege or power which the Authority may lawfully exercise with respect to the indemnification or reimbursement of Trustees, Officers or employees.

(d) Unless and until this Article shall be amended, supplemented or repealed in accordance with Article IX, including, without limitation, paragraph (e) below, the provisions of this Article shall constitute a contract between the Authority and each Trustee, officer or employee for indemnification in accordance with the provisions of this Article, which contract shall survive the termination of the term of service of such Trustee, officer or employee. In the event that any Trustee, officer or employee shall be aggrieved by a determination of the

Authority or the Trustees or outside counsel made under this Article, or by a failure of the Authority or Trustees to act as provided herein, he or she shall be entitled to seek appropriate relief against the Authority in any court of competent jurisdiction within the State of New York in accordance with the standards for indemnification set forth herein.

(e) This Article shall be applicable to any claim for indemnification made after its adoption as a Bylaw of the Authority, whether the action or proceeding to which such claim relates commenced, or the matters at issue therein occurred, before or after the adoption of this Article. It is contemplated that no subsequent amendment, supplement or repeal of this Article which deprives a Trustee, officer or employee of any substantial right or benefit conferred herein will be made applicable with respect to any claim for indemnification arising out of conduct of such Trustee, officer or employee occurring or alleged to have occurred after the adoption of this Article and prior to such amendment, supplement or repeal.

(f) The provisions of this Article are severable, and if any section, provision, or clause of this Article or the application thereof to any person or circumstances is held unconstitutional or invalid in whole or in part by any court of competent jurisdiction, such holding of unconstitutionality or invalidity shall in no way affect or impair any other section, provision or clause of this Article or the application of any such provision to such person or circumstances or to any other person or circumstance; and the Authority shall nevertheless indemnify each Trustee, officer or employee to the fullest extent permitted by any applicable portion of this Article that shall not have been invalidated, or by any other applicable law.

ARTICLE X – MISCELLANEOUS

Section 10.1. Activities Limited. The activities of the Authority shall be limited to issuing and servicing restructuring bonds and related activities in accordance with the Act.

Section 10.2. Severability. In case any one or more of the provisions of these By-Laws shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of these By-Laws and the By-Laws shall be construed as if such illegal or invalid provisions had not been contained herein.

Section 10.3. Governing Law. These By-Laws shall be construed and enforced in accordance with the substantive laws of the State of New York.

**UTILITY DEBT SECURITIZATION AUTHORITY
PROCUREMENT CONTRACTS GUIDELINES
MARCH 28, 2017**

Utility Debt Securitization Authority (referred to herein as the “Authority”) is required by Section 2879 of the Public Authorities Law to adopt by resolution comprehensive guidelines, to be annually reviewed and approved by the Trustees of the Authority, regarding the use, awarding, monitoring and reporting of procurement contracts. The following guidelines (the “Guidelines”) are adopted pursuant to such requirement and are applicable with respect to the use, awarding, monitoring and reporting of all Procurement Contracts which are entered into by the Authority.

I. DEFINITIONS

1. “Best Value” means the basis for awarding contracts which best achieves the criteria specified by the Authority in a solicitation for proposals, including without limitation, quality, cost and efficiency.
2. “Electricity” means electric energy or capacity, transmission capacity or services, including related financial rights, or ancillary services.
3. “Electricity Contract” means any Procurement Contract for the acquisition of electric energy or capacity, transmission capacity or services, including related financial rights, or ancillary services.
4. “Goods” consist of supplies, materials and equipment acquired by the Authority, but shall not include product acquired pursuant to an Electricity Contract.
5. “Procurement Contract” means any written agreement signed by the Authority, and any amendment thereto, for the acquisition of Goods, Services, Technology, Electricity, and construction in the actual or estimated amount of five thousand dollars or more.
6. “Procuring Officer” means the Authority officer conducting any procurement of Goods, Services, Technology, Electricity and construction pursuant to Section I.1 of Article II of these Guidelines.
7. “Proposer” means anyone, including without limitation potential contractors, consultants, suppliers, manufacturers, subcontractors and sub-consultants, seeking to enter into a Procurement Contract with the Authority.
8. “Services” consists of legal, accounting, management consulting, investment banking, planning, training, statistical, research, public relations, construction management, architectural, engineering, surveying, or other services, whether personal or non-

personal, of a consulting, professional, technical or other nature for a fee, commission or other compensation by a person or persons who are not providing such services as officers or employees of the Authority.

9. “Technology” includes a Good or a Service or a combination thereof, that results in a technical method of achieving a practical purpose or in improvements in productivity.

II. PROCUREMENT CONTRACTS

A. Reason(s) for Use of Services Contracts

Services contracts may be entered into because of one or more of the following factors or considerations:

1. Requirement of special expertise or unusual qualifications.
2. Nature, magnitude or complexity of Services required.
3. Lack of sufficient in-house resources, support staff, specialized facilities or equipment.
4. Lower cost.
5. Short-term or infrequent need for the Services does not warrant permanent Authority staffing.
6. Distance of the location or locations where the Services must be performed from the Authority offices or facilities.
7. Performance of a function requiring independence from the Authority management (e.g., independent auditors).
8. To meet unusual schedule requirements or emergencies.

B. Selection Procedures

1. Selection Procedures for Procurement Contracts

Except as specifically waived for one or more of the reasons set forth in Section B.2 of Article II of these Guidelines or as otherwise may be required or authorized by law, Procurement Contracts shall be awarded as set forth below.

a. General Policy for Procurement Contracts

The Authority is adopting these Guidelines in accordance with Section 2879 of the New York Public Authorities Law (the “PAL”). In accordance with Section 2879 of the PAL, all Procurement Contracts shall be awarded in accordance with these Guidelines. To the extent required by Section 1020-cc of the PAL, contracts for construction or purchase of Goods shall be let pursuant to Section 103 or, as applicable, Section 120-w(4)(e) of the New York General Municipal Law (the “GML”).

The Procurement Officer conducting any procurement of any contract for construction or purchase of Goods shall determine, in consultation with the Authority’s General Counsel, whether Section 103 of the GML, Section 120-w(4)(e) of the GML, or any other provisions of New York State law (including State Finance Law Section 163 (“Wick’s Law”) are applicable to the procurement. If it is determined that such contract is to be let in accordance with Section 103 or Section 120-w(4)(e) of the GML, the provisions of such section and, to the extent not inconsistent therewith, these Guidelines shall govern such procurement.

Procurement Contracts are to be awarded to persons/firms on a competitive basis to the maximum extent possible. Such awards are to be made by the Authority on the basis of:

- (i) lowest price or Best Value for contracts procured pursuant to Section 103 of the GML; provided, however, that contracts for construction of public works pursuant to Article 8 of the New York Labor Law shall be awarded on the basis of lowest price; and
- (ii) Best Value for all other Procurement Contracts;

and based upon receipt and evaluation of proposals or other information obtained from responsible persons/firms submitting a responsive bid or proposal in response to a request for proposals, an invitation for bid or other method of procurement.

The Authority encourages the use of qualified labor, suppliers and other resources from the Authority’s service area to the extent possible consistent with law and these Guidelines.

b. Public Notice

To the extent required by Article 4-C of the Economic Development Law, notice of all Procurement Contract opportunities estimated to be \$50,000 or more shall be advertised in the State's procurement opportunities newsletter. Notice of the award of all Procurement Contracts valued at \$50,000 or more shall also be posted in the State's procurement opportunities newsletter.

In addition to the above, all invitations for bids for Procurement Contracts for construction or purchase of Goods pursuant to Section 103 of the GML involving an expenditure of more than \$20,000 shall be advertised in the principal newspaper of the Authority's service area, if any, or, if none, in such newspaper of general circulation in the service area as may be designated by the officer supervising such procurement. All solicitations for proposals for Procurement Contracts for construction or purchase of Goods conducted in accordance with Section 120-w(4)(e) of the GML shall be advertised in (i) the principal newspaper of the Authority's service area, if any, (ii) at least one newspaper of general circulation (which may be the principal newspaper of the Authority's service area), (iii) the state register and (iv) the environmental notice bulletin.

c. Soliciting and Accepting Proposals

- (i) For every procurement, a record shall be maintained ("Procurement Record") documenting the basis for all the decisions made by the Authority during the procurement process.
- (ii) Except as otherwise provided in these Guidelines, the Authority shall select a competitive procurement process and document this process in the Procurement Record. The method of award, including the evaluation methodology, must be established prior to the opening of bids or proposals.
- (iii) The solicitation shall prescribe the specifications or requirements that must be met in order to be considered responsive and shall describe and disclose the general manner in which the evaluations and selection shall be conducted.
- (iv) The Authority may seek clarification from Proposers for purposes of assuring a full understanding as to responsiveness of the proposal to the procurement's specifications and/or requirements.
- (v) The Authority may clarify the requirements set forth in the solicitation document.
- (vi) The Authority may negotiate with one or more Proposers determined to be susceptible of being selected for contract award prior to award.
- (vii) The Authority may conduct competitive negotiations.

- (viii) The Authority may, prior to making an award, request best and final offers from one or more Proposers determined to be susceptible of being selected for contract award.
- (ix) The Authority may withdraw any pending solicitation at any time for cause or no cause. All proposals may be rejected. Where provided in the solicitation, separable portions of proposals may be rejected.
- (x) Prior to making an award of contract, based upon such criteria and factors as the Authority shall have established, the Authority shall make a determination of the responsiveness of each proposal and of the responsibility under State Finance Law of the selected Proposer(s).
- (xi) Except as may be provided for in the solicitation or as may be required by law, disclosure of the content of competing proposals received in response to a solicitation, or of any clarifications, modifications, revisions or supplements thereto, shall be prohibited prior to approval of the contract.
- (xii) The solicitation shall prescribe the designated point(s) of contact for the Authority ("Designated Contacts"), consistent with the Authority's obligations under State Finance Law Sections 139-j and 139-k (as more fully set forth in Article II.F of these Guidelines), and shall require a Proposer to identify in its proposal a single point of contact. The solicitation shall prescribe that Proposer shall not communicate or make contact, as defined in State Finance Law Section 139-j(1)(c), (a "Contact") with anyone other than the Authority's Designated Contacts, except as authorized by State Finance Law Section 139-j (3). The solicitation shall further prescribe that all Contacts by a Proposer must be recorded and that impermissible Contacts may be grounds for finding the Proposer non-responsible and ineligible for a contract award. The solicitation shall require all Proposers to disclose prior findings of non-responsibility pursuant to State Finance Law Sections 139-j and 139-k. The solicitation shall include a summary of the policy and prohibitions regarding permissible contacts and shall also require a written affirmation by the Proposer as to its understanding of the Authority's procedures in accordance with the provisions of State Finance Law Section 139-j(3) and its agreement to comply.

d. Letting of Procurement Contracts

- (i) Selection and award of any Procurement Contract shall be made by the Authority in a manner consistent with the method of award established for the procurement. The award(s) and the basis for determining the award(s) shall be documented in the procurement record.

- (ii) To the extent provided in the solicitation and determined to be in the best interests of the Authority, the Authority may elect to award a contract for Services or Technology or an Electricity Contract to more than one responsive and responsible Proposer. When multiple contract awards are made, the selection of the contractor to provide the required services or technology shall be based on the most practical and economical alternative to the Authority at the time of purchase. The basis for determining the most practical and economical alternative shall be documented in the Procurement Record.

2. Waiver of Selection Procedures for Procurement Contracts

Except as may otherwise be required by law, Procurement Contracts (other than Electricity Contracts) may be awarded to persons/firms without regard to Section B.1 of Article II when any of the following circumstances exist:

- a. In the event of an emergency or other extraordinary circumstances including but not limited to i) a threat to: a) the health or safety of the public, b) Authority employees and any other workers, including contracted labor, operating, maintaining or otherwise performing services on the Authority's transmission and distribution system and/or related facilities; ii) those necessary to assure the proper functioning of the Authority's transmission and distribution system; iii) those necessary to adhere to schedule for completion of capital improvements and operation and maintenance projects wherein the failure to complete projects on time will result in lost revenue, penalties or unnecessary and unreasonable expenses or cost increases; and iv) storm restoration.
- b. Only one source for the Goods, Services or Technology is available (sole source procurement).
- c. Legal, professional, technical or other specialized services are required for which a certain person/firm has unique expertise, or has greatly superior qualifications to perform the service at a cost that is determined to be fair and reasonable (single source procurement).
- d. The contract is based upon an unsolicited proposal or offer, submitted at the sole initiative of the Proposer, and involving unique, innovative, or unusually meritorious methods or ideas, after having considered other options.
- e. The compatibility of Technology, equipment, accessories, or spare or replacement parts is the paramount consideration.
- f. Technology or Services are required to extend or complement a prior procurement and it is impracticable or uneconomical to have a source other than the original source continue the work.

- g. A sole or single supplier's item is needed for trial use or testing, or a proprietary item is sought for which there is only one source; or
- h. The Procurement Contract (i) is (a) less than \$50,000 for Goods, construction, Services or Technology; or (ii) involves an expenditure not exceeding \$200,000 for the purchase of Goods or Services from New York State small business concerns or from those firms certified as Minority/Women Owned Business Enterprises (M/WBE) by the Department of Economic Development pursuant to Article 15A of the executive law, or for purchases of goods or technology that are recycled or remanufactured; or (iii) involves the purchase of goods or services using the terms and conditions and pricing contained in contracts awarded by any department, agency, officer, political subdivision, public authority or public corporation of New York State, including, but not limited to, the Office of General Services, the Federal government or any other governmental entity; or (iv) involves the purchase of goods or services using the terms and conditions and pricing contained in contracts let by any electric utility if it is unlikely that the Authority will achieve savings through a competitive procurement.

When a Procurement Contract is awarded pursuant to this Section B.2 of Article II of these Guidelines, the Authority shall make a determination that the specifications or requirements for said purchase have been designed in a fair and equitable manner. The Authority shall document in the procurement record the basis for a determination to purchase pursuant to this Section B.2 of Article II of the Policy.

3. Selection Procedures for Electricity Contracts

- a. Electricity Contracts are not subject to Section B.1 of Article II if they are (i) entered into in accordance with rate schedules or tariffs filed with applicable federal or state regulatory agencies or adopted and maintained by the Authority, the Subsidiary or a public agency vendor not regulated by the Federal Energy Regulatory Commission, or (ii) subject to rates provided in rate schedules or tariffs regulated by the Federal Energy Regulatory Commission, or established by the Authority or a public agency vendor, and shall be awarded in accordance with such rate schedules and tariffs.
- b. All other Electricity Contracts are subject to Section B.1 of Article II.

C. Minority and Women-Owned Business Enterprises

It is the policy of the Authority to foster and promote the participation of minority and women-owned business enterprises in Authority procurements, to develop such enterprises and to facilitate the awarding of a fair share of Procurement Contracts to such enterprises. In contracting, the Authority shall use its best efforts to give minority business enterprises and women-owned business enterprises an opportunity to compete for the Authority's business by eliminating barriers to participation by M/WBEs in Authority procurements. When adopting its annual goals for the participation of M/WBEs, the Authority shall consult the most recent disparity study published by the State of New York.

The Authority shall administer the rules and regulations promulgated by the Director of the Division of Minority and Women-Owned Business Development within the Department of Economic Development in a good faith effort to meet the maximum feasible portion of the Authority's adopted goals. The Authority hereby designates the Division of Minority and Women-Owned Business Development within the Department of Economic Development to certify and decertify minority and women-owned business enterprises.

1. The Authority hereby designates the Special Counsel for Ethics, Risk and Compliance (or individual serving in a comparable role) to oversee its M/WBE program.

2. The Authority shall maintain a list of qualified certified M/WBEs that have expressed an interest in doing business with the Authority and ensure that such list is regularly updated. To assist in developing such list, the Authority shall periodically invite the submission of statements of qualifications from minority business enterprises and women-owned businesses for the purpose of identifying firms having experience in the type of Goods, Services and Technology contracted for by the Authority or Subsidiary. The list shall also include all M/WBEs that have responded to Authority solicitations for bids and proposals and/or have inquired about notices of Authority procurements placed in the State's procurement opportunities newsletter.

3. When soliciting bids and proposals, in addition to publication in the State's procurement opportunities newsletter, the Authority shall (a) consult the Directory of certified M/WBEs maintained by the Department of Economic Development; (b) provide each bidder and proposer with a copy of said Directory; and (c), provide notice to professional and other organizations that serve minority and women-owned business enterprises providing the types of services procured by the Authority.

4. To foster the increased use of M/WBEs, the Authority may seek a single proposal not exceeding \$200,000 in the aggregate, including all amendments, from a certified M/WBE that offers a reasonable price for such goods and/or services.

5. When provided for in the solicitation, bids and proposals shall be accepted from joint ventures between MWBEs and non-minority and women-owned business enterprises.

6. The Authority shall evaluate each contract to determine the goal for M/WBE participation in subcontracting opportunities based on the level of subcontracting needed and the

availability of certified M/WBEs to competitively respond to subcontracting opportunities. Each solicitation shall set forth the goal for M/WBE subcontracting opportunities. The Authority shall consider, where practicable, separating a single procurement into several for the purpose of maximizing M/WBE participation.

7. Where subcontracting goals are established for a Procurement Contract, the solicitation shall require that bidders and proposers submit a subcontractor utilization plan with the bid or proposal and which the Authority shall review as required. A contractor who is a certified M/WBE may count the work it performs toward meeting its goal for either minority or women participation, but not both.

8. In determining to award a contract, the Authority shall, where practicable, feasible and appropriate, assess the diversity practices of a bidder or proposer; provided, however, that a bid or proposal shall not be automatically rejected based on a lack of diversity practices.

9. The Authority shall verify M/WBE participation to the extent indicated in the bid or proposal selected for contract award.

10. Every Authority contract shall contain a provision expressly providing that any contractor who willfully and intentionally fails to comply with the M/WBE requirements imposed upon contractors by Article 15-A of the Executive Law shall be liable to the Authority for liquidated or other damages, as specified, and shall include other appropriate remedies on account of such non-compliance. The Authority shall consider compliance with the requirements of any federal law concerning opportunities for minority and women-owned business enterprises which effectuates the purpose of Article 15-A of the Executive Law.

11. The Authority may waive obligations of the contractor relating to minority and women-owned business enterprise participation only after a showing of good faith efforts to comply with the requirements of Article 15-A of the Executive Law pursuant to the waiver provisions contained in Subdivision 6 of Section 313 of the Executive Law.

12. Upon execution of a contract, the Authority shall post on its web site any required minority and women-owned business enterprise subcontractor utilization plans and any waivers of compliance approved by the Authority within 30 days after such approval is granted.

13. The requirements of this section shall not apply to Electricity Contracts that meet the requirements of Section B.3(a) of Article II.

D. New York State Business Enterprises and New York Residents

It is the policy of the Authority to promote participation in Procurement Contracts by New York State business enterprises and New York residents, including without limitation, business enterprises located in the service area and residents of the service area, by encouraging them to compete through measures including, but not limited to:

1. Collecting and consulting the specifications of New York State business enterprises in developing any specifications for any Procurement Contract for the purchase of goods where possible, practicable, feasible, and consistent with open bidding, except for procurement contracts for which the Authority would be expending funds received from another state. The Authority will, where feasible, make use of the stock order specification forms prepared by the Commissioner of General Services and, where necessary, consult with the Commissioner of General Services in developing such specifications and make such determinations.
2. With the cooperation of the Department of Economic Development and through cooperative efforts with contractors, providing for the notification of New York State business enterprises of opportunities to participate as subcontractors and suppliers on Procurement Contracts in an amount estimated to be equal to or greater than one million dollars and promulgating procedures which will assure compliance by contractors with such notification. Once awarded the contract, contractors shall be required to document their efforts to encourage the participation of New York State business enterprises as subcontractors and suppliers on such Procurement Contracts. Documented efforts by a successful contractor shall consist of and be limited to showing that such contractor has (a) solicited bids, in a timely and adequate manner, from New York State business enterprises, including certified minority and women-owned businesses, or (b) contacted the New York State Department of Economic Development to obtain listings of New York State business enterprises, or (c) placed notices for subcontractors and suppliers in newspapers, journals, and other trade publications circulated in New York State, or (d) participated in bidder outreach conferences. If a contractor determines that New York State business enterprises are not available to participate on the contract as subcontractors or suppliers, the contractor shall provide a statement indicating the method by which such determination was made. If the contractor does not intend to use subcontractors on the contract, the contractor shall provide a statement verifying such intent.
3. Except for Procurement Contracts for which the Authority would be expending funds received from another state, including in all solicitations a statement that information concerning the availability of New York State subcontractors and suppliers is available from the New York State Department of Economic Development, including the directory of certified minority and women-owned businesses, and that it is the policy of the Authority to encourage the use of New York State subcontractors and suppliers and to promote the participation of minority and women-owned businesses, where possible, in the procurement of goods and services.
4. With the cooperation of the Community Services Division of the Department of Labor and through cooperative efforts with contractors, providing for the notification to New York State residents of employment opportunities arising in New York State out of Procurement Contracts in an amount estimated to be equal to or greater than one million dollars; and assuring compliance by contractors by requiring contractors to submit post-award compliance reports documenting their efforts to provide such notification through listing any such positions with the Community Services Division

or providing for such notification in such manner as is consistent with existing collective bargaining contracts or agreements.

5. Including in each solicitation a statement notifying potential Proposers in foreign countries that the Authority may assign or otherwise transfer offset credits created by such procurement contract to third parties located in New York State; providing for the assignment or other form of transfer of offset credits created by such procurement contracts, directly or indirectly, to third parties located in New York State, in accordance with the written directions of the Commissioner of Economic Development; and providing for the Authority otherwise to cooperate with the Department of Economic Development in efforts to get foreign countries to recognize offset credits assigned or transferred to third parties located in New York State created by such Procurement Contracts.
6. Each contract shall expressly obligate contractors to comply with the federal Equal Employment Opportunity Act of 1972 (Pub. L. 92-261), as amended.

As used in this section the terms “New York State business enterprise” and “New York resident” shall have the meaning assigned to such terms in Section 2879 of the PAL.

E. New York State Service-Disabled Veteran-Owned Businesses (“SDVOBs”)

It is the policy of the Authority to promote participation in Procurement Contracts by SDVOB’s including without limitation, SDVOB’s located in the Authority’s service area.

New York State has established an overall goal of 6% for contracting with SDVOB’s and the Authority shall utilize its best efforts to assist the state in meeting these goals. In addition, the Authority shall utilize its best efforts to assist the Division of Service-Disabled Veterans' Business Development in the furtherance of these goals in accordance with their guidelines: <http://www.ogs.ny.gov/Core/docs/Guidelines.pdf>.

F. Restrictions on Procurement Lobbying

Pursuant to State Finance Law Sections 139-j and 139-k, an Offerer (as defined in Section 139-j(1)(h)) is restricted to making Contact with the Authority’s Designated Contacts only from the earliest solicitation of offers through final award and approval of procurement contracts (as defined in Section 139-j(1)(g)) by the Authority and, if applicable, Office of the State Comptroller (“Restricted Period”) except as provided for in State Finance Law Section 139-j(3)(a). When a Contact is received during the Restricted Period, Authority employees are required to obtain the name, address, telephone number, place of employment and occupation of the person or organization making the Contact and whether the person or organization was the Offerer or was retained, employed or designated by the Offerer to Contact the Authority about the procurement. If the Contact is received by an Authority employee who is not a Designated Contact, the Special Counsel for Ethics, Risk and Compliance (or individual serving in a comparable role) shall be notified who shall investigate the impermissible Contact.

If the General Counsel, or designee, determines that there is sufficient cause to believe that the Offerer violated the provisions of State Finance Law Section 139-j(3), notice shall be given to the Offerer who shall have the opportunity to be heard. If it is determined that the impermissible Contact was knowing and willful, the Offerer is non-responsible and shall not be awarded a contract except as otherwise provided in State Finance Law Section 139-j (10). In the event of two such findings within a 4-year period, the Offerer is debarred from participating in or receiving an Authority procurement contract, as defined by in Section 139-j(1)(g) for four years.

Proposers shall be provided with a summary of the Authority's policies and procedures regarding permissible contacts and shall affirm in writing its understanding and agreement to comply with the same. All contractors shall certify that information provided to the Authority pursuant to State Finance Law Sections 139-j and 139-k is true and accurate. All contracts shall include a provision that the contract may be terminated if the certification is found to be intentionally false or intentionally inaccurate.

G. Additional Certifications

It is the policy of the Authority to promote increased public confidence in its procurement practices, including requiring Proposers to certify in writing, upon submission of their proposals and at the time of execution of a contract with the Authority, the following:

1. Non-Collusion

- a. The prices in the bid or proposal have been arrived at independently, without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Proposer or with any competitor.
- b. Unless otherwise required by law, the prices which have been quoted in the bid or proposal have not knowingly been disclosed by Proposer, and will not knowingly be disclosed by the Proposer prior to opening, directly or indirectly, to any other Proposer or to any competitor.
- c. No attempt has been made or will be made by the Proposer to induce any other person, partnership or corporation to submit or not submit a bid or proposal for the purpose of restricting competition.

Proposer shall make this certification under penalty of perjury, in accordance with Section 2878 of the PAL.

2. Contingent Fees

- a. Proposer has not employed or retained and will not employ or retain any individual or entity for the purpose of soliciting or securing any Authority contract or any amendment or modification thereto pursuant to any agreement or understanding for receipt of any form of compensation which in whole or in part is contingent or dependent upon the award of any such contract or any amendment or modification thereto.
- b. Proposer will not seek or be paid an additional fee that is contingent or dependent upon the completion of a transaction by the Authority provided however that this provision shall not apply to real estate brokers and other real property buyer/seller/lessor/lessee representatives engaged to act on behalf of the Authority.

A Proposer's failure to provide the certifications required by Sections G(1) and (2) of Article II will be grounds for disqualification from the procurement process.

A Proposer's violation of Section G(2)(a) or (b) of Article II will be grounds for disqualification from the procurement process.

H. Penalties

A Proposer's failure to comply with any of the provisions contained in these Guidelines is grounds for disqualification in the procurement process, and may constitute a crime under State or Federal Law.

I. Conduct of Procurements; Approval Process for Contracts

1. All procurements shall be conducted in accordance with these Guidelines by the responsible Procuring Officer.
2. The award of Procurement Contracts for Services, including those Procurement Contracts awarded without regard to Section B.1 of Article II, shall be approved as follows:
 - a. Procurement Contracts for Services having a value less than or equal to \$1,000,000 shall be approved by the responsible Procurement Officer and either the Chief Financial Officer or the Chief Executive Officer.
 - b. Procurement Contracts for Services having a value greater than \$1,000,000 and/or to be rendered over a period in excess of one year (regardless of the value) shall be approved by the Authority Board of Trustees.

3. The award of Procurement Contracts for Goods or Technology, including those Procurement Contracts awarded without regard to Section B.1 of Article II, shall be approved as follows:
 - a. Procurement Contracts for Goods or Technology having a value less than \$1,000,000 shall be approved by the responsible Procurement Officer and either the Chief Financial Officer or the Chief Executive Officer.
 - b. Procurement Contracts for Goods or Technology having a value equal to or greater than \$1,000,000 and/or to be rendered over a period in excess of one year (regardless of the value) shall be approved by the Authority Board of Trustees.
4. The award of Electricity Contracts shall be approved as follows:
 - a. Electricity Contracts having a term greater than 60 months shall be approved by the Authority Board of Trustees.
 - b. All other Electricity Contracts shall be approved by the responsible Procurement Officer, and either the Chief Financial Officer or the Chief Executive Officer, unless Board approval is otherwise required by applicable law, including to comply with the State Environmental Quality Review Act.
5. Procurement Contracts in an amount greater than \$50,000 shall not be valid, effective or binding upon the Authority until approved by the State Comptroller and filed in that office.

J. Employment of Former Officers and Employees

To the extent permitted by Public Officers Law Section 73, former Authority officers and employees are eligible to be considered to be retained as contractors and/or consultants, provided that they meet all criteria for contractors and/or consultants generally as specified in these Guidelines and upon the approval of the Trustees.

K. Types of Provisions to be Contained in Procurement Contracts

The following types of provisions shall be contained in all Authority procurement contracts, unless one or more such provision is inapplicable and/or unnecessary based on the nature and/or duration of the contract or any other circumstance that the Authority deems to be in its interest.

1. Description/Scope of Work
2. Term
3. Compensation
4. Relation between the Contractor and the Authority, including Supervision of Work, Use of Subcontractors, Conflict of Interest and Use of Authority Supplies, Facilities and Personnel

5. Ownership, Maintenance, Confidentiality and Other Provisions Related to Documents and Records
6. Termination
7. Provisions Required by Federal, State and Local Law
8. Warranty, Indemnity, Contingent Fee and Other Standard Provisions
9. Billing Policy
10. Insurance
11. The percentage of minority and women-owned subcontracting goals
12. The percentage of New York State Service-Disabled Veteran-Owned Business (SDVOB) subcontracting goals
13. Notice, Service of Process and Other Miscellaneous Provisions

III. GENERAL

A. Implementation of Guidelines

The Chief Executive Officer, Chief Financial Officer and/or General Counsel are empowered to prepare:

1. Such supplemental procedures as may be required to effectively implement these Guidelines, copies of which shall be provided to the Trustees; and
2. Proposed amendments to these Guidelines for approval by the Authority Board of Trustees when and as required.

B. Reports

1. No less frequently than annually, the Authority will prepare a report which summarizes its Procurement Contract activity for the period of the report, which will include a list of all Procurement Contracts entered into, all contracts entered into with New York State business enterprises and the subject matter and value thereof, all contracts entered into with certified minority or women-owned business enterprises and the subject matter and value thereof, all referrals made and all penalties imposed pursuant to section three hundred and sixteen of the executive law, all contracts entered into with foreign business enterprises, and the subject matter and value thereof, the selection process used to select such contractors, all Procurement Contracts which were exempt from the publication requirements of Article 4-C of the Economic Development Law, the basis of such exemption and the status of existing Procurement Contracts.
2. Also on an annual basis, the Authority will prepare and approve a report on Procurement Contracts, which report will include these Guidelines and an explanation of these Guidelines and any amendments to them since the last report. The Authority will submit this report to any such governmental entities as may be entitled to receive it under applicable law, including the Public Authorities Law and the State Finance

Law, and will make this report available to members of the public on the Authority's website.

These guidelines shall be annually reviewed and approved by the Authority.

C. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers and employees of the Authority and the Subsidiary only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines.

**UTILITY DEBT SECURITIZATION AUTHORITY
PROPERTY DISPOSITION GUIDELINES
MARCH 28, 2017**

Utility Debt Securitization Authority (referred to herein as the “Authority”) is required by Section 2896 of the Public Authorities Law to adopt by resolution comprehensive guidelines, to be annually reviewed and approved by the Trustees of the Authority, regarding the use, awarding, monitoring and reporting of contracts for the disposal of Property. The following guidelines (the “Guidelines”) are adopted pursuant to such requirement and are applicable with respect to the use, awarding, monitoring and reporting of all Property Disposition Contracts which are entered into by the Authority.

I. DEFINITIONS

1. “Contracting Officer” shall mean the General Counsel or his or her designee.
2. “Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with these guidelines.
3. “Fair Market Value” shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for the Real Property in an arms-length transaction in the appropriate marketplace
4. "Property" shall mean personal property in excess of five thousand dollars in value, real property, and any inchoate or other interest in such property owned by the Authority, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party. Neither electricity nor natural gas nor any attributes derived therefrom, shall be considered Property for purposes of this guideline.
5. "Property Disposition Contracts" shall mean written agreements for the sale, lease, transfer or other disposition of Property.
6. "Real Property" shall mean real property and interests therein.

II. PRINCIPAL DUTIES OF CONTRACTING OFFICER

The Contracting Officer, as designated in Section I.1, is responsible for the supervision and direction over the custody, control and disposition of Property and responsible for the

Authority's compliance with, and enforcement of, these guidelines. The Contracting Officer shall: (a) maintain adequate inventory controls and accountability systems for all Property under the Authority's control; (b) periodically inventory such Property to determine which Property shall be disposed of; (c) transfer or dispose of such Property as promptly as possible in accordance with these guidelines; and (d) produce and submit reports pursuant to Section IV.B. of these guidelines.

III. PROPERTY DISPOSITION CONTRACTS

A. Reason(s) for Use of Property Disposition Contracts

Property Disposition Contracts may be entered into for the purpose of disposing of Property which is no longer necessary or useful for the operations of the Authority or the Subsidiary to warrant retention, if the disposition of such Property will result in cost savings or other benefits to the Authority, the disposition thereof will result in the receipt of valuable consideration or other benefits by the Authority, or the disposition is of neutral or nominal value to the parties.

B. Method of Disposition

The Authority may dispose of Property for no less than the Fair Market Value by sale, exchange, or transfer, for cash, credit or other Property, with or without warranty, upon such terms and conditions as are determined by the Contracting Officer; except as otherwise permitted by this Section III.B. and Section III.C.4 (below). However, no disposition of Real Property, or any interest in Real Property shall be made unless an appraisal of such Property has been made by an independent appraiser and included in the record of the transaction. Further, no disposition of any other property, which because of its unique nature or the unique circumstances of the proposed transaction is not readily valued by reference to an active market for similar property, shall be made without a similar appraisal.

In addition to the circumstances permitted by Section III.C.4 (below), the Authority may dispose of Property for less than Fair Market Value when the value of the transaction is nominal and the Property Disposition Contract is temporary and revocable. For such transactions, the requirements of Sections III.C.5, 6 and 7 (also below) do not apply.

C. Award of Property Disposition Contracts; Selection Criteria for Property Disposition Contracts

1. All sales or other dispositions of Property shall be conducted in accordance with these Guidelines by or under the supervision of the Contracting Officer.
2. All Property Disposition Contracts shall be made after publicly advertising for bids unless the criteria set forth below in the Guidelines at Section III.C.3. have been met for such contracts to be made by negotiation or public auction. Whenever public advertising for bids is required, (i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions, as shall permit full and free competition

consistent with the value and nature of the Property; (ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and (iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the state, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

3. Property Disposition Contracts may be negotiated or made by public auction without regard to the criteria set forth above in the Guidelines at Section III.C.2. but subject to obtaining such competition as the Contracting Officer determines is feasible under the circumstances, if (i) the personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity or other quality of similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were disposed of by publicly advertising for bids, would adversely affect the state or local market for such property, and the estimated Fair Market Value of such property and other satisfactory terms of disposal can be obtained by negotiation; (ii) the Fair Market Value of the Property does not exceed fifteen thousand dollars; (iii) bid prices after advertising therefor are not reasonable, either as to all or some part of the Property, or have not been independently arrived at in open competition; (iv) the disposition of Property will be to the state or any political subdivision, and the estimated Fair Market Value of the Property and other satisfactory terms of disposal are obtained by negotiation; (v) under the circumstances permitted by Section III.C.4, or (vi) such action is otherwise authorized by law.
4. Property may not be disposed of for less than Fair Market Value unless the following criteria are met: (i) the property is transferred to a government or other public entity and the terms and conditions of the transfer require that the ownership and use of the property will remain with the government or any other public entity; (ii) the purpose of the transfer is within the purpose, mission or governing statute of the public authority; or (iii) if the transfer is other than to a governmental entity and would not be consistent with the Authority's mission, purpose or governing statute, the Authority shall provide written notification to the governor, speaker of the assembly and temporary president of the senate. The governor, senate or assembly may deny the transfer. The governor or either house of the legislature will take action within sixty days of receiving notification of the proposed transfer from January through June. If the notification is received by the legislature from July through December, the legislature may take any action within sixty days of January first of the following year. In the event that there is no denial within sixty days of the notification to the governor, senate and assembly, the Authority may effectuate the transfer.
5. In the event the Authority proposes that property be disposed of for less than Fair Market Value, the following information must be provided to the Authority Board of Trustees and the public prior to being approved by the Board of Trustees:

- (i) a full description of the property;
 - (ii) an appraisal of the Fair Market Value of the property and any other information establishing the Fair Market Value sought by the Board of Trustees;
 - (iii) a description of the purpose of the transfer and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits to the communities in which the property is situated
 - (iv) a statement of the value to be received as compared to the Fair Market Value;
 - (v) the names of any private parties participating in the transfer and a statement of the value to the private party if different than the statement in (iv) above;
 - (vi) the names of other private parties who have made an offer for such an asset, the value offered, and the purpose for which the asset was sought to be used.
6. Before approving the disposition of property for less than Fair Market Value, the Board of Trustees must consider the information described in paragraph 5 above and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer. Such determination may be provided on a case-by-case basis or a blanket basis for all such dispositions that have substantially similar circumstances.
 7. Except for dispositions where the purpose of the transfer is within the purpose, mission or governing statute of the Authority, the Contracting Officer shall transmit a statement explaining the circumstances of the negotiated disposition of Property by at least ninety days prior to such disposal to each of the State Comptroller, the Director of the Budget, the Commissioner of General Services, the State legislature, and the Authorities Budget Office, and a copy thereof shall be preserved in the files of the Authority. Such a statement shall be prepared in connection with a negotiated disposition of Property of any of the following: (i) any personal property which has an estimated Fair Market Value in excess of fifteen thousand dollars; (ii) any Real Property that has an estimated Fair Market Value in excess of one hundred thousand dollars, except that any real property disposed of by lease or exchange shall only be subject to clauses iii and iv of this Section.; (iii) any Real Property disposed of by lease if the estimated annual rent over the term of the lease is in excess of fifteen thousand dollars; (iv) any Real Property or related personal property disposed of by exchange, regardless of value, or any Property any part of the consideration for which is Real Property.

To the extent that Property Disposition Contracts are competitively awarded, such awards shall be made upon receipt and evaluation of bids or proposals or other information obtained from persons/firms responding to a request for proposals or other form of solicitation on the basis of the criteria specified in the request for proposals or other solicitation. The Contracting Officer shall document the processes by which Property is sold or otherwise disposed of, by making a record summarizing the nature and scope of the Property disposed, the name of each person or organization submitting, or requested to submit, a bid or proposal, the

price or other consideration bid and received, and the basis for selection of both the purchaser and method of disposition of the Property.

8. All dispositions of Property also shall be subject to compliance with Section 6.15 of the Financing Agreement, dated as of May 1, 1998, between the Authority and the Subsidiary (the "Financing Agreement") and Section 714 of the Electric System General Revenue Bond Resolution adopted by the Authority on May 13, 1998, as supplemented (the "General Resolution"). In furtherance thereof, no Property of the Authority or the Subsidiary shall be sold or otherwise disposed of unless the Chief Financial Officer has determined that such disposition (i) is desirable in the conduct of the business of the Authority or the Subsidiary, (ii) is not disadvantageous in any material respect to the holders of the Authority's Obligations (as defined in the General Resolution), (iii) does not materially impair the ability of the Authority and the Subsidiary to comply with their respective obligations to comply with the rate covenants contained in Section 6.1 of the Financing Agreement and Section 701 of the General Resolution, and (iv) does not breach any covenants of the Authority or the Subsidiary relating to the exclusion of interest on the Authority's Obligations, which determinations shall be evidenced in writing and maintained with the records of the Authority relating to the disposition of such Property.

D. Approval Process for Property Disposition Contracts

In addition to any other approvals required by law, the award of Property Disposition Contracts and any related determinations made in connection therewith shall be approved as follows:

1. Property Disposition Contracts in amounts equal to or less than \$1,000,000 and related determinations shall be approved by the Contracting Officer and the Chief Financial Officer or the Chief Executive Officer.
2. Property Disposition Contracts in amounts greater than \$1,000,000 and related determinations shall be approved by the Trustees of the Authority.

IV. GENERAL

A. Implementation of Guidelines

The Contracting Officer is empowered to prepare such supplemental procedures as may be required to effectively implement these Guidelines, copies of which shall be provided to the Trustees.

B. Reports

1. Property Disposition Guidelines approved by Authority shall be annually reviewed and approved by the Trustees of the Authority. On or before the thirty-first day of March in each year, the Authority shall file with the State Comptroller a copy of the most recently reviewed and adopted guidelines, including the name of the Contracting Officer, and must post such guidelines on the Authority's website. Guidelines posted on the Authority's website shall be maintained at least until the disposition guidelines for the following year are posted on the website.
2. Within ninety days of the end of the fiscal year, the Contracting Officer shall prepare and submit to the Trustees, the Governor, the Chairman and ranking minority member of the Senate Finance Committee, the Chairman and ranking minority member of the Assembly Ways and Means Committee, the State Comptroller, and the Authorities Budget Office, a report listing all Real Property of the Authority having an estimated Fair Market Value in excess of fifteen thousand dollars that the Authority disposed of during the previous fiscal year. The report shall contain the price received by the Authority and the name of the purchaser for all such property sold by the Authority during such period.

C. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers and employees of the Authority and the Subsidiary only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. In accordance with Section 2897.5 of the Public Authorities Law, a deed, bill of sale, lease, or other instruments executed by or on behalf of the Authority or the Subsidiary, purporting to transfer title or any other interest in Property shall be conclusive evidence of compliance with these guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of compliance with these guidelines prior to the closing

**UTILITY DEBT SECURITIZATION AUTHORITY
REAL PROPERTY ACQUISITION GUIDELINES
MARCH 28, 2017**

Utility Debt Securitization Authority (the "Authority") is required by Section 2824 of the Public Authorities Law to establish policies and procedures regarding, among other things, the acquisition of real property. The following guidelines (the "Guidelines") are adopted pursuant to such requirement and are applicable with respect to the use, awarding, monitoring and reporting of all Property Acquisition Contracts which are entered into by the Authority.

I. DEFINITIONS

1. "Contracting Officer" shall mean the officer or employee of the Authority who shall be responsible for the acquisition of Property. The Contracting Officer is hereby designated the Authority's Chief Executive Officer or the equivalent(s) or designee.
2. "Fair Market Value" shall mean the estimated dollar amount that a willing buyer would pay to a willing seller for Real Property in an arms-length transaction in the appropriate marketplace and under similar circumstances
3. "Property Acquisition Contracts" shall mean written agreements for the acquisition by purchase or lease of Real Property.
4. "Real Property" shall mean real property and interests therein.

II. PRINCIPAL DUTIES OF CONTRACTING OFFICER

The Contracting Officer shall be responsible for the supervision and direction over the acquisition of Real Property and responsible for the Authority's compliance with, and enforcement of these Guidelines.

III. PROPERTY ACQUISITION CONTRACTS

A. Reason(s) for Use of Property Acquisition Contracts

Property Acquisition Contracts may be entered into for the purpose of acquiring Real Property which is determined to be necessary or useful for the operations of the Authority.

B. Award of Property Acquisition Contracts

1. All Property Acquisition Contracts shall be entered into in accordance with these Guidelines by the responsible Authority officer.
2. Property Acquisition Contracts shall be entered into on a negotiated basis, unless the Contracting Officer shall have determined that a sufficient number of parcels of Real Property are available and of equivalent usefulness to the Authority so as to make a competitive process feasible and desirable. The Authority shall document the processes by which Real Property is acquired, by making a record summarizing the nature and scope of the Real Property acquired, the name of the seller, the price or other consideration paid for the Real Property acquired, the method of determining the price or other consideration paid for the Real Property, and any Real Property considered as an alternative to the Real Property acquired and the reason for the selection of the Real Property acquired

C. Approval Process for Property Acquisition Contracts

In addition to any other approvals that may be required by law, all Property Acquisition Contracts and any related determinations made in connection therewith shall be approved as follows:

1. Property Acquisition Contracts in amounts equal to or less than \$1,000,000 and related determinations shall be approved by the Contracting Officer (if other than the Chief Executive Officer), the Chief Financial Officer and the Chief Executive Officer, or their respective designees.
2. Property Acquisition Contracts in amounts greater than \$1,000,000 and related determinations shall be approved by the Trustees of the Authority.

IV. GENERAL

A. Implementation of Guidelines

The Contracting Officer is empowered to prepare such supplemental procedures as may be required to effectively implement these Guidelines, copies of which shall be provided to the Trustees.

B. Reports; Periodic Review

1. Within ninety days of the end of each fiscal year, the Contracting Officer, or their designees, shall prepare and submit to the Governor, the Chairman and ranking minority member of the Senate Finance Committee, the Chairman and ranking minority member of the Assembly Ways and Means Committee, the State Comptroller, and the Authorities Budget Office, with a copy to the Trustees, a list of all Real Property of the Authority having an estimated Fair Market Value in excess of fifteen thousand dollars that the Authority acquired during the previous fiscal year.
2. Property Acquisition Guidelines approved by Authority shall be periodically reviewed and approved by the Trustees of the Authority. A copy of these Guidelines shall be posted on the Authority's website.

C. Effect of Awarded Contracts

These Guidelines are intended for the guidance of the officers and employees of the Authority only. Nothing contained herein is intended or shall be construed to confer upon any person, firm or corporation any right, remedy, claim or benefit under, or by reason of, any requirement or provision hereof, or be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines.

**UTILITY DEBT SECURITIZATION AUTHORITY
PROCUREMENT LOBBYING GUIDELINES
MARCH 28, 2017**

I. INTRODUCTION

In furtherance of the Utility Debt Securitization Authority's ("UDSA's") commitment to ensure the transparency and accountability of its operations, the following guidelines (the "Guidelines") set forth UDSA's policy on recording attempts to influence the outcome of UDSA's (a) Procurements and (b) Rules, Regulations or Ratemaking activity. These Guidelines are applicable to all employees, officers and Trustees of UDSA and are in compliance with the requirements of the "Procurement Lobbying Law" found in the State Finance Law and the "Lobbying Contacts" provisions of the Public Authorities Law. The restrictions and/or reporting requirements associated with both types of lobbying activity are outlined below.

II. PROCUREMENT LOBBYING

This section of the Guidelines has been issued pursuant to the State Finance Law, which generally prohibits, with limited exception, individuals or entities from communicating with anyone other than the person(s) designated by UDSA to communicate with such individuals or entities about a procurement for a prescribed period of time during the procurement process. UDSA is required to collect and record certain information pertaining to attempts to influence the procurement (a "**Contact**," defined below) during the procurement period from the earliest solicitation of a proposal to the final approval of the procurement (the "**Restricted Period**," defined below). The specific requirements related to these activities are set forth as follows:

A. Statutory Definitions¹

Article of Procurement

A commodity, service, technology, public work, construction, revenue contract, the purchase, sale or lease of real property or an acquisition or granting of an interest in real property that is the subject of a governmental procurement.

Contact²

Any oral, written or electronic communication with UDSA staff or its consultants about UDSA procurement under circumstances where a reasonable person would infer that the

¹ Defined terms are in bold.

² Note that the statutory definition for "Contact" is different for Procurement Lobbying discussed in Article II of these Guidelines and for Rule, Regulation or Ratemaking Lobbying discussed in Article III of these Guidelines.

communication was intended to influence the procurement.

Governmental Entity

All New York State agencies and authorities; both houses of the Legislature; the Unified Court System; municipal agencies and their respective employees.

UDSA Procurement

shall mean (i) the preparation or terms of the specifications, bid documents, requests for proposals, or evaluation criteria for a procurement contract, (ii) solicitation for a procurement contract, (iii) evaluation of a procurement contract, (iv) award, approval, denial or disapproval of a procurement contract, or (v) approval or denial of an assignment, amendment (other than amendments that are authorized and payable under the terms of the procurement contract as it was finally awarded or approved by the Comptroller, as applicable), renewal or extension of a procurement contract, or any other material change in the procurement contract resulting in a financial benefit to the **Offerer**.

Offerer

The individual or entity, or any employee agent or consultant or person acting on behalf of such individual or entity, that **Contacts** UDSA about a **UDSA Procurement** during the restricted period of the procurement.

Procurement Contract

Any contract or other agreement for an **Article of Procurement** involving an estimated annualized expenditure in excess of \$15,000. Grants, State Finance Law Article XI-B contracts between UDSA and not-for-profit organizations, intergovernmental agreements, railroad and utility force accounts, utility relocation project agreements or orders, and eminent domain transactions shall not be deemed **Procurement Contracts**.

Restricted Period

The period of time commencing with the earliest date of written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method for soliciting a response from **Offerers** intending to result in a **Procurement Contract** with UDSA and ending with the final contract award and approval by

UDSA, and where applicable, the Office of the State Comptroller.

B. Exemptions

Certain communications are exempt from the Guidelines. These include: (i) submissions in response to an invitation for bid, a request for proposal or other solicitation, (ii) submissions of written questions to an invitation for bid, a request for proposal or other solicitation, (ii) submissions of written questions to a designated contact set forth in an invitation for bid, request for proposal or other solicitation, (iii) participation in a conference provided for in an invitation for bid, request for proposal or other solicitation, (iv) contract negotiations, (v) inquiries regarding the factual status of a **Procurement Contract**, and (vi) complaints and protests regarding the procurement process and outcome.

In addition, any communication received by UDSA from members of the New York State Legislature or the Legislative Staff, when acting in their official capacity, shall not be considered a **Contact** for recording purposes.

C. Violations

A violation of these Guidelines occurs when there is a **Contact** during the **Restricted Period** between the **Offerer** and someone other than the person(s) designated by UDSA to receive communications for the particular **UDSA Procurement**. This includes instances where the **Offerer Contacts** UDSA regarding a procurement of another **Governmental Entity**.

Attempts by an **Offerer** to influence a **UDSA Procurement** in a manner that would result in a violation of the Public Officers Law or any other applicable ethics code shall also be a violation of these Guidelines.

D. Procedures

a. Notifying Vendors of Procurement Lobbying Guidelines

- i. For each **Procurement Contract**, UDSA will designate a person or persons to receive communications from **Offerers** concerning the **UDSA Procurement**.**
- ii. UDSA will incorporate a summary of the policy governing lobbying during a **UDSA Procurement** in its documents relating to the **Procurement Contract** and provide a copy of the policy and prohibitions regarding permissible communications to **Offerers**.**

- iii. UDSA shall seek written affirmation from all **Offerers** indicating that they understand and agree to comply with these Guidelines (*See Attachment 1*).

b. Making Determinations of Responsibility

- i. Prior to award of a **Procurement Contract**, UDSA must make a responsibility determination with respect to the **Offerer** to be recommended for the award of the contract based upon, among other things, the information supplied by that **Offerer**, using the **Offerer Disclosure of Prior Non-Responsibility Determinations Form** (*See Attachment 2*), whether it has been found non-responsible within the last four years by any **Governmental Entity** for: (1) failure to comply with State Finance Law § 139 j, or (2) the intentional provision of false or incomplete information. This disclosure must be certified by the **Offerer** and must affirmatively state that the information supplied by the **Offerer** to UDSA is complete, true and accurate.
- ii. The **Procurement Contract** must include a provision allowing UDSA to terminate the contract if the certification is subsequently found to be incomplete, false or inaccurate. Admissions by the **Offerer** of past findings of non-responsibility may constitute a basis for rejection of the **Offerer** by UDSA. UDSA can award a contract to the **Offerer** despite the past findings of non-responsibility if it determines that the award of the **Procurement Contract** to the **Offerer** is necessary to protect public property or public health or safety, and that the **Offerer** is the only source capable of supplying the required **Article of Procurement** within the necessary time frame. The basis of such a finding must be included in procurement record of the **UDSA Procurement**.

c. Recording Contacts

- i. All UDSA employees must record any **Contact** from any person or entity. **Contacts** may be initiated by parties with an interest in the **UDSA Procurement** that are not necessarily connected directly to the **Offerer**. **Contacts** may come in the form of telephone conversations, correspondence, electronic mail and person-to-person discussions. The Record of Contact Form (*See Attachment 3*) should be used to record all **Contacts**. The form is also available to employees on the UDSA Intranet.
- ii. Examples of **Contacts** for which a Record of Contact must be completed include:

1. During the **Restricted Period**, an **Offerer Contacts** a UDSA employee (other than the employee designated to receive such communications) to discuss the **Offerer's** cost, competitiveness or its suitability to be selected for a contract.
 2. A court reporter, expert witness or any other vendor offers a UDSA employee a gift of any monetary value during the **Restricted Period**.
- iii. Examples of permissible communications which may be directed to persons other than those designated by UDSA to receive communications from **Offerers** concerning the **UDSA Procurement** include:
1. Inquiries as to the status of the procurement process.
 2. Requests to be included on UDSA's **Offerer** list.
 3. Receipt of advertising material.
 4. Intra-agency communications of administrative details concerning the procurement.
 5. Responses to UDSA-issued Requests for Information.
 6. Written questions submitted by **Offerers** regarding a solicitation during the allowable time period of a competitive procurement.
 7. Complaints about the procurement process or outcome.
 8. Participation in an **Offerer's** conference as provided for in a Request for Proposals of Invitation for Bids.
 9. Submission of a proposal or bid in response to a Request for Proposals or Invitation for Bids.
 10. Contract negotiations.
 11. Debriefing of an **Offerer** after a contract award has been made.

None of the above communications require the preparation of a Record of Contact unless such communication constitutes an attempt to influence the **UDSA Procurement**.

- iv. If a UDSA employee is in doubt about whether a communication was intended to influence the **UDSA Procurement**, he or she should record the communication on the Record of Contact Form and submit it to the Director and Procurement for further investigation.
- v. The UDSA Officer responsible for the procurement, or his or her designee, will be required to ensure that all Records of Contacts are included in the procurement record for the related **Procurement Contract**.

E. Investigation of Contacts/Penalties for Violations

- a. All reported **Contacts** will be immediately investigated by the Director of Procurement, or his or her designee. If the Director of Procurement finds sufficient cause to believe that an **Offerer** has violated these Guidelines, the **Offerer** will be notified in writing of the investigation and will be afforded an opportunity to respond to the alleged violation. Investigations will be completed as soon as practicable so as not to delay the progress of the **UDSA Procurement**.
- b. If the Director of Procurement should find at the conclusion of the investigation that the **Offerer** knowingly and willfully made a prohibited **Contact** in violation of these Guidelines, then the **Offerer** shall be disqualified as non responsible, unless UDSA makes a finding that the award of the **Procurement Contract** to the **Offerer** is necessary to protect public property or public health or safety, and that the **Offerer** is the only source capable of supplying the required **Article of Procurement** within the necessary time frame. The basis of such a finding must be included in the procurement record of the **Procurement Contract**.

III. RULE, REGULATION OR RATEMAKING LOBBYING

This section of these Guidelines has been issued pursuant to the Public Authorities Law, and establishes measures to create and maintain records of any attempt by a “**Lobbyist**” (as defined below) to influence: (a) the adoption or rejection of any rule or regulation by UDSA, and/or (b) the outcome of any ratemaking proceeding by UDSA, as follows:

A. Statutory Definitions³

- Contact** Any conversation, in person or by telephonic or other remote means, or correspondence between any **Lobbyist** engaged in the act of **Lobbying** and any employee, officer or trustee within UDSA who can make or influence a decision on the subject of the **Lobbying** on behalf of the UDSA.
- Lobbying** Any attempt to influence: (a) the adoption or rejection of any rule or regulation by UDSA, and/or (b) the outcome of any ratemaking proceeding by UDSA.
- Lobbyist** Every person or organization retained, employed or designated by any client to engage in **Lobbying**. **Lobbyist** does not include any officer, director, trustee, employee, counsel or agent of the state, or of any municipality or subdivision of New York State, when such persons are discharging their official duties.⁴

B. Responsibilities

- a. An employee, officer or trustee who is contacted by a **Lobbyist** shall make a contemporaneous record of such **Contact** on a form including the day and time of the **Contact**, the identity of the **Lobbyist** and a summary of the substance of the **Contact**. The employee, officer or trustee shall notify and deliver the completed form to the General Counsel.
- b. The General Counsel shall prescribe such form to be used by all employees, officers and trustees to record such lobbying **Contacts** under these Guidelines. (Attachment 4)
- c. Upon receipt of a record of **Contact**, the General Counsel shall maintain or cause to be maintained such record for a period of not less than seven (7) years in a filing system that is indexed or otherwise organized in a manner in which such records are readily identifiable and referenced to UDSA decisions regarding (a) the

³ Defined terms are in bold.

⁴ Officers, directors, trustees, employees, counsels or agents of colleges as defined by New York Education law §2(2) are considered lobbyists for purposes of PAL §2987.

adoption or rejection of any rule or regulation by UDSA and (b) the outcome of any ratemaking proceeding by UDSA.

Any questions regarding these Guidelines and/or interpretation of these Guidelines should be directed to UDSA's General Counsel.

**TRUSTEE CODE OF ETHICS AND CONDUCT
OF THE
UTILITY DEBT SECURITIZATION
AUTHORITY**

March 28, 2017

Long Island Power Authority
333 Earle Ovington Boulevard
Uniondale, New York 11553

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UTILITY DEBT SECURITIZATION AUTHORITY TRUSTEE CODE OF ETHICS AND CONDUCT

I. Introduction

The Utility Debt Securitization Authority (the “Authority”), as a public entity, has a responsibility for maintaining the highest level of honesty, ethical conduct and public trust in all its activities. To meet this responsibility, the Authority adopted codes of ethics and conduct for its Trustees. This Trustee Code of Ethics and Conduct (the “Code”) addresses the ethical and professional standards of conduct expected of the Authority’s Board of Trustees.

The Code applies to the Authority's current Trustees and Former Trustees and states in specific form the Authority's position on Conflicts of Interest (as defined below). Personal integrity is the cornerstone of the Code. Each Trustee has the primary responsibility for avoiding Financial Interests and Other Interests which might create a conflict with his or her position as a fiduciary of the Authority and Authority property. As the Authority is a public entity, Trustees are responsible for conducting Authority business solely in the public interest.

The Code is not intended to address all situations or answer all questions related to daily ethical conduct. Trustees should inquire of the General Counsel of the Authority if they have questions as to whether certain conduct might violate the Code. In addition, Trustees who have questions as to whether a prospective personal or business Transaction or assumption of a position of responsibility or trust would violate the Code, may request in writing an advance determination on the matter from the General Counsel of the Authority pursuant to Section VIII of the Code.

Violations of the Code or applicable statutory provisions may subject a Trustee to discipline up to and including removal from the board by the appointing authority and/or expose the Trustee to civil and/or criminal penalties.

The Code will be reviewed and updated by the Governance Committee as necessary with a copy distributed to each Trustee.

II. Definitions

The following definitions apply to the Code.

- A. “Authority” means the Utility Debt Securitization Authority.
- B. "Benefit" means any gain or advantage to, or reduction in the liabilities of, the beneficiary and includes any gain or advantage to, or reduction in the liabilities of, a third person pursuant to the desire or consent of the beneficiary.
- C. "Confidential Information" means information which is available to a Trustee only because of his or her status as a Trustee and is not a matter of public knowledge.

D. "Conflict of Interest" means a situation in which the financial, familial, or personal interests of a Trustee or Former Trustee conflict, may conflict or could be perceived as conflicting with their responsibilities to the Authority

E. "Dependent Child" means either (1) any son, daughter, stepson or stepdaughter of a Trustee who is under age eighteen, unmarried and living in the household of the Trustee; or (2) a "dependent" of the Trustee within the meaning of section 152 of the Internal Revenue Code of 1954.

F. "Trustee's Independent Business" means, for the purposes of Section IV (B) (12) of the Code: (1) a firm or association of which a Trustee, or a Trustee's Spouse or Dependent Child is a member; or (2) a corporation, 10% or more of the stock of which is owned or controlled directly or indirectly by a Trustee or a Trustee's Spouse or Dependent Child.

G. "Financial Interest" means any of the following:

1. Ownership or control of 10 percent or more of the stock of any entity (or 1 percent in the case of a corporation whose stock is regularly traded on an established securities exchange); or serves as an officer, director or partner of that entity;

2. Ownership of an interest in a business or real property which interest (a) reflects a 10 percent or more ownership of the business, or (b) in the case of a Trustee or a Trustee's Spouse or Dependent Child, constitutes 10 percent or more of the net worth of the person owning such interest, or the combined net worth of the Trustee and his or her Spouse and Dependent Child. In determining net worth, the value of any interest in the Trustee's personal residence(s) shall be excluded. In determining the value of an interest, debts, mortgages, liens or other encumbrances thereon are to be disregarded; or

3. Liability or indebtedness to a person or business in excess of \$5,000, excluding liabilities owed to relatives and excluding mortgages, liens or other encumbrances on or secured by real property which constitutes the Trustee's personal residence(s) or furniture or appliances therein.

H. "Former Trustee" means persons who are no longer Trustees of the Authority but were Trustees at any time following the Authority's adoption of this Code or any predecessor code of ethics and conduct.

I. "Gift" means a payment, advance, forbearance, rendering, or deposit of money, or anything of more than nominal value, unless the donor receives consideration of equal or greater value. Nominal value is interpreted as an item or service with a fair market value of \$15 or less.

J. "Operations Services" means the management of the daily operation of the Authority's electric transmission and distribution system and the management of the Authority's

power supply resources.

K. "Other Interest" means holding a position in a business such as an officer, director, trustee, partner, proprietor, executor, employee, or a position of management, or acting as a consultant, agent or representative therefore in any capacity.

L. "Policy-Making Position" means those management and non-management positions (including trustees) designated as Policy-Making positions by the Authority, because the individual holding the position exercises responsibilities of a broad scope in the formulation of plans for the implementation of goals or policy for the Authority or acts as an advisor to an individual in such a position.

M. "Relative" shall mean a Trustee's Spouse, child, stepchild, stepparent, or any person who is a direct descendant of the grandparents of the Trustee or of the Trustee's Spouse.

N. "Spouse" shall mean the husband or wife of the Trustee unless living separate and apart from the Trustee with the intention of terminating the marriage or providing for permanent separation or unless separated pursuant to: (i) a judicial order, decree or judgment, or (ii) a legally binding separation agreement. Individuals who enter into same sex marriages legally performed in jurisdictions within or outside of New York are "Spouses" of one another for the purposes of this definition.

O. "Trading" means, in reference to securities, the buying and selling of securities, or the buying and selling of options, calls, puts, or any other right relating to a security.

P. "Transaction" means buying, selling, renting (as lessor or lessee), or otherwise acquiring or disposing of services, materials, supplies, equipment, or property having a value of one hundred dollars or more or an interest having a value of one hundred dollars or more in such services, materials, supplies, equipment or property; borrowing or investment of money; preparing, requisitioning, ordering, approving, advising on, administering or otherwise acting in reference to a contract having a value of one hundred dollars or more; or the promulgation of rules and regulations affecting such activities.

Q. "Trustee" means the Trustees of the Authority appointed or elected, as the case may be, pursuant to Public Authorities Law §1020-b (21).

III. Recusal Procedure

If a Trustee has or has reason to believe the Trustee may have a Conflict of Interest, then the Trustee shall:

A. Promptly disclose the Trustee's potential Conflict of Interest to the Chair of the Board of Trustees and the Authority's General Counsel and describe all material facts concerning the potential Conflict of Interest known to the Trustee. After such disclosure, the Chair of the Board of Trustees, in consultation with the Authority's General Counsel, shall make a record of such disclosure and advise appropriate staff that they are prohibited from communicating with such

Trustee about such matter. Further, if after such disclosure such matter is on an agenda for or is otherwise raised at a Board meeting, the Trustee shall recuse him/herself from all consideration and voting on such matter and such recusal and the reason therefore shall be recorded in the minutes of such Board meeting. As a best practice, the Trustee should leave the Board meeting while the other Trustees complete their discussion, consideration and vote.

B. After full disclosure to the Chair of the Board of Trustees and the Authority's General Counsel, nothing contained herein shall be construed or applied to prohibit any firm, association, corporation or entity, in which the Trustee is a member, associate, retired member, of counsel, shareholder or owner, from appearing, practicing, communicating or otherwise rendering services in relation to any matter before, or transacting business with the Authority or its service provider where such Trustee does not participate in any way on behalf of the party conducting such business, does not participate in the decision to award the contract, and does not share in the net revenues resulting therefrom, or, acting in good faith, it is reasonably believed that such Trustee would not share in the net revenues therefrom, and where such Trustee otherwise complies with all other directives provided by the Authority's General Counsel.

IV. Standards and Principles of Conduct

The following standards and principles of conduct are to be followed to assure compliance with the Code. A breach of these standards and principles constitutes a violation of the Code.

A. General Standards

1. Trustees are subject to New York State Ethics Laws including New York Public Officers Law Sections 73-a, 74, and the rules and regulations promulgated thereunder as may be amended or modified by the New York State Legislature. (Public Officers Law Section 73-a and 74 are annexed as Appendices B and C, respectively).

2. Trustees should endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to engage in acts that are in violation of the public trust.

B. Specific Standards and Principles

Personal or Financial Interests/Independence/Privileges

1. A Trustee shall not have any interest or incur any obligation, financial or otherwise, direct or indirect, or engage in any business or Transaction or professional activity, which is in conflict with the proper discharge of his or her duties in the public interest.

2. A Trustee shall avoid any action, whether or not specifically prohibited by the Code, which might result in or create the appearance of:

- (a) using his or her official position for private gain;

(b) giving preferential treatment to any person, including himself or herself or any Relative

(c) lacking independence or impartiality;

(d) affecting adversely the confidence of the public in the integrity of the Authority;

or

(e) violating any provision of the Code.

3. A Trustee should abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest.

4. If any Trustee shall have a Financial Interest, either direct or indirect, in any Transaction to which the Authority is, or is to be, a party, such interest shall be promptly disclosed in writing to the General Counsel of the Authority.

5. No Trustee shall (1) accept other employment or engage in any business, professional or other activity which will impair his or her independence of judgment in the exercise of his or her official duties or which involves a matter in which the Authority has a substantial interest, or (2) receive or enter into any agreement for any compensation for the appearance or rendition of services against the interest of the Authority in relation to any case, proceeding, or matter.

6. No Trustee shall use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others.

Improper Influence/Lobbying

7. A Trustee shall not by his or her conduct give reasonable basis for the impression that any person may improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that he or she is affected by the kinship, rank, position or influence of any party or person.

8. A Trustee shall report to the Authority's General Counsel any communication directed to the Trustee in cases where a reasonable person would infer that the communication was intended to influence the consideration or outcome of an active procurement being conducted by the Authority or its service provider. Attempts by third parties to influence procurements are required to be collected and reported by the Authority and may result in Trustee recusal from actions related to the procurement or elimination of bidders from the procurement.

Transactions Involving the Trustee, Trustee's Spouse, Dependent Child or Trustee's Independent Business

9. No Trustee shall be involved in any Transaction as representative or agent of the Authority with, or be involved in any evaluation of, any business entity in which the Trustee, the Trustee's Spouse or Dependent Child has a direct or indirect Financial Interest. Prior to becoming involved in any Transaction as representative or agent of the Authority with, or becoming involved in any evaluation of, a business entity in which the Trustee, the Trustee's Spouse or Dependent Child holds a Financial Interest, the Trustee, the Trustee's Spouse or Dependent Child must sell or transfer such Financial Interest.

10. No Trustee, Trustee's Spouse or Dependent Child shall acquire, except by Gift, inheritance or the dissolution of a trust, any Financial Interest in any business entity which the Trustee has reason to believe may be directly involved in decisions to be made by him or her which will create conflict between his or her duty in the public interest and his or her private interest. If a Trustee, a Trustee's Spouse or Dependent Child receives such a Financial Interest by Gift, inheritance, operation of an automatic dividend reinvestment plan or the dissolution of a trust, the interest shall be promptly sold or transferred. If a Trustee's Spouse or Dependent Child receives or retains such a Financial Interest in violation of the foregoing provisions, it will be deemed to be a violation by the Trustee of this provision.

11. No Trustee, Trustee's Spouse or Dependent Child, or a Trustee's Independent Business shall (1) sell any goods or services having a value in excess of twenty-five dollars to the Authority, or (2) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by the Authority or any of its officers, unless such goods or services are provided pursuant to an award of contract let after public notice and competitive bidding. If a Trustee's Spouse or Dependent Child engages in the conduct described in the preceding sentence, it will be deemed to be a violation by the Trustee of this provision.

12. (a) No Trustee, Trustee's Spouse or Dependent Child shall, directly or indirectly, solicit, accept or receive any Gift having more than a nominal value, whether in the form of money, service, loan, travel, lodging, meals, refreshments, entertainment, hospitality, thing, discount, forbearance or promise, or in any other form, from an "interested source" defined as any person or entity which is (i) regulated by the Authority or (ii) does business or is seeking to do business with the Authority or (iii) a registered lobbyist who lobbies the Authority (or the spouse or emancipated child thereof), (iv) is involved in any ongoing official action or proceeding adverse to the Authority; or (v) has received or applied for funds from the Authority during the last 12 months. A gift from an interested source is presumed to be impermissible unless it is unreasonable to infer that the item or service was intended to influence or reward the Trustee for performing one's job.

(b) No Trustee, Trustee's Spouse or Dependent Child shall, directly or indirectly, solicit, accept or receive any Gift or gratuity of more than nominal value where the circumstances would permit the inference that: (i) the Gift was intended to

influence the Trustee in the performance of official business; or (ii) the Gift constituted a tip, reward, or sign of appreciation for any official act by the Trustee.

(c) No Trustee, Trustee's Spouse or Dependent Child shall (i) solicit, accept, or receive any gift, as defined in section one-c of the legislative law, from any person who is prohibited from delivering such gift pursuant to section one-m of the legislative law, attached hereto as Exhibit 1, unless under the circumstances it is not reasonable to infer that the gift was intended to influence him, or (ii) permit the solicitation, acceptance or receipt of any gift, as defined in section one-c of the legislative law, from any person who is prohibited from delivering such gift pursuant to section one-m of the legislative law to a third party including a charitable organization, on such official's designation or recommendation or on his or her behalf, under circumstances where it is reasonable to infer that the gift was intended to influence him. A list of exclusions from the definition of gift is attached as Exhibit 2. A Trustee may not solicit, accept or receive a Gift of any value if to do so would constitute a substantial conflict with the proper discharge of his or her duties in the public interest.

(d) If a Trustee's Spouse or Dependent Child engages in the conduct prohibited by paragraph (a), (b), or (c) above, it will be deemed to be a violation by the Trustee of such provisions.

Decisions Relating to a Relative

13. (a) No Trustee may take part in any hiring or employment decision relating to a Relative including any decision to hire, promote, discipline or discharge a Relative, for any compensated position at, for or within the Authority. If such a Relative is hired, no Trustee shall be permitted to supervise such Relative. If a hiring or employment matter arises relating to a Relative, then the Trustee must advise the Chair of the Board of Trustee of the relationship, and must be recused from all discussions or decisions relating to the matter.

(b) No Trustee may take part in any contracting decision: (i) relating to a Relative, (ii) relating to any entity in which a Relative is an officer, director or partner, or in which a Relative owns or controls 10% or more of the stock of such entity, (iii) involving the payment of more than \$1,000 dollars to the Trustee, any Relative of that Trustee, or any entity in which that Trustee or any Relative has a Financial Interest, or (iv) to invest public funds in any security of any entity in which that Trustee or any Relative of that Trustee has a Financial Interest, is an underwriter, or receives any brokerage, origination or servicing fees. If a contracting matter arises relating to a Relative, then the Trustee must advise the Chair of the Board of Trustees of the relationship, and must be recused from all discussions or decisions relating to the contracting matter.

Campaign Contributions and Political Activity and Affiliations

14. Trustees are prohibited from using Authority supplies, equipment, computers, personnel and other resources for non-Authority purposes, including for personal purposes or for outside activities of any kind. In addition, no Trustee appointed by the Governor may make campaign contributions to the Governor. See Executive Order No. 7 “Prohibition of Personal Use of State Property and Campaign Contributions to the Governor” (issued by Governor Paterson and continued by Governor Andrew M. Cuomo) attached hereto as Appendix E and incorporated herein by reference.

15. (a) No Trustee involved in the awarding of grants or contracts may ask a current or prospective grantee or contractor, or any officer, director or employee thereof, to disclose (i) the party affiliation of such grantee or contractor, or any officer, director or employee thereof; (ii) whether such grantee or contractor, or any officer, director or employee thereof, has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether such grantee or contractor, or any officer, director or employee thereof, cast a vote for or against any elected official, candidate or political party.

(b) No Trustee may award or decline to award any state grant or contract, or recommend, promise or threaten to do so, in whole or in part, because of a current or prospective grantee’s or contractor’s refusal to answer any inquiry prohibited by paragraph (a) of this subdivision, or giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

16. (a) No Trustee may during the consideration of an employment decision ask any applicant for public employment to disclose: (i) the political party affiliation of the applicant; (ii) whether the applicant has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether the applicant cast a vote for or against any elected official, candidate or political party. The provisions of this paragraph shall not apply where (1) such inquiry is necessary for the proper application of any state law or regulation; or (2) such inquiry is consistent with publicly disclosed policies or practices of any state agency or public authority, whose purpose is to ensure the representation of more than one political party on any multi-member body.

(b) No Trustee may decline to hire or promote, discharge, discipline, or in any manner change the official rank or compensation of any state official or employee, or applicant for employment, or promise or threaten to do so, based upon a refusal to answer any inquiry prohibited by paragraph (a) of this subdivision, or for giving or withholding or neglecting to make any contribution of money or service or other valuable thing for any political purpose.

(c) No Trustee shall, directly or indirectly, use his or her official authority to compel or induce any other Trustee to make or promise to make any political contribution, whether by gift of money, service or other thing of value.

17. (a) Regulation 19 NYCRR Part 932.4 of the Joint Commission on Public

Ethics (the “Commission”) requires that Trustees, by virtue of holding Policy-Making Positions, shall not serve as: (1) officers of any political party or political organization; or (2) members of any political party committee, including political party district leaders or as members of a political party national committee. “Political organization” means any organization affiliated with a political party but does not include a judicial nominating committee, an organization supporting a particular cause with no partisan activities, a campaign or fundraising committee, or serving as a delegate to a state or national party convention.

(b) Consistent with this Code, Trustees are otherwise free to participate in the political process on their own time, but there must be a clear separation between their political activities and the discharge of their duties as Trustees of the Authority.

Outside Employment

18. Trustees may not hold outside employment that is in conflict with their Authority duties. See Conflicts of interest.

Annual Financial Disclosure Filing

19. Section §73-a of the Public Officers Law requires the filing of an annual statement of financial disclosure by Trustees. This disclosure statement is an annual disclosure of the financial holdings and associations of filers and their Spouses. The purpose of the financial disclosure is to highlight potential conflicts of interest. (See Appendix B). The Commission can assess penalties for late and delinquent filings.

C. Applicable New York Law

These standards do not replace and are in addition to the requirements of law, particularly Sections 73 and 74 of the New York Public Officers Law, which, among other things, govern the business activities of Trustees and Former Trustees and set forth the State Code of Ethics. Copies of Sections 73, 73-a and 74 of the Public Officers Law are attached to and made a part of this Code as Appendices A, B and C, respectively.

Under the New York Penal Law, it is a felony for Trustees to solicit, accept or agree to accept any Benefit from another person upon an agreement or understanding that their vote, opinion, judgment, action, decision or exercise of discretion as public servants will thereby be influenced. It is also a felony for Trustees to solicit, accept or agree to accept any Benefit from another person for having violated their duties as public servants. It is a misdemeanor for Trustees to solicit, accept or agree to accept any Benefit for having engaged in official conduct which they were required or authorized to perform, and for which they were not entitled to any special or additional compensation.

V. Trading of Securities of Companies Providing Operations Services to the Authority and Certain Energy Companies

The acquisition or trading of securities issued by companies that provide Operations Services to the Authority, the parent corporations of such companies and other subsidiaries or affiliates of such parent corporations, if any, presents a possible Conflict of Interest for all Trustees.

To protect against the potential of a Conflict of Interest with respect to Transactions involving companies that provide Operations Services to the Authority, it is the Authority's policy that a Trustee, a Trustee's Spouse or Dependent Child may not Trade in or otherwise acquire securities in any companies, including parent corporations and other subsidiaries or affiliates of such parent corporations, if any, that provide Operations Services to the Authority. A Trustee, a Trustee's Spouse or Dependent Child who has acquired the securities, not including such securities that are included within a mutual fund or pension fund investment, of such companies must sell or transfer the securities within one year of (i) the Trustee's date of appointment with the Authority, or (ii) the date of such receipt, whichever is later.

No Trustee of the Authority may Trade in or, except as permitted below, otherwise acquire securities in any company engaged in the generation, transmission or sale of electric energy or gas or the provision of fuel to generation facilities, if that Trustee's responsibilities include (i) representing the Authority in Transactions involving such companies; (ii) participating in the evaluation of, or Authority decisions with respect to, Transactions with such companies, or (iii) representing the Authority before regulatory agencies or independent system operators (or their successors) on matters in which such companies have a potential financial interest. Excepted from this provision are those securities that are included within a mutual fund or pension fund investment.

There is no prohibition against the ownership or Trading of Authority bonds and notes which are publicly held and traded subject to the limitations set forth below in Section VI.

VI. Use of Material, Nonpublic and Confidential Information

It is the policy of the Authority to prohibit all Trustees and Former Trustees from (1) Trading in securities based on material, nonpublic information derived from or relating to Authority activities and (2) disclosing Confidential Information to unauthorized third parties.

A. Trading of Securities Based on Material, Nonpublic Information

1. Trustees and Former Trustees shall not Trade in bonds or other securities issued by the Authority based on material, nonpublic information derived from any source and shall not disclose such information for the purpose of allowing third parties to profit from Trading in Authority securities.

2. Trustees and Former Trustees shall not Trade in stocks, bonds or other securities issued by other business entities based on material, nonpublic information

obtained in the course of their duties for the Authority and shall not disclose such information for the purpose of allowing third parties to profit from Trading in securities issued by other business entities based on such information.

Information is material if there is a substantial likelihood that a reasonable investor would consider the information important in making his or her investment decision concerning the securities in question.

Information is nonpublic if, in the case of Authority securities, it has not been publicly disseminated by the Authority. Information is nonpublic if, in the case of securities issued by other business entities, it has not been publicly disseminated by those business entities.

B. Disclosure or Use of Confidential Information

Trustees and Former Trustees shall not disclose Confidential Information to any third party not authorized to receive such information and shall not profit from the use of such information or use such information to further his or her personal interests of the interests of any Relative.

If a Trustee or Former Trustee has a question concerning the confidential status of any information, he or she should consult with the General Counsel of the Authority regarding such information prior to disclosing it to a third party.

Trustees and Former Trustees who violate the provisions of this section may be subject to civil and criminal penalties under Federal and State laws, including fines and/or imprisonment. In addition, Trustees who violate the provisions of this section may be subject to disciplinary action by the Authority, including termination of employment.

VII. Annual Certification of Absence of Conflict of Interest

All Trustees are required to certify annually that they have read the Code, that they understand and agree to comply with the provisions thereof and that they have no known conflict of interest. The Annual Certification Form is attached hereto as Appendix F. These certifications shall be timely submitted to the Authority's General Counsel or Compliance Officer.

Any Trustee who knowingly fails to complete, sign and submit the required Annual Certification Form is in violation of the Code and may be subject to disciplinary action.

VIII. Requests for Interpretation, Clarification or Waiver of the Code

A. Interpretation and Clarification

A Trustee or Former Trustee may submit a written request to the General Counsel of the Authority for an interpretation or clarification of one or more provisions of the Code.

B. Waivers

A Trustee or Former Trustee may submit a written request to the Chair of the Board of Trustees for a waiver of any restriction contained in the Code, provided that the restriction is not otherwise required by State or Federal law. All waiver requests shall include a description of the nature of the restriction or prohibition for which waiver is sought; the nature of the Trustee's or Former Trustee's interest involved; the effect on the Trustee or Former Trustee or the Authority of the restriction or prohibition for which the waiver is sought; and the reasons why the waiver should be granted. A copy of the written request shall be provided to the General Counsel of the Authority.

IX. Remedies for Breaches of the Code

In addition to any other remedies, civil or otherwise, which the Authority may have, a Trustee or Former Trustee who violates the Code may be disciplined under the Code. Remedies or disciplinary action may be imposed only upon the basis of a written statement of findings and recommendations by the General Counsel of the Authority, and may include one or more of the following:

1. issuance of written warnings;
2. direction of corrective action to eliminate and/or ameliorate the conflict of interest;
or
3. restitution.

A Former Trustee found to have violated the Code is subject to one or more of the following in addition to any other remedies, civil or otherwise, that the Authority may have: warnings; termination of existing Transactions involving the individual in question to the extent permitted by law; disqualification or suspension from future Transactions of the Former Trustee and/or the person on whose behalf he or she is participating in Transactions with the Authority; and notification to appropriate persons that a conflict exists.

X. Reporting of Violations of the Code

Trustees and Former Trustees are encouraged to promptly report any violations of the Code to the Chair of the Board of Trustees or General Counsel of the Authority and shall cooperate in any official investigation of such violations. Retaliation against Trustees or Former Trustees who in good faith report violations of the Code, other provisions of law or policies, or the public trust, is prohibited. (See the Authority's Anti-Retaliation Policy, attached hereto as Appendix G.)

The General Counsel of the Authority will inform the Authority's Governance Committee of the Board of Trustees about the status and disposition of official investigations and issues thereof raised under the Code.

EXHIBIT 1

Section 1-M of the Legislative Law

Prohibition of gifts. No individual or entity required to be listed on a statement of registration pursuant to this article shall offer or give a gift to any public official as defined within this article, unless under the circumstances it is not reasonable to infer that the gift was intended to influence such public official. No individual or entity required to be listed on a statement of registration pursuant to this article shall offer or give a gift to the spouse or unemancipated child of any public official as defined within this article under circumstances where it is reasonable to infer that the gift was intended to influence such public official. No spouse or unemancipated child of an individual required to be listed on a statement of registration pursuant to this article shall offer or give a gift to a public official under circumstances where it is reasonable to infer that the gift was intended to influence such public official. This section shall not apply to gifts to officers, members or directors of boards, commissions, councils, public authorities or public benefit corporations who receive no compensation or are compensated on a per diem basis, unless the person listed on the statement of registration appears or has matters pending before the board, commission or council on which the recipient sits.

EXHIBIT 2

Section 1-C of the Legislative Law

(j) The term "gift" shall mean anything of more than nominal value given to a public official in any form including, but not limited to money, service, loan, travel, lodging, meals, refreshments, entertainment, discount, forbearance, or promise, having a monetary value. The following are excluded from the definition of a gift: (i) complimentary attendance, including food and beverage, at bona fide charitable or political events, and food and beverage of a nominal value offered other than as part of a meal; (ii) complimentary attendance, food and beverage offered by the sponsor of an event that is widely attended or was in good faith intended to be widely attended, when attendance at the event is related to the attendee's duties or responsibilities as a public official or allows the public official to perform a ceremonial function appropriate to his or her position; (iii) awards, plaques, and other ceremonial items which are publicly presented, or intended to be publicly presented, in recognition of public service, provided that the item or items are of the type customarily bestowed at such or similar ceremonies and are otherwise reasonable under the circumstances, and further provided that the functionality of such items shall not determine whether such items are permitted under this paragraph; (iv) an honorary degree bestowed upon a public official by a public or private college or university; (v) promotional items having no substantial resale value such as pens, mugs, calendars, hats, and t-shirts which bear an organization's name, logo, or message in a manner which promotes the organization's cause; (vi) goods and services, or discounts for goods and services, offered to the general public or a segment of the general public defined on a basis other than status as a public official and offered on the same terms and conditions as the goods or services are offered to the general public or segment thereof; (vii) gifts from a family member, member of the same household, or person with a personal relationship with the public official, including invitations to attend personal or family social events, when the circumstances establish that it is the family, household, or personal relationship that is the primary motivating factor; in determining motivation, the following factors shall be among those considered: (a) the history and nature of the relationship between the donor and the recipient, including whether or not items have previously been exchanged; (b) whether the item was purchased by the donor; and (c) whether or not the donor at the same time gave similar items to other public officials; the transfer shall not be considered to be motivated by a family, household, or personal relationship if the donor seeks to charge or deduct the value of such item as a business expense or seeks reimbursement from a client; (viii) contributions reportable under article fourteen of the election law; (ix) travel reimbursement or payment for transportation, meals and accommodations for an attendee, panelist or speaker at an informational event when such reimbursement or payment is made by a governmental entity or by an instate accredited public or private institution of higher education that hosts the event on its campus, provided, however, that the public official may only accept lodging from an institution of higher education: (a) at a location on or within close proximity to the host campus; and (b) for the night preceding and the nights of the days on which the attendee, panelist or speaker actually attends the event; (x) provision of local transportation to inspect or tour facilities, operations or property owned or operated by the entity providing such transportation, provided, however, that payment or reimbursement of lodging, meals or travel expenses to and from the locality where such facilities, operations or property are located shall be considered to be gifts unless otherwise

permitted under this subdivision; and (xi) meals or refreshments when participating in a professional or educational program and the meals or refreshments are provided to all participants.

APPENDIX A

McKinney's Consolidated Laws of New York Annotated Public Officers Law (Refs & Annos) Chapter 47. Of the Consolidated Laws Article 4. Powers and Duties of Public Officers (Refs & Annos)
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McKinney's Public Officers Law § 73

§ 73. Business or professional activities by state officers and employees and party officers

Effective: April 13, 2015

Currentness

1. As used in this section:

(a) The term “compensation” shall mean any money, thing of value or financial benefit conferred in return for services rendered or to be rendered. With regard to matters undertaken by a firm, corporation or association, compensation shall mean net revenues, as defined in accordance with generally accepted accounting principles as defined by the joint commission on public ethics or legislative ethics commission in relation to persons subject to their respective jurisdictions.

(b) The term “licensing” shall mean any state agency activity, other than before the division of corporations and state records in the department of state, respecting the grant, denial, renewal, revocation, enforcement, suspension, annulment, withdrawal, recall, cancellation or amendment of a license, permit or other form of permission conferring the right or privilege to engage in (i) a profession, trade, or occupation or (ii) any business or activity regulated by a regulatory agency as defined herein, which in the absence of such license, permit or other form of permission would be prohibited.

(c) The term “legislative employee” shall mean any officer or employee of the legislature but it shall not include members of the legislature.

(d) The term “ministerial matter” shall mean an administrative act carried out in a prescribed manner not allowing for substantial personal discretion.

(e) The term “regulatory agency” shall mean the department of financial services, state liquor authority, department of agriculture and markets, department of education, department of environmental conservation, department of health, division of housing and community renewal, department of state, other than the division of corporations and state records, department of public service, the industrial board of appeals in the department of labor and the department of law, other than when the attorney general or his agents or employees are performing duties specified in section sixty-three of the executive law.

(f) The term “representative capacity” shall mean the presentation of the interests of a client or other person pursuant to an agreement, express or implied, for compensation for services.

(g) The term “state agency” shall mean any state department, or division, board, commission, or bureau of any state department, any public benefit corporation, public authority or commission at least one of whose members is appointed by the governor, or the state university of New York or the city university of New York, including all their constituent units except community

colleges of the state university of New York and the independent institutions operating statutory or contract colleges on behalf of the state.

(h) The term “statewide elected official” shall mean the governor, lieutenant governor, comptroller or attorney general.

(i) The term “state officer or employee” shall mean:

(i) heads of state departments and their deputies and assistants other than members of the board of regents of the university of the state of New York who receive no compensation or are compensated on a per diem basis;

(ii) officers and employees of statewide elected officials;

(iii) officers and employees of state departments, boards, bureaus, divisions, commissions, councils or other state agencies other than officers of such boards, commissions or councils who receive no compensation or are compensated on a per diem basis; and

(iv) members or directors of public authorities, other than multi-state authorities, public benefit corporations and commissions at least one of whose members is appointed by the governor, who receive compensation other than on a per diem basis, and employees of such authorities, corporations and commissions.

(j) The term “city agency” shall mean a city, county, borough or other office, position, administration, department, division, bureau, board, commission, authority, corporation or other agency of government, the expenses of which are paid in whole or in part from the city treasury, and shall include the board of education, the board of higher education, school boards, city and community colleges, community boards, the New York city transit authority, the New York city housing authority and the Triborough bridge and tunnel authority, but shall not include any court or corporation or institution maintaining or operating a public library, museum, botanical garden, arboretum, tomb, memorial building, aquarium, zoological garden or similar facility.

(k) The term “political party chairman” shall mean:

(i) the chairman of the state committee of a party elected as provided in section 2-112 of the election law and his or her successor in office;

(ii) the chairman of a county committee elected as provided in section 2-112 of the election law and his or her successor in office from a county having a population of three hundred thousand or more or who receives compensation or expenses, or both, during the calendar year aggregating thirty thousand dollars or more; and

(iii) that person (usually designated by the rules of a county committee as the “county leader” or “chairman of the executive committee”) by whatever title designated, who pursuant to the rules of a county committee or in actual practice, possesses or performs any or all of the following duties or roles, provided that such person was elected from a county having a population of three hundred thousand or more or was a person who received compensation or expenses, or both, from constituted committee or political committee funds, or both, during the reporting period aggregating thirty thousand dollars or more:

- (A) the principal political, executive and administrative officer of the county committee;
- (B) the power of general management over the affairs of the county committee;
- (C) the power to exercise the powers of the chairman of the county committee as provided for in the rules of the county committee;
- (D) the power to preside at all meetings of the county executive committee, if such a committee is created by the rules of the county committee or exists de facto, or any other committee or subcommittee of the county committee vested by such rules with or having de facto the power of general management over the affairs of the county committee at times when the county committee is not in actual session;
- (E) the power to call a meeting of the county committee or of any committee or subcommittee vested with the rights, powers, duties or privileges of the county committee pursuant to the rules of the county committee, for the purpose of filling an office at a special election in accordance with section 6-114 of the election law, for the purpose of filling a vacancy in accordance with section 6-116 of such law; or
- (F) the power to direct the treasurer of the party to expend funds of the county committee.

The terms “constituted committee” and “political committee”, as used in this paragraph (k), shall have the same meanings as those contained in section 14-100 of the election law.

(l) A person has a “financial interest” in any entity if that person:

(i) owns or controls ten percent or more of the stock of such entity (or one percent in the case of a corporation whose stock is regularly traded on an established securities exchange); or

(ii) serves as an officer, director or partner of that entity.

(m) The “relative” of any individual shall mean any person living in the same household as the individual and any person who is a direct descendant of that individual's grandparents or the spouse of such descendant.

2. In addition to the prohibitions contained in subdivision seven of this section, no statewide elected official, state officer or employee, member of the legislature or legislative employee shall receive, or enter into any agreement express or implied for, compensation for services to be rendered in relation to any case, proceeding, application, or other matter before any state agency, or any executive order, or any legislation or resolution before the state legislature, whereby his or her compensation is to be dependent or contingent upon any action by such agency or legislature with respect to any license, contract, certificate, ruling, decision, executive order, opinion, rate schedule, franchise, legislation, resolution or other benefit; provided, however, that nothing in this subdivision shall be deemed to prohibit the fixing at any time of fees based upon the reasonable value of the services rendered.

3. (a) No statewide elected official, member of the legislature, legislative employee, full-time salaried state officer or employee shall receive, directly or indirectly, or enter into any agreement express or implied for, any compensation, in whatever form, for the appearance or rendition of services by himself or another against the interest of the state in relation to any case, proceeding, application or other matter before, or the transaction of business by himself or another with, the court of claims.

(b) No state officer or employee who is required to file an annual statement of financial disclosure pursuant to the provisions of section seventy-three-a of this article, and is not otherwise subject to the provisions of this section, shall receive, directly or indirectly, or enter into any agreement express or implied, for any compensation, in whatever form, for the appearance or rendition of services by himself or another against the interest of the state agency by which he is employed or affiliated in relation to any case, proceeding, application or other matter before, or the transaction of business by himself or another with, the court of claims.

4. (a) No statewide elected official, state officer or employee, member of the legislature, legislative employee or political party chairman or firm or association of which such person is a member, or corporation, ten per centum or more of the stock of which is owned or controlled directly or indirectly by such person, shall (i) sell any goods or services having a value in excess of twenty-five dollars to any state agency, or (ii) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised, directly or indirectly, by a state agency or officer thereof, unless such goods or services are provided pursuant to an award or contract let after public notice and competitive bidding. This paragraph shall not apply to the publication of resolutions, advertisements or other legal propositions or notices in newspapers designated pursuant to law for such purpose and for which the rates are fixed pursuant to law.

(b) No political party chairman of a county wholly included in a city with a population of more than one million, or firm or association of which such person is a member, or corporation, ten per centum or more of the stock of which is owned or controlled directly or indirectly by such person, shall (i) sell any goods or services having a value in excess of twenty-five dollars to any city agency, or (ii) contract for or provide such goods or services with or to any private entity where the power to contract, appoint or retain on behalf of such private entity is exercised directly or indirectly, by a city agency or officer thereof, unless such goods or services are provided pursuant to an award or contract let after public notice and competitive bidding. This paragraph shall not apply to the publication of resolutions, advertisements or other legal propositions or notices in newspapers designated pursuant to law for such purpose and for which the rates are fixed pursuant to law.

(c) For purposes of this subdivision, the term "services" shall not include employment as an employee.

5. No statewide elected official, state officer or employee, individual whose name has been submitted by the governor to the senate for confirmation to become a state officer or employee, member of the legislature or legislative employee shall, directly or indirectly:

(a) solicit, accept or receive any gift having more than a nominal value, whether in the form of money, service, loan, travel, lodging, meals, refreshments, entertainment, discount, forbearance or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him, or could reasonably be expected to influence him, in the performance of his official duties or was intended as a reward for any official action on his part. No person shall, directly or indirectly, offer or make any such gift to a statewide elected official, or any state officer or employee, member of the legislature or legislative employee under such circumstances.

(b) solicit, accept or receive any gift, as defined in section one-c of the legislative law, from any person who is prohibited from delivering such gift pursuant to section one-m of the legislative law unless under the circumstances it is not reasonable to infer that the gift was intended to influence him; or

(c) permit the solicitation, acceptance, or receipt of any gift, as defined in section one-c of the legislative law, from any person who is prohibited from delivering such gift pursuant to section one-m of the legislative law to a third party including a charitable organization, on such official's designation or recommendation or on his or her behalf, under circumstances where it is reasonable to infer that the gift was intended to influence him.

5-a. (a) For the purpose of this subdivision only, the term "honorarium" shall mean any payment made in consideration for any speech given at a public or private conference, convention, meeting, social event, meal or like gathering.

(b) No statewide elected official or head of any civil department shall, directly or indirectly, solicit, accept or receive any honorarium while holding such elected office or appointed position.

(c) No member of the legislature or legislative employee shall, directly or indirectly, solicit, accept or receive any honorarium while holding such elected office or employment, other than honorarium paid in consideration for a speech given on a topic unrelated to the individual's current public employment or as earned income for personal services that are customarily provided in connection with the practice of a bona fide business, trade or profession, such as teaching, practicing law, medicine or banking, unless the sole or predominant activity thereof is making speeches.

6. (a) Every legislative employee not subject to the provisions of section seventy-three-a of this chapter shall, on and after December fifteenth and before the following January fifteenth, in each year, file with the joint commission on public ethics and the legislative ethics commission a financial disclosure statement of

(1) each financial interest, direct or indirect of himself, his spouse and his unemancipated children under the age of eighteen years in any activity which is subject to the jurisdiction of a regulatory agency or name of the entity in which the interest is had and whether such interest is over or under five thousand dollars in value.

(2) every office and directorship held by him in any corporation, firm or enterprise which is subject to the jurisdiction of a regulatory agency, including the name of such corporation, firm or enterprise.

(3) any other interest or relationship which he determines in his discretion might reasonably be expected to be particularly affected by legislative action or in the public interest should be disclosed.

(b) Copies of such statements shall be open for public inspection and copying.

(c) Any such legislative employee who knowingly and wilfully with intent to deceive makes a false statement or gives information which he knows to be false in any written statement required to be filed pursuant to this subdivision, shall be assessed a civil penalty in an amount not to exceed ten thousand dollars. Assessment of a civil penalty shall be made by the legislative ethics committee in accordance with the provisions of subdivision twelve of section eighty of the legislative law.

For a violation of this subdivision, the committee may, in lieu of a civil penalty, refer a violation to the appropriate prosecutor and upon conviction, but only after such referral, such violation shall be punishable as a class A misdemeanor.

7. (a) No statewide elected official, or state officer or employee, other than in the proper discharge of official state or local governmental duties, or member of the legislature or legislative employee, or political party chairman shall receive, directly or indirectly, or enter into any agreement express or implied for, any compensation, in whatever form, for the appearance or rendition of services by himself or another in relation to any case, proceeding, application or other matter before a state agency where such appearance or rendition of services is in connection with:

- (i) the purchase, sale, rental or lease of real property, goods or services, or a contract therefor, from, to or with any such agency;
- (ii) any proceeding relating to rate making;
- (iii) the adoption or repeal of any rule or regulation having the force and effect of law;
- (iv) the obtaining of grants of money or loans;
- (v) licensing; or
- (vi) any proceeding relating to a franchise provided for in the public service law.

(b) No political party chairman in a county wholly included in a city having a population of one million or more shall receive, directly or indirectly, or enter into any agreement express or implied for, any compensation, in whatever form, for the appearance or rendition of services by himself or another in relation to any case, proceeding, application or other matter before any city agency where such appearance or rendition of services is in connection with:

- (i) the purchase, sale, rental or lease of real property, goods or services, or a contract therefor, from, to or with any such agency;
- (ii) any proceeding relating to ratemaking;
- (iii) the adoption or repeal of any rule or regulation having the force and effect of law;
- (iv) the obtaining of grants of money or loans;
- (v) licensing. For purposes of this paragraph, the term "licensing" shall mean any city agency activity respecting the grant, denial, renewal, revocation, enforcement, suspension, annulment, withdrawal, recall, cancellation or amendment of a license, permit or other form of permission conferring the right or privilege to engage in (i) a profession, trade, or occupation or (ii) any business or activity regulated by a regulatory agency of a city agency which in the absence of such license, permit or other form of permission would be prohibited; and

(vi) any proceeding relating to a franchise.

(c) Nothing contained in this subdivision shall prohibit a statewide elected official, or a state officer or employee, unless otherwise prohibited, or a member of the legislature or legislative employee, or political party chairman, from appearing before a state agency in a representative capacity if such appearance in a representative capacity is in connection with a ministerial matter.

(d) Nothing contained in this subdivision shall prohibit a member of the legislature, or a legislative employee on behalf of such member, from participating in or advocating any position in any matter in an official or legislative capacity, including, but not limited to, acting as a public advocate whether or not on behalf of a constituent. Nothing in this paragraph shall be construed to limit the application of the provisions of section seventy-seven of this chapter.

(e) Nothing contained in this subdivision shall prohibit a state officer or employee from appearing before a state agency in a representative capacity on behalf of an employee organization in any matter where such appearance is duly authorized by an employee organization.

(f) Nothing contained in this subdivision shall prohibit a political party chairman from participating in or advocating any matter in an official capacity.

(g) Nothing contained in this subdivision shall prohibit internal research or discussion of a matter, provided, however, that the time is not charged to the client and the person does not share in the net revenues generated or produced by the matter.

(h) Nothing contained in this subdivision shall prohibit a state officer or employee, unless otherwise prohibited, from appearing or rendering services in relation to a case, proceeding, application or transaction before a state agency, other than the agency in which the officer or employee is employed, when such appearance or rendition of services is made while carrying out official duties as an elected or appointed official, or employee of a local government or one of its agencies.

7-a. No member of the legislature, legislative employee, statewide elected official, or state officer or employee shall receive, directly or indirectly, or enter into any agreement express or implied, for any compensation, in whatever form, for the rendering of consulting, representational, advisory or other services by himself or herself or another in connection with any proposed or pending bill or resolution in the senate or assembly.

8. (a)(i) No person who has served as a state officer or employee shall within a period of two years after the termination of such service or employment appear or practice before such state agency or receive compensation for any services rendered by such former officer or employee on behalf of any person, firm, corporation or association in relation to any case, proceeding or application or other matter before such agency.

(ii) No person who has served as a state officer or employee shall after the termination of such service or employment appear, practice, communicate or otherwise render services before any state agency or receive compensation for any such services rendered by such former officer or employee on behalf of any person, firm, corporation or other entity in relation to any case, proceeding, application or transaction with respect to which such person was directly concerned and in which he or she personally participated during the period of his or her service or employment, or which was under his or her active consideration.

(iii) No person who has served as a member of the legislature shall within a period of two years after the termination of such service receive compensation for any services on behalf of any person, firm, corporation or association to promote or oppose, directly or indirectly, the passage of bills or resolutions by either house of the legislature. No legislative employee shall within a period of two years after the termination of such service receive compensation for any services on behalf of any person, firm, corporation or association to appear, practice or directly communicate before either house of the legislature to promote or oppose the passage of bills or resolutions by either house of the legislature.

(iv) No person who has served as an officer or employee in the executive chamber of the governor shall within a period of two years after termination of such service appear or practice before any state agency.

(b)(i) The provisions of subparagraph (i) of paragraph (a) of this subdivision shall not apply to any state officer or employee whose employment was terminated on or after January first, nineteen hundred ninety-five and before April first, nineteen hundred ninety-nine or on or after January first, two thousand nine and before April first, two thousand fourteen because of economy, consolidation or abolition of functions, curtailment of activities or other reduction in the state work force. On or before the date of such termination of employment, the state agency shall provide to the terminated employee a written certification that the employee has been terminated because of economy, consolidation or abolition of functions, curtailment of activities or other reduction in the state work force, and that such employee is covered by the provisions of this paragraph. The written certification shall also contain a notice describing the rights and responsibilities of the employee pursuant to the provisions of this section. The certification and notice shall contain the information and shall be in the form set forth below:

CERTIFICATION AND NOTICE

TO: Employee's Name:

State agency:

Date of Termination:

I, (name and title) of (state agency), hereby certify that your termination from State service is because of economy, consolidation or abolition of functions, curtailment of activities or other reduction in the State work force. Therefore, you are covered by the provisions of paragraph (b) of subdivision eight of section seventy-three of the Public Officers Law.

You were designated as a policy maker: YES ____ NO ____

.....
(TITLE)

TO THE EMPLOYEE:

This certification affects your right to engage in certain activities after you leave state service.

Ordinarily, employees who leave State service may not, for two years, appear or practice before their former agency or receive compensation for rendering services on a matter before their former agency. However, because of this certification, you may be exempt from this restriction.

If you were not designated as a Policymaker by your agency, you are automatically exempt. You may, upon leaving State service, immediately appear, practice or receive compensation for services rendered before your former agency.

If you were designated as a Policymaker by your agency, you are eligible to apply for an exemption to the Commission on Public Integrity at 540 Broadway, Albany, New York 12207.

Even if you are or become exempt from the two year bar, the lifetime bar of the revolving door statute will continue to apply to you. You may not appear, practice, communicate or otherwise render services before any State agency in relation to any case, proceeding, application or transaction with respect to which you were directly concerned and in which you personally participated during your State service, or which was under your active consideration.

If you have any questions about the application of the post-employment restrictions to your circumstances, you may contact the Commission on Public Integrity at (518) 408-3976 or 1-800-87ETHIC (1-800-873-8442).

(ii) The provisions of subparagraph (i) of this paragraph shall not apply to any such officer or employee who at the time of or prior to such termination had served in a policymaking position as determined by the appointing authority, which determination had been filed with the state ethics commission or the commission on public integrity, provided that such officer or employee may so appear or practice or receive such compensation with the prior approval of the state ethics commission or the commission on public integrity. In determining whether to grant such approval the state ethics commission or the commission on public integrity shall consider:

- A. whether the employee's prior job duties involved substantial decision-making authority over policies, rule or contracts;
- B. the nature of the duties to be performed by the employee for the prospective employer;
- C. whether the prospective employment is likely to involve substantial contact with the employee's former agency and the extent to which any such contact is likely to involve matters where the agency has the discretion to make decisions based on the work product of the employee;
- D. whether the prospective employment may be beneficial to the state or the public; and
- E. the extent of economic hardship to the employee if the application is denied.

(c) The provisions of paragraph (b) of this subdivision shall not apply to employees whose employment has been discontinued as a result of retirement or to employees who, prior to termination, have declined to exercise a right to another position with a state agency unless such position would require the employee to travel more than thirty-five miles in each direction to the new position or accept a reduction in base salary of more than ten per centum.

(d) Nothing contained in this subdivision shall prohibit any state agency from adopting rules concerning practice before it by former officers or employees more restrictive than the requirements of this subdivision.

(e) This subdivision shall not apply to any appearance, practice, communication or rendition of services before any state agency, or either house of the legislature, or to the receipt of compensation for any such services, rendered by a former state officer or

employee or former member of the legislature or legislative employee, which is made while carrying out official duties as an elected official or employee of a federal, state or local government or one of its agencies.

(f) Nothing in this subdivision shall be deemed to prevent a former state officer or employee who was employed on a temporary basis to perform routine clerical services, mail services, data entry services or other similar ministerial tasks, from subsequently being employed by a person, firm, corporation or association under contract to a state agency to perform such routine clerical services, mail services, data entry services or other similar ministerial tasks; provided however, this paragraph shall in no event apply to any such state officer or employee who was required to file an annual statement of financial disclosure pursuant to section seventy-three-a of this article.

(g) Notwithstanding the provisions of subparagraphs (i) and (ii) of paragraph (a) of this subdivision, a former state officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to any state agency when the agency head certifies in writing to the state ethics commission that the services of such former officer or employee are required in connection with the agency's efforts to address the state's year 2000 compliance problem.

(h) Notwithstanding the provisions of subparagraphs (i) and (ii) of paragraph (a) of this subdivision, a former state officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to any state agency when the agency head certifies in writing to the joint commission on public ethics that the services of such former officer or employee are required in connection with the agency's response to a disaster emergency declared by the governor pursuant to section twenty-eight of the executive law.

(i) The provisions of subparagraphs (i) and (ii) of paragraph (a) of this subdivision shall not apply to any person as a result of his or her temporary employment by the New York state department of agriculture and markets in the civil service title of veterinarian one or animal health inspector one and their service, in that capacity, as a member of the New York state emergency veterinary corps.

8-a. The provisions of subparagraphs (i) and (ii) of paragraph (a) of subdivision eight of this section shall not apply to any such former state officer or employee engaged in any of the specific permitted activities defined in this subdivision that are related to any civil action or proceeding in any state or federal court, provided that the attorney general has certified in writing to the joint commission on public ethics, with a copy to such former state officer or employee, that the services are rendered on behalf of the state, a state agency, state officer or employee, or other person or entity represented by the attorney general, and that such former state officer or employee has expertise, knowledge or experience which is unique or outstanding in a field or in a particular matter or which would otherwise be generally unavailable at a comparable cost to the state, a state agency, state officer or employee, or other person or entity represented by the attorney general in such civil action or proceeding. In those instances where a state agency is not represented by the attorney general in a civil action or proceeding in state or federal court, a former state officer or employee may engage in permitted activities provided that the general counsel of the state agency, after consultation with the joint commission on public ethics, provides to the joint commission on public ethics a written certification which meets the requirements of this subdivision. For purposes of this subdivision the term "permitted activities" shall mean generally any activity performed at the request of the attorney general or the attorney general's designee, or in cases where the state agency is not represented by the attorney general, the general counsel of such state agency, including without limitation:

(a) preparing or giving testimony or executing one or more affidavits;

- (b) gathering, reviewing or analyzing information, including documentary or oral information concerning facts or opinions, attending depositions or participating in document review or discovery;
- (c) performing investigations, examinations, inspections or tests of persons, documents or things;
- (d) performing audits, appraisals, compilations or computations, or reporting about them;
- (e) identifying information to be sought concerning facts or opinions; or
- (f) otherwise assisting in the preparation for, or conduct of, such litigation.

Nothing in this subdivision shall apply to the provision of legal representation by any former state officer or employee.

8-b. [As added by L.2004, c. 523. See, also, subd. 8-b below.] Notwithstanding the provisions of subparagraphs (i) and (ii) of paragraph (a) of subdivision eight of this section, a former state officer or employee may contract individually, or as a member or employee of a firm, corporation or association, to render services to any state agency if, prior to engaging in such service, the agency head certifies in writing to the joint commission on public ethics that such former officer or employee has expertise, knowledge or experience with respect to a particular matter which meets the needs of the agency and is otherwise unavailable at a comparable cost. Where approval of the contract is required under section one hundred twelve of the state finance law, the comptroller shall review and consider the reasons for such certification. The joint commission on public ethics must review and approve all certifications made pursuant to this subdivision.

8-b. [As added by L.2004, c. 540. See, also, subd. 8-b above.] Notwithstanding the provisions of subparagraphs (i) and (ii) of paragraph (a) of subdivision eight of this section, a former state officer or employee who, prior to his or her separation from state service, was employed as a health care professional and, in conjunction with his or her state duties, provided treatment and/or medical services to individuals residing in or served by a state-operated facility is not barred from rendering services to such individuals in their care prior to leaving state service, at the state-operated facility which employed the former state officer or employee.

9. No party officer while serving as such shall be eligible to serve as a judge of any court of record, attorney-general or deputy or assistant attorney-general or solicitor general, district attorney or assistant district attorney. As used in this subdivision, the term "party officer" shall mean a member of a national committee, an officer or member of a state committee or a county chairman of any political party.

10. Nothing contained in this section, the judiciary law, the education law or any other law or disciplinary rule shall be construed or applied to prohibit any firm, association or corporation, in which any present or former statewide elected official, state officer or employee, or political party chairman, member of the legislature or legislative employee is a member, associate, retired member, of counsel or shareholder, from appearing, practicing, communicating or otherwise rendering services in relation to any matter before, or transacting business with a state agency, or a city agency with respect to a political party chairman in a county wholly included in a city with a population of more than one million, otherwise proscribed by this section, the judiciary law, the education law or any other law or disciplinary rule with respect to such official, member of the legislature or officer or employee, or political party chairman, where such statewide elected official, state officer or employee, member of the legislature or legislative employee, or political party chairman does not share in the net revenues, as defined in accordance with generally

accepted accounting principles by the joint commission on public ethics or by the legislative ethics committee in relation to persons subject to their respective jurisdictions, resulting therefrom, or, acting in good faith, reasonably believed that he or she would not share in the net revenues as so defined; nor shall anything contained in this section, the judiciary law, the education law or any other law or disciplinary rule be construed to prohibit any firm, association or corporation in which any present or former statewide elected official, member of the legislature, legislative employee, full-time salaried state officer or employee or state officer or employee who is subject to the provisions of section seventy-three-a of this article is a member, associate, retired member, of counsel or shareholder, from appearing, practicing, communicating or otherwise rendering services in relation to any matter before, or transacting business with, the court of claims, where such statewide elected official, member of the legislature, legislative employee, full-time salaried state officer or employee or state officer or employee who is subject to the provisions of section seventy-three-a of this article does not share in the net revenues, as defined in accordance with generally accepted accounting principles by the joint commission on public ethics or by the legislative ethics committee in relation to persons subject to their respective jurisdictions, resulting therefrom, or, acting in good faith, reasonably believed that he or she would not share in the net revenues as so defined.

11. Notwithstanding any provision of the judiciary law, the education law or any other law or disciplinary rule to the contrary:

(a) Conduct authorized pursuant to subdivision eight of this section by a person who has served as a member of the legislature or as a legislative employee shall not constitute professional misconduct or grounds for disciplinary action of any kind;

(b) No member of the legislature or former member of the legislature shall be prohibited from appearing, practicing, communicating or otherwise rendering services in relation to any matter before, or transacting business with, any state agency solely by reason of any vote or other action by such member or former member in respect to the confirmation or election of any member, commissioner, director or other person affiliated with such state agency, but nothing in this paragraph shall limit the prohibition contained in subdivision eight of this section;

(c) The appearance, practice, communication or rendition of services in relation to any matter before, or transaction of business with a state agency, or with the court of claims, or the promotion or opposition to the passage of bills or resolutions by either house of the legislature, by a member, associate, retired member, of counsel or shareholder of a firm, association or corporation, in accordance with subdivision ten of this section, is hereby authorized and shall not constitute professional misconduct or grounds for disciplinary action of any kind solely by reason of the professional relationship between the statewide elected official, state officer or employee, political party chairman, member of the legislature, or legislative employee and any firm, association, corporation or any member, associate, retired member, of counsel, or shareholder thereof, or by reason of the appearance created by any such professional relationship.

12. A statewide elected official, state officer or employee, or a member of the legislature or legislative employee, or political party chairman, who is a member, associate, retired member, of counsel to, or shareholder of any firm, association or corporation which is appearing or rendering services in connection with any case, proceeding, application or other matter listed in paragraph (a) or (b) of subdivision seven of this section shall not orally communicate, with or without compensation, as to the merits of such cause with an officer or an employee of the agency concerned with the matter.

13. For the purposes of this section, a statewide elected official or state officer or employee or member of the legislature or legislative employee or political party chairman who is a member, associate, retired member, of counsel to, or shareholder of any firm, association or corporation shall not be deemed to have made an appearance under the provisions of this section solely by the submission to a state agency or city agency of any printed material or document bearing his or her name, but unsigned by him or her, such as by limited illustrations the name of the firm, association or corporation or the letterhead of

any stationery, which pro forma serves only as an indication that he or she is such a member, associate, retired member, of counsel to, or shareholder.

14. (a) No statewide elected official, state officer or employee, member of the legislature or legislative employee may participate in any decision to hire, promote, discipline or discharge a relative for any compensated position at, for or within any state agency, public authority or the legislature.

(b) This paragraph shall not apply to (i) the hiring of a relative by a legislator with a physical impairment, for the sole purpose of assisting with that impairment, as necessary and otherwise permitted by law; (ii) the temporary hiring of legislative pages, interns and messengers; or (iii) responding to inquiries with respect to prospective hires related to an individual covered by this paragraph.

15. No statewide elected official, state officer or employee, member of the legislature or legislative employee shall:

(a) participate in any state contracting decision involving the payment of more than one thousand dollars to that individual, any relative of that individual, or any entity in which that individual or any relative has a financial interest; or

(b) participate in any decision to invest public funds in any security of any entity in which that individual or any relative of that individual has a financial interest, is an underwriter, or receives any brokerage, origination or servicing fees.

16. (a) No statewide elected official, state officer or employee involved in the awarding of state grants or contracts may ask a current or prospective grantee or contractor, or any officer, director or employee thereof, to disclose: (i) the party affiliation of such grantee or contractor, or any officer, director or employee thereof; (ii) whether such grantee or contractor, or any officer, director or employee thereof, has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether such grantee or contractor, or any officer, director or employee thereof, cast a vote for or against any elected official, candidate or political party.

(b) No statewide elected official or state officer or employee may award or decline to award any state grant or contract, or recommend, promise or threaten to do so, in whole or in part, because of a current or prospective grantee's or contractor's refusal to answer any inquiry prohibited by paragraph (a) of this subdivision, or giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

17. (a) No statewide elected official, or state officer or employee may during the consideration of an employment decision ask any applicant for public employment to disclose: (i) the political party affiliation of the applicant; (ii) whether the applicant has made campaign contributions to any party, elected official, or candidate for elective office; or (iii) whether the applicant cast a vote for or against any elected official, candidate or political party. The provisions of this paragraph shall not apply where (1) such inquiry is necessary for the proper application of any state law or regulation; or (2) such inquiry is consistent with publicly disclosed policies or practices of any state agency or public authority, whose purpose is to ensure the representation of more than one political party on any multi-member body.

(b) No statewide elected official or state officer or employee may decline to hire or promote, discharge, discipline, or in any manner change the official rank or compensation of any state official or employee, or applicant for employment, or promise or

threaten to do so, based upon a refusal to answer any inquiry prohibited by paragraph (a) of this subdivision, or for giving or withholding or neglecting to make any contribution of money or service or any other valuable thing for any political purpose.

(c) No state officer or employee shall, directly or indirectly, use his or her official authority to compel or induce any other state officer or employee to make or promise to make any political contribution, whether by gift of money, service or other thing of value.

18. In addition to any penalty contained in any other provision of law, any person who knowingly and intentionally violates the provisions of subdivisions two through five, seven, seven-a, eight, twelve or fourteen through seventeen of this section shall be subject to a civil penalty in an amount not to exceed forty thousand dollars and the value of any gift, compensation or benefit received in connection with such violation. Assessment of a civil penalty hereunder shall be made by the state oversight body with jurisdiction over such person. A state oversight body acting pursuant to its jurisdiction, may, in lieu of a civil penalty, with respect to a violation of subdivisions two through five, seven or eight of this section, refer a violation of any such subdivision to the appropriate prosecutor and upon such conviction such violation shall be punishable as a class A misdemeanor.

Credits

(Added L.1954, c. 695, § 1. Amended L.1964, c. 941, § 6; L.1965, c. 1012, §§ 1 to 3; L.1968, c. 420, § 244; L.1974, c. 940, § 2; L.1983, c. 764, § 1; L.1987, c. 813, §§ 2, 20; L.1989, c. 242, §§ 1, 2; L.1994, c. 170, §§ 166, 167; L.1995, c. 299, § 1; L.1996, c. 183, § 1; L.1996, c. 283, § 1; L.1997, c. 388, § 1, eff. Aug. 6, 1997; L.1998, c. 218, § 1, eff. July 7, 1998; L.1998, c. 561, § 1, eff. Aug. 5, 1998, deemed eff. March 31, 1998; L.2001, c. 357, § 1, eff. Sept. 19, 2001; L.2002, c. 355, § 1, eff. Jan. 1, 2003; L.2002, c. 514, § 1, eff. Sept. 17, 2002; L.2004, c. 523, § 1, eff. Sept. 28, 2004; L.2004, c. 530, §§ 1, 2, eff. Sept. 28, 2004; L.2004, c. 540, § 1, eff. Sept. 28, 2004; L.2007, c. 14, §§ 22 to 24, 27, 34, eff. April 25, 2007; L.2007, c. 14, § 25, eff. Dec. 31, 2008; L.2007, c. 14, § 26, eff. March 26, 2007; L.2009, c. 306, § 1, eff. Aug. 11, 2009, deemed eff. Jan. 1, 2009; L.2010, c. 197, § 1, eff. July 15, 2010; L.2011, c. 62, pt. A, § 104, eff. Oct. 3, 2011; L.2011, c. 399, pt. A, §§ 1 to 3, 10 to 13, eff. Aug. 15, 2011; L.2011, c. 574, § 1, eff. Sept. 23, 2011, deemed eff. Jan. 1, 2011; L.2012, c. 155, § 79, eff. July 18, 2012; L.2012, c. 485, § 1, eff. Oct. 3, 2012, deemed eff. April 1, 2012; L.2015, c. 56, pt. CC, §§ 4, 5, eff. April 13, 2015.)

Notes of Decisions (174)

McKinney's Public Officers Law § 73, NY PUB OFF § 73
Current through L.2015, chapters 1 to 18, 50 to 61.

End of Document

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APPENDIX B

McKinney's Consolidated Laws of New York Annotated Public Officers Law (Refs & Annos) Chapter 47. Of the Consolidated Laws Article 4. Powers and Duties of Public Officers (Refs & Annos)
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McKinney's Public Officers Law § 73-a

§ 73-a. Financial disclosure

Effective: April 13, 2015

Currentness

1. As used in this section:

(a) The term "statewide elected official" shall mean the governor, lieutenant governor, comptroller, or attorney general.

(b) The term "state agency" shall mean any state department, or division, board, commission, or bureau of any state department, any public benefit corporation, public authority or commission at least one of whose members is appointed by the governor, or the state university of New York or the city university of New York, including all their constituent units except community colleges of the state university of New York and the independent institutions operating statutory or contract colleges on behalf of the state.

(c) The term "state officer or employee" shall mean:

(i) heads of state departments and their deputies and assistants;

(ii) officers and employees of statewide elected officials, officers and employees of state departments, boards, bureaus, divisions, commissions, councils or other state agencies, who receive annual compensation in excess of the filing rate established by paragraph (l) of this subdivision or who hold policy-making positions, as annually determined by the appointing authority and set forth in a written instrument which shall be filed with the joint commission on public ethics established by section ninety-four of the executive law during the month of February, provided, however, that the appointing authority shall amend such written instrument after such date within thirty days after the undertaking of policy-making responsibilities by a new employee or any other employee whose name did not appear on the most recent written instrument; and

(iii) members or directors of public authorities, other than multi-state authorities, public benefit corporations and commissions at least one of whose members is appointed by the governor, and employees of such authorities, corporations and commissions who receive annual compensation in excess of the filing rate established by paragraph (l) of this subdivision or who hold policy-making positions, as determined annually by the appointing authority and set forth in a written instrument which shall be filed with the joint commission on public ethics established by section ninety-four of the executive law during the month of February, provided, however, that the appointing authority shall amend such written instrument after such date within thirty days after the undertaking of policy-making responsibilities by a new employee or any other employee whose name did not appear on the most recent written instrument.

(d) The term "legislative employee" shall mean any officer or employee of the legislature who receives annual compensation in excess of the filing rate established by paragraph (l) below or who is determined to hold a policy-making position by the appointing authority as set forth in a written instrument which shall be filed with the legislative ethics commission and the joint commission on public ethics.

(d-1) A financial disclosure statement required pursuant to section seventy-three of this article and this section shall be deemed "filed" with the joint commission on public ethics upon its filing, in accordance with this section, with the legislative ethics commission for all purposes including, but not limited to, subdivision fourteen of section ninety-four of the executive law, subdivision nine of section eighty of the legislative law and subdivision four of this section.

(e) The term "spouse" shall mean the husband or wife of the reporting individual unless living separate and apart from the reporting individual with the intention of terminating the marriage or providing for permanent separation or unless separated pursuant to: (i) a judicial order, decree or judgment, or (ii) a legally binding separation agreement.

(f) The term "relative" shall mean such individual's spouse, child, stepchild, stepparent, or any person who is a direct descendant of the grandparents of the reporting individual or of the reporting individual's spouse.

(g) The term "unemancipated child" shall mean any son, daughter, stepson or stepdaughter who is under age eighteen, unmarried and living in the household of the reporting individual.

(h) The term "political party chairman" shall have the same meaning as ascribed to such term by subdivision one of section seventy-three of this article.

(i) The term "local agency" shall mean:

(i) any county, city, town, village, school district or district corporation, or any agency, department, division, board, commission or bureau thereof; and

(ii) any public benefit corporation or public authority not included in the definition of a state agency.

(j) The term "regulatory agency" shall have the same meaning as ascribed to such term by subdivision one of section seventy-three of this article.

(k) The term "ministerial matter" shall have the same meaning as ascribed to such term by subdivision one of section seventy-three of this article.

(l) The term "filing rate" shall mean the job rate of SG-24 as set forth in paragraph a of subdivision one of section one hundred thirty of the civil service law as of April first of the year in which an annual financial disclosure statement shall be filed.

(m) The term "lobbyist" shall have the same meaning as ascribed to such term in subdivision (a) of section one-c of the legislative law.

2. (a) Every statewide elected official, state officer or employee, member of the legislature, legislative employee and political party chairman and every candidate for statewide elected office or for member of the legislature shall file an annual statement of financial disclosure containing the information and in the form set forth in subdivision three of this section. On or before the fifteenth day of May with respect to the preceding calendar year: (1) every member of the legislature, every candidate for member of the legislature and legislative employee shall file such statement with the legislative ethics commission which shall provide such statement along with any requests for exemptions or deletions to the joint commission on public ethics for filing and rulings with respect to such requests for exemptions or deletions, on or before the thirtieth day of June; and (2) all other individuals required to file such statement shall file it with the joint commission on public ethics, except that:

(i) a person who is subject to the reporting requirements of this subdivision and who timely filed with the internal revenue service an application for automatic extension of time in which to file his or her individual income tax return for the immediately preceding calendar or fiscal year shall be required to file such financial disclosure statement on or before May fifteenth but may, without being subjected to any civil penalty on account of a deficient statement, indicate with respect to any item of the disclosure statement that information with respect thereto is lacking but will be supplied in a supplementary statement of financial disclosure, which shall be filed on or before the seventh day after the expiration of the period of such automatic extension of time within which to file such individual income tax return, provided that failure to file or to timely file such supplementary statement of financial disclosure or the filing of an incomplete or deficient supplementary statement of financial disclosure shall be subject to the notice and penalty provisions of this section respecting annual statements of financial disclosure as if such supplementary statement were an annual statement;

(ii) a person who is required to file an annual financial disclosure statement with the joint commission on public ethics, and who is granted an additional period of time within which to file such statement due to justifiable cause or undue hardship, in accordance with required rules and regulations on the subject adopted pursuant to paragraph c of subdivision nine of section ninety-four of the executive law shall file such statement within the additional period of time granted; and the legislative ethics commission shall notify the joint commission on public ethics of any extension granted pursuant to this paragraph;

(iii) candidates for statewide office who receive a party designation for nomination by a state committee pursuant to section 6-104 of the election law shall file such statement within ten days after the date of the meeting at which they are so designated;

(iv) candidates for statewide office who receive twenty-five percent or more of the vote cast at the meeting of the state committee held pursuant to section 6-104 of the election law and who demand to have their names placed on the primary ballot and who do not withdraw within fourteen days after such meeting shall file such statement within ten days after the last day to withdraw their names in accordance with the provisions of such section of the election law;

(v) candidates for statewide office and candidates for member of the legislature who file party designating petitions for nomination at a primary election shall file such statement within ten days after the last day allowed by law for the filing of party designating petitions naming them as candidates for the next succeeding primary election;

(vi) candidates for independent nomination who have not been designated by a party to receive a nomination shall file such statement within ten days after the last day allowed by law for the filing of independent nominating petitions naming them as candidates in the next succeeding general or special election;

(vii) candidates who receive the nomination of a party for a special election shall file such statement within ten days after the date of the meeting of the party committee at which they are nominated;

(viii) a candidate substituted for another candidate, who fills a vacancy in a party designation or in an independent nomination, caused by declination, shall file such statement within ten days after the last day allowed by law to file a certificate to fill a vacancy in such party designation or independent nomination;

(ix) with respect to all candidates for member of the legislature, the legislative ethics commission shall within five days of receipt provide the joint commission on public ethics the statement filed pursuant to subparagraphs (v), (vi), (vii) and (viii) of this paragraph.

(b) As used in this subdivision, the terms "party", "committee" (when used in conjunction with the term "party"), "designation", "primary", "primary election", "nomination", "independent nomination" and "ballot" shall have the same meanings as those contained in section 1-104 of the election law.

(c) If the reporting individual is a senator or member of assembly, candidate for the senate or member of assembly or a legislative employee, such statement shall be filed with both the legislative ethics commission established by section eighty of the legislative law and the joint commission on public ethics in accordance with paragraph (d-1) of subdivision one of this section. If the reporting individual is a statewide elected official, candidate for statewide elected office, a state officer or employee or a political party chairman, such statement shall be filed with the joint commission on public ethics established by section ninety-four of the executive law.

(d) The joint commission on public ethics shall obtain from the state board of elections a list of all candidates for statewide office and for member of the legislature, and from such list, shall determine and publish a list of those candidates who have not, within ten days after the required date for filing such statement, filed the statement required by this subdivision.

(e) Any person required to file such statement who commences employment after May fifteenth of any year and political party chairman shall file such statement within thirty days after commencing employment or of taking the position of political party chairman, as the case may be. In the case of members of the legislature and legislative employees, such statements shall be filed with the legislative ethics commission within thirty days after commencing employment, and the legislative ethics commission shall provide such statements to the joint commission on public ethics within forty-five days of receipt.

(f) A person who may otherwise be required to file more than one annual financial disclosure statement with both the joint commission on public ethics and the legislative ethics commission in any one calendar year may satisfy such requirement by filing one such statement with either body and by notifying the other body of such compliance.

(g) A person who is employed in more than one employment capacity for one or more employers certain of whose officers and employees are subject to filing a financial disclosure statement with the same ethics commission, as the case may be, and who

receives distinctly separate payments of compensation for such employment shall be subject to the filing requirements of this section if the aggregate annual compensation for all such employment capacities is in excess of the filing rate notwithstanding that such person would not otherwise be required to file with respect to any one particular employment capacity. A person not otherwise required to file a financial disclosure statement hereunder who is employed by an employer certain of whose officers or employees are subject to filing a financial disclosure statement with the joint commission on public ethics and who is also employed by an employer certain of whose officers or employees are subject to filing a financial disclosure statement with the legislative ethics commission shall not be subject to filing such statement with either such commission on the basis that his aggregate annual compensation from all such employers is in excess of the filing rate.

(h) A statewide elected official or member of the legislature, who is simultaneously a candidate for statewide elected office or member of the legislature, shall satisfy the filing deadline requirements of this subdivision by complying only with the deadline applicable to one who holds a statewide elected office or who holds the office of member of the legislature.

(i) A candidate whose name will appear on both a party designating petition and on an independent nominating petition for the same office or who will be listed on the election ballot for the same office more than once shall satisfy the filing deadline requirements of this subdivision by complying with the earliest applicable deadline only.

(j) A member of the legislature who is elected to such office at a special election prior to May fifteenth in any year shall satisfy the filing requirements of this subdivision in such year by complying with the earliest applicable deadline only.

(k) The joint commission on public ethics shall post for at least five years beginning for filings made on January first, two thousand thirteen the annual statement of financial disclosure and any amendments filed by each person subject to the reporting requirements of this subdivision who is an elected official on its website for public review within thirty days of its receipt of such statement or within ten days of its receipt of such amendment that reflects any corrections of deficiencies identified by the commission or by the reporting individual after the reporting individual's initial filing. Except upon an individual determination by the commission that certain information may be deleted from a reporting individual's annual statement of financial disclosure, none of the information in the statement posted on the commission's website shall be otherwise deleted.

3. The annual statement of financial disclosure shall contain the information and shall be in the form set forth hereinbelow:

ANNUAL STATEMENT OF FINANCIAL DISCLOSURE--(For calendar year _____)

1. Name
2. (a) Title of Position
- (b) Department, Agency or other Governmental Entity
- (c) Address of Present Office
- (d) Office Telephone Number

3. (a) Marital Status _____. If married, please give spouse's full name including maiden name where applicable.

(b) List the names of all unemancipated children.

Answer each of the following questions completely, with respect to calendar year _____, unless another period or date is otherwise specified. If additional space is needed, attach additional pages.

Whenever a "value" or "amount" is required to be reported herein, such value or amount shall be reported as being within one of the following Categories in Table I or Table II of this subdivision as called for in the question: A reporting individual shall indicate the Category by letter only.

Whenever "income" is required to be reported herein, the term "income" shall mean the aggregate net income before taxes from the source identified.

The term "calendar year" shall mean the year ending the December 31st preceding the date of filing of the annual statement.

4. (a) List any office, trusteeship, directorship, partnership, or position of any nature, whether compensated or not, held by the reporting individual with any firm, corporation, association, partnership, or other organization other than the State of New York. Include compensated honorary positions; do NOT list membership or uncompensated honorary positions. If the listed entity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.

Position

Organization

State or
Local Agency

(b) List any office, trusteeship, directorship, partnership, or position of any nature, whether compensated or not, held by the spouse or unemancipated child of the reporting individual, with any firm, corporation, association, partnership, or other organization other than the State of New York. Include compensated honorary positions; do NOT list membership or uncompensated honorary positions. If the listed entity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.

Position	Organization	State or Local Agency
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5. (a) List the name, address and description of any occupation, employment (other than the employment listed under Item 2 above), trade, business or profession engaged in by the reporting individual. If such activity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name of any such agency.

Position	Name & Address of Organization	Description	State or Local Agency
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(b) If the spouse or unemancipated child of the reporting individual was engaged in any occupation, employment, trade, business or profession which activity was licensed by any state or local agency, was regulated by any state regulatory agency or local agency, or, as a regular and significant part of the business or activity of said entity, did business with, or had matters other than ministerial matters before, any state or local agency, list the name, address and description of such occupation, employment, trade, business or profession and the name of any such agency.

Position	Name & Address of Organization	Description	State or Local Agency
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6. List any interest, in EXCESS of \$1,000, held by the reporting individual, such individual's spouse or unemancipated child, or partnership of which any such person is a member, or corporation, 10% or more of the stock of which is owned or controlled by any such person, whether vested or contingent, in any contract made or executed by a state or local agency and include the name of the entity which holds such interest and the relationship of the reporting individual or such individual's spouse or such child to such entity and the interest in such contract. Do NOT include bonds and notes. Do NOT list any interest in any such contract on which final payment has been made and all obligations under the contract except for guarantees and warranties have been performed, provided, however, that such an interest must be listed if there has been an ongoing dispute during the calendar year for which this statement is filed with respect to any such guarantees or warranties. Do NOT list any interest in a contract made or executed by a local agency after public notice and pursuant to a process for competitive bidding or a process for competitive requests for proposals.

Self, Spouse or Child	Entity Which Held Interest in Contract	Relationship to Entity and Interest in Contract	Contracting State or Local Agency	Category of Value of contract
(In Table II)				
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7. List any position the reporting individual held as an officer of any political party or political organization, as a member of any political party committee, or as a political party district leader. The term "party" shall have the same meaning as "party" in the election law. The term "political organization" means any party or independent body as defined in the election law or any organization that is affiliated with or a subsidiary of a party or independent body.

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8. (a) If the reporting individual practices law, is licensed by the department of state as a real estate broker or agent or practices a profession licensed by the department of education, or works as a member or employee of a firm required to register pursuant to section one-e of the legislative law as a lobbyist, describe the services rendered for which compensation was paid including a general description of the principal subject areas of matters undertaken by such individual and principal duties performed. Specifically state whether the reporting individual provides services directly to clients. Additionally, if such an individual practices with a firm or corporation and is a partner or shareholder of the firm or corporation, give a general description of principal subject areas of matters undertaken by such firm or corporation.

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(b) APPLICABLE ONLY TO NEW CLIENTS OR CUSTOMERS FOR WHOM SERVICES ARE PROVIDED ON OR AFTER JULY FIRST, TWO THOUSAND TWELVE AND BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN, OR FOR NEW MATTERS FOR EXISTING CLIENTS OR CUSTOMERS WITH RESPECT TO THOSE SERVICES THAT ARE PROVIDED ON OR AFTER JULY FIRST, TWO THOUSAND TWELVE AND BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN:

If the reporting individual personally provides services to any person or entity, or works as a member or employee of a partnership or corporation that provides such services (referred to hereinafter as a "firm"), then identify each client or customer to whom the reporting individual personally provided services, or who was referred to the firm by the reporting individual, and from whom the reporting individual or his or her firm earned fees in excess of \$10,000 during the reporting period for such services rendered in direct connection with:

- (i) A contract in an amount totaling \$50,000 or more from the state or any state agency for services, materials, or property;
- (ii) A grant of \$25,000 or more from the state or any state agency during the reporting period;
- (iii) A grant obtained through a legislative initiative during the reporting period; or

(iv) A case, proceeding, application or other matter that is not a ministerial matter before a state agency during the reporting period.

For purposes of this question, "referred to the firm" shall mean: having intentionally and knowingly taken a specific act or series of acts to intentionally procure for the reporting individual's firm or knowingly solicit or direct to the reporting individual's firm in whole or substantial part, a person or entity that becomes a client of that firm for the purposes of representation for a matter as defined in subparagraphs (i) through (iv) of this paragraph, as the result of such procurement, solicitation or direction of the reporting individual. A reporting individual need not disclose activities performed while lawfully acting pursuant to paragraphs (c), (d), (e) and (f) of subdivision seven of section seventy-three of this article.

The disclosure requirement in this question shall not require disclosure of clients or customers receiving medical or dental services, mental health services, residential real estate brokering services, or insurance brokering services from the reporting individual or his or her firm. The reporting individual need not identify any client to whom he or she or his or her firm provided legal representation with respect to investigation or prosecution by law enforcement authorities, bankruptcy, or domestic relations matters. With respect to clients represented in other matters, where disclosure of a client's identity is likely to cause harm, the reporting individual shall request an exemption from the joint commission pursuant to paragraph (i) of subdivision nine of section ninety-four of the executive law, provided, however, that a reporting individual who first enters public office after July first, two thousand twelve, need not report clients or customers with respect to matters for which the reporting individual or his or her firm was retained prior to entering public office.

Client

Nature of Services Provided

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(b-1) APPLICABLE ONLY TO NEW CLIENTS OR CUSTOMERS FOR WHOM SERVICES ARE PROVIDED ON OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN, OR FOR NEW MATTERS FOR EXISTING CLIENTS OR CUSTOMERS WITH RESPECT TO THOSE SERVICES THAT ARE PROVIDED ON OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN (FOR PURPOSES OF THIS QUESTION, "SERVICES" SHALL MEAN CONSULTATION, REPRESENTATION, ADVICE OR OTHER SERVICES):

If the reporting individual receives income from employment reportable in question 8(a) and personally provides services to any person or entity, or works as a member or employee of a partnership or corporation that provides such services (referred to hereinafter as a "firm"), the reporting individual shall identify each client or customer to whom the reporting individual personally provided services, or who was referred to the firm by the reporting individual, and from whom the reporting individual or his or her firm earned fees in excess of \$10,000 during the reporting period in direct connection with:

(i) A contract in an amount totaling \$10,000 or more from the state or any state agency for services, materials, or property;

(ii) A grant of \$10,000 or more from the state or any state agency during the reporting period;

(iii) A grant obtained through a legislative initiative during the reporting period; or

(iv) A case, proceeding, application or other matter that is not a ministerial matter before a state agency during the reporting period.

For such services rendered by the reporting individual directly to each such client, describe each matter that was the subject of such representation, the services actually provided and the payment received. For payments received from clients referred to the firm by the reporting individual, if the reporting individual directly received a referral fee or fees for such referral, identify the client and the payment so received.

For purposes of this question, "referred to the firm" shall mean: having intentionally and knowingly taken a specific act or series of acts to intentionally procure for the reporting individual's firm or having knowingly solicited or directed to the reporting individual's firm in whole or substantial part, a person or entity that becomes a client of that firm for the purposes of representation for a matter as defined in clauses (i) through (iv) of this subparagraph, as the result of such procurement, solicitation or direction of the reporting individual. A reporting individual need not disclose activities performed while lawfully acting in his or her capacity as provided in paragraphs (c), (d), (e) and (f) of subdivision seven of section seventy-three of this article.

Client	Matter	Nature of Services Provided	Category of Amount (in Table I)
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(b-2) APPLICABLE ONLY TO NEW CLIENTS OR CUSTOMERS FOR WHOM SERVICES ARE PROVIDED ON OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN, OR FOR NEW MATTERS FOR EXISTING CLIENTS OR CUSTOMERS WITH RESPECT TO THOSE SERVICES THAT ARE PROVIDED ON OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN (FOR PURPOSES OF THIS QUESTION, "SERVICES" SHALL MEAN CONSULTATION, REPRESENTATION, ADVICE OR OTHER SERVICES):

(i) With respect to reporting individuals who receive ten thousand dollars or more from employment or activity reportable under question 8(a), for each client or customer NOT otherwise disclosed or exempted in question 8 or 13, disclose the name of each client or customer known to the reporting individual to whom the reporting individual provided services: (A) who paid the reporting individual in excess of five thousand dollars for such services; or (B) who had been billed with the knowledge of the reporting individual in excess of five thousand dollars by the firm or other entity named in question 8(a) for the reporting individual's services.

Client	Services Actually Provided	Category of Amount (in Table I)
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FOLLOWING IS AN ILLUSTRATIVE, NON-EXCLUSIVE LIST OF EXAMPLES OF DESCRIPTIONS OF "SERVICES ACTUALLY PROVIDED":

- * REVIEWED DOCUMENTS AND CORRESPONDENCE;
- * REPRESENTED CLIENT (IDENTIFY CLIENT BY NAME) IN LEGAL PROCEEDING;
- * PROVIDED LEGAL ADVICE ON CLIENT MATTER (IDENTIFY CLIENT BY NAME);
- * CONSULTED WITH CLIENT OR CONSULTED WITH LAW PARTNERS/ASSOCIATES/MEMBERS OF FIRM ON CLIENT MATTER (IDENTIFY CLIENT BY NAME);
- * PREPARED CERTIFIED FINANCIAL STATEMENT FOR CLIENT (IDENTIFY CLIENT BY NAME);
- * REFERRED INDIVIDUAL OR ENTITY (IDENTIFY CLIENT BY NAME) FOR REPRESENTATION OR CONSULTATION;
- * COMMERCIAL BROKERING SERVICES (IDENTIFY CUSTOMER BY NAME);
- * PREPARED CERTIFIED ARCHITECTURAL OR ENGINEERING RENDERINGS FOR CLIENT (IDENTIFY CUSTOMER BY NAME);
- * COURT APPOINTED GUARDIAN OR EVALUATOR (IDENTIFY COURT NOT CLIENT).

(ii) With respect to reporting individuals who disclosed in question 8(a) that the reporting individual did not provide services to a client but provided services to a firm or business, identify the category of amount received for providing such services and describe the services rendered.

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A reporting individual need not disclose activities performed while lawfully acting in his or her capacity as provided in paragraphs (c), (d), (e) and (f) of subdivision seven of section seventy-three of this article.

The disclosure requirement in questions (b-1) and (b-2) shall not require disclosing clients or customers receiving medical, pharmaceutical or dental services, mental health services, or residential real estate brokering services from the reporting

individual or his or her firm or if federal law prohibits or limits disclosure. The reporting individual need not identify any client to whom he or she or his or her firm provided legal representation with respect to investigation or prosecution by law enforcement authorities, bankruptcy, family court, estate planning, or domestic relations matters, nor shall the reporting individual identify individuals represented pursuant to an insurance policy but the reporting individual shall in such circumstances only report the entity that provides compensation to the reporting individual; with respect to matters in which the client's name is required by law to be kept confidential (such as matters governed by the family court act) or in matters in which the reporting individual represents or provides services to minors, the client's name may be replaced with initials. To the extent that the reporting individual, or his or her firm, provided legal representation with respect to an initial public offering, and professional disciplinary rules, federal law or regulations restrict the disclosure of information relating to such work, the reporting individual shall (i) disclose the identity of the client and the services provided relating to the initial public offering to the office of court administration, who will maintain such information confidentially in a locked box; and (ii) include in his or her response to questions (b-1) and (b-2) that pursuant to this paragraph, a disclosure to the office of court administration has been made. Upon such time that the disclosure of information maintained in the locked box is no longer restricted by professional disciplinary rules, federal law or regulation, the reporting individual shall disclose such information in an amended disclosure statement in response to the disclosure requirements in questions (b-1) and (b-2). The office of court administration shall develop and maintain a secure portal through which information submitted to it pursuant to this paragraph can be safely and confidentially stored. With respect to clients represented in other matters not otherwise exempt, the reporting individual may request an exemption to publicly disclosing the name of that client from the joint commission pursuant to paragraph (i) of subdivision nine of section ninety-four of the executive law, or from the office of court administration. In such application, the reporting individual shall state the following: "My client is not currently receiving my services or seeking my services in connection with:

- (i) A proposed bill or resolution in the senate or assembly during the reporting period;
- (ii) A contract in an amount totaling \$10,000 or more from the state or any state agency for services, materials, or property;
- (iii) A grant of \$10,000 or more from the state or any state agency during the reporting period;
- (iv) A grant obtained through a legislative initiative during the reporting period; or
- (v) A case, proceeding, application or other matter that is not a ministerial matter before a state agency during the reporting period."

In reviewing the request for an exemption, the joint commission or the office of court administration may consult with bar or other professional associations and the legislative ethics commission for individuals subject to its jurisdiction and may consider the rules of professional conduct. In making its determination, the joint commission or the office of court administration shall conduct its own inquiry and shall consider factors including, but not limited to: (i) the nature and the size of the client; (ii) whether the client has any business before the state; and if so, how significant the business is; and whether the client has any particularized interest in pending legislation and if so how significant the interest is; (iii) whether disclosure may reveal trade secrets; (iv) whether disclosure could reasonably result in retaliation against the client; (v) whether disclosure may cause undue harm to the client; (vi) whether disclosure may result in undue harm to the attorney-client relationship; and (vii) whether disclosure may result in an unnecessary invasion of privacy to the client.

The joint commission or, as the case may be, the office of court administration shall promptly make a final determination in response to such request, which shall include an explanation for its determination. The office of court administration shall issue its final determination within three days of receiving the request. Notwithstanding any other provision of law or any professional disciplinary rule to the contrary, the disclosure of the identity of any client or customer in response to this question shall not

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constitute professional misconduct or a ground for disciplinary action of any kind, or form the basis for any civil or criminal cause of action or proceeding. A reporting individual who first enters public office after January first, two thousand sixteen, need not report clients or customers with respect to matters for which the reporting individual or his or her firm was retained prior to entering public office.

Client	Services Actually Provided	Category of Amount (in Table I)
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(c) [Eff. until Dec. 31, 2015. See, also, subpar. (c) below.] APPLICABLE ONLY TO NEW CLIENTS OR CUSTOMERS FOR WHOM SERVICES ARE PROVIDED ON OR AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN, OR FOR NEW MATTERS FOR EXISTING CLIENTS OR CUSTOMERS WITH RESPECT TO THOSE SERVICES THAT ARE PROVIDED ON OR AFTER JANUARY FIRST, TWO THOUSAND FIFTEEN:

If the reporting individual receives income of fifty thousand dollars or greater from any employment or activity reportable under question 8(a), identify each registered lobbyist who has directly referred to such individual a client who was successfully referred to the reporting individual's business and from whom the reporting individual or firm received a fee for services in excess of ten thousand dollars. Report only these referrals that were made to a reporting individual by direct communication from a person known to such reporting individual to be a registered lobbyist at the time the referral is made. With respect to each such referral, the reporting individual shall identify the registered lobbyist who has made the referral, the category of value of the compensation received and a general description of the type of matter so referred. A reporting individual need not disclose activities performed while lawfully acting pursuant to paragraphs (c), (d), (e) and (f) of subdivision seven of section seventy-three of this article. The disclosure requirements in this question shall not require disclosure of clients or customers receiving medical or dental services, mental health services, residential real estate brokering services, or insurance brokering services from the reporting individual or his or her firm. The reporting individual need not identify any client to whom he or she or his or her firm provided legal representation with respect to investigation or prosecution by law enforcement authorities, bankruptcy, or domestic relations matters. With respect to clients represented in other matters, the reporting individual shall request an exemption from the joint commission, which shall be granted for good cause shown. For the purposes of this question, good cause may be shown by circumstances including, but not limited to, where disclosure of a client's identity would reveal trade secrets or have a negative impact on the client's business interests, would cause embarrassment for the client, could reasonably result in retaliation against the client, or would tend to reveal non-public matters regarding a criminal investigation. Only a reporting individual who first enters public office after January first, two thousand fifteen, need not report clients or customers with respect to matters for which the reporting individual or his or her firm was retained prior to entering public office.

Client	Name of Lobbyist	Category of Amount (in Table 1)
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(c) [Eff. Dec. 31, 2015. See, also, subpar. (c) above.] APPLICABLE ONLY TO NEW CLIENTS OR CUSTOMERS FOR WHOM SERVICES ARE PROVIDED ON OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN, OR FOR NEW MATTERS FOR EXISTING CLIENTS OR CUSTOMERS WITH RESPECT TO THOSE SERVICES THAT ARE PROVIDED ON OR AFTER DECEMBER THIRTY-FIRST, TWO THOUSAND FIFTEEN:

If the reporting individual receives income of ten thousand dollars or greater from any employment or activity reportable under question 8(a), identify each registered lobbyist who has directly referred to such individual a client who was successfully referred to the reporting individual's business and from whom the reporting individual or firm received a fee for services in excess of five thousand dollars. Report only those referrals that were made to a reporting individual by direct communication from a person known to such reporting individual to be a registered lobbyist at the time the referral is made. With respect to each such referral, the reporting individual shall identify the client, the registered lobbyist who has made the referral, the category of value of the compensation received and a general description of the type of matter so referred. A reporting individual need not disclose activities performed while lawfully acting pursuant to paragraphs (c), (d), (e) and (f) of subdivision seven of section seventy-three of this article. The disclosure requirements in this question shall not require disclosing clients or customers receiving medical, pharmaceutical or dental services, mental health services, or residential real estate brokering services from the reporting individual or his or her firm or if federal law prohibits or limits disclosure. The reporting individual need not identify any client to whom he or she or his or her firm provided legal representation with respect to investigation or prosecution by law enforcement authorities, bankruptcy, family court, estate planning, or domestic relations matters, nor shall the reporting individual identify individuals represented pursuant to an insurance policy but the reporting individual shall in such circumstances only report the entity that provides compensation to the reporting individual; with respect to matters in which the client's name is required by law to be kept confidential (such as matters governed by the family court act) or in matters in which the reporting individual represents or provides services to minors, the client's name may be replaced with initials. To the extent that the reporting individual, or his or her firm, provided legal representation with respect to an initial public offering, and federal law or regulations restricts the disclosure of information relating to such work, the reporting individual shall (i) disclose the identity of the client and the services provided relating to the initial public offering to the office of court administration, who will maintain such information confidentially in a locked box; and (ii) include in his or her response a statement that pursuant to this paragraph, a disclosure to the office of court administration has been made. Upon such time that the disclosure of information maintained in the locked box is no longer restricted by federal law or regulation, the reporting individual shall disclose such information in an amended disclosure statement in response to the disclosure requirements of this paragraph. The office of court administration shall develop and maintain a secure portal through which information submitted to it pursuant to this paragraph can be safely and confidentially stored. With respect to clients represented in other matters not otherwise exempt, the reporting individual may request an exemption to publicly disclosing the name of that client from the joint commission pursuant to paragraph (i) of subdivision nine of section ninety-four of the executive law, or from the office of court administration. In such application, the reporting individual shall state the following: "My client is not currently receiving my services or seeking my services in connection with:

- (i) A proposed bill or resolution in the senate or assembly during the reporting period;
- (ii) A contract in an amount totaling \$10,000 or more from the state or any state agency for services, materials, or property;
- (iii) A grant of \$10,000 or more from the state or any state agency during the reporting period;

(iv) A grant obtained through a legislative initiative during the reporting period; or

(v) A case, proceeding, application or other matter that is not a ministerial matter before a state agency during the reporting period.”

In reviewing the request for an exemption, the joint commission or the office of court administration may consult with bar or other professional associations and the legislative ethics commission for individuals subject to its jurisdiction and may consider the rules of professional conduct. In making its determination, the joint commission or the office of court administration shall conduct its own inquiry and shall consider factors including, but not limited to: (i) the nature and the size of the client; (ii) whether the client has any business before the state; and if so, how significant the business is; and whether the client has any particularized interest in pending legislation and if so how significant the interest is; (iii) whether disclosure may reveal trade secrets; (iv) whether disclosure could reasonably result in retaliation against the client; (v) whether disclosure may cause undue harm to the client; (vi) whether disclosure may result in undue harm to the attorney-client relationship; and (vii) whether disclosure may result in an unnecessary invasion of privacy to the client.

The joint commission or, as the case may be, the office of court administration shall promptly make a final determination in response to such request, which shall include an explanation for its determination. The office of court administration shall issue its final determination within three days of receiving the request. Notwithstanding any other provision of law or any professional disciplinary rule to the contrary, the disclosure of the identity of any client or customer in response to this question shall not constitute professional misconduct or a ground for disciplinary action of any kind, or form the basis for any civil or criminal cause of action or proceeding. A reporting individual who first enters public office after December thirty-first, two thousand fifteen, need not report clients or customers with respect to matters for which the reporting individual or his or her firm was retained prior to entering public office.

Client	Name of Lobbyist	Category of Amount (in Table 1)
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(d) List the name, principal address and general description or the nature of the business activity of any entity in which the reporting individual or such individual's spouse had an investment in excess of \$1,000 excluding investments in securities and interests in real property.

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9. List each source of gifts, EXCLUDING campaign contributions, in EXCESS of \$1,000, received during the reporting period for which this statement is filed by the reporting individual or such individual's spouse or unemancipated child from the same donor, EXCLUDING gifts from a relative. INCLUDE the name and address of the donor. The term "gifts" does not include reimbursements, which term is defined in item 10. Indicate the value and nature of each such gift.

Self, Spouse or Child	Name of Donor	Address	Nature of Gift	Category of Value of Gift (In Table I)

10. Identify and briefly describe the source of any reimbursements for expenditures, EXCLUDING campaign expenditures and expenditures in connection with official duties reimbursed by the state, in EXCESS of \$1,000 from each such source. For purposes of this item, the term "reimbursements" shall mean any travel-related expenses provided by nongovernmental sources and for activities related to the reporting individual's official duties such as, speaking engagements, conferences, or factfinding events. The term "reimbursements" does NOT include gifts reported under item 9.

Source	Description

11. List the identity and value, if reasonably ascertainable, of each interest in a trust, estate or other beneficial interest, including retirement plans (other than retirement plans of the state of New York or the city of New York), and deferred compensation plans (e.g., 401, 403(b), 457, etc.) established in accordance with the internal revenue code, in which the REPORTING INDIVIDUAL held a beneficial interest in EXCESS of \$1,000 at any time during the preceding year. Do NOT report interests in a trust, estate or other beneficial interest established by or for, or the estate of, a relative.

Identity	Category of Value *
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(In Table II)

* The value of such interest shall be reported only if reasonably ascertainable.

12. (a) Describe the terms of, and the parties to, any contract, promise, or other agreement between the reporting individual and any person, firm, or corporation with respect to the employment of such individual after leaving office or position (other than a leave of absence).

(b) Describe the parties to and the terms of any agreement providing for continuation of payments or benefits to the REPORTING INDIVIDUAL in EXCESS of \$1,000 from a prior employer OTHER THAN the State. (This includes interests in or contributions to a pension fund, profit-sharing plan, or life or health insurance; buy-out agreements; severance payments; etc.)

13. List below the nature and amount of any income in EXCESS of \$1,000 from EACH SOURCE for the reporting individual and such individual's spouse for the taxable year last occurring prior to the date of filing. Each such source must be described with particularity. Nature of income includes, but is not limited to, all income (other than that received from the employment listed under Item 2 above) from compensated employment whether public or private, directorships and other fiduciary positions, contractual arrangements, teaching income, partnerships, honorariums, lecture fees, consultant fees, bank and bond interest,

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dividends, income derived from a trust, real estate rents, and recognized gains from the sale or exchange of real or other property. Income from a business or profession and real estate rents shall be reported with the source identified by the building address in the case of real estate rents and otherwise by the name of the entity and not by the name of the individual customers, clients or tenants, with the aggregate net income before taxes for each building address or entity. The receipt of maintenance received in connection with a matrimonial action, alimony and child support payments shall not be listed.

Self/ Spouse	Source	Nature	Category of Amount
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(In Table I)

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14. List the sources of any deferred income (not retirement income) in EXCESS of \$1,000 from each source to be paid to the reporting individual following the close of the calendar year for which this disclosure statement is filed, other than deferred compensation reported in item 11 hereinabove. Deferred income derived from the practice of a profession shall be listed in the aggregate and shall identify as the source, the name of the firm, corporation, partnership or association through which the income was derived, but shall not identify individual clients.

Source	Category of Amount
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(In Table I)

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15. List each assignment of income in EXCESS of \$1,000, and each transfer other than to a relative during the reporting period for which this statement is filed for less than fair consideration of an interest in a trust, estate or other beneficial interest, securities or real property, by the reporting individual, in excess of \$1,000, which would otherwise be required to be reported herein and is not or has not been so reported.

Item Assigned or Transferred	Assigned or Transferred to	Category of Value
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(In Table I)

16. List below the type and market value of securities held by the reporting individual or such individual's spouse from each issuing entity in EXCESS of \$1,000 at the close of the taxable year last occurring prior to the date of filing, including the name of the issuing entity exclusive of securities held by the reporting individual issued by a professional corporation. Whenever an interest in securities exists through a beneficial interest in a trust, the securities held in such trust shall be listed ONLY IF the reporting individual has knowledge thereof except where the reporting individual or the reporting individual's spouse has transferred assets to such trust for his or her benefit in which event such securities shall be listed unless they are not ascertainable by the reporting individual because the trustee is under an obligation or has been instructed in writing not to disclose the contents of the trust to the reporting individual. Securities of which the reporting individual or the reporting individual's spouse is the owner of record but in which such individual or the reporting individual's spouse has no beneficial interest shall not be listed. Indicate percentage of ownership ONLY if the reporting person or the reporting person's spouse holds more than five percent (5%) of the stock of a corporation in which the stock is publicly traded or more than ten percent (10%) of the stock of a corporation in which the stock is NOT publicly traded. Also list securities owned for investment purposes by a corporation more than fifty percent (50%) of the stock of which is owned or controlled by the reporting individual or such individual's spouse. For the purpose of this item the term "securities" shall mean mutual funds, bonds, mortgages, notes, obligations, warrants and stocks of any class, investment interests in limited or general partnerships and certificates of deposits (CDs) and such other evidences of indebtedness and certificates of interest as are usually referred to as securities. The market value for such securities shall be reported only if reasonably ascertainable and shall not be reported if the security is an interest in a general partnership that was listed in item 8 (a) or if the security is corporate stock, NOT publicly traded, in a trade or business of a reporting individual or a reporting individual's spouse.

Self/ Spouse	Issuing Entity	Type of Security	Percentage of corporate stock owned or controlled (if more than 5% of publicly traded stock, or more than 10% if stock not publicly traded, is held)	Category of Market Value as of the close of the taxable year last occurring prior to the filing of this statement
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(In Table II)

17. List below the location, size, general nature, acquisition date, market value and percentage of ownership of any real property in which any vested or contingent interest in EXCESS of \$1,000 is held by the reporting individual or the reporting individual's spouse. Also list real property owned for investment purposes by a corporation more than fifty percent (50%) of the stock of which is owned or controlled by the reporting individual or such individual's spouse. Do NOT list any real property which is the primary or secondary personal residence of the reporting individual or the reporting individual's spouse, except where there is a co-owner who is other than a relative.

Self/ Spouse/ Corporation	Location	Size	General Nature	Acquisition Date	Percentage of Ownership	Category of Market Value
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(In Table II)

18. List below all notes and accounts receivable, other than from goods or services sold, held by the reporting individual at the close of the taxable year last occurring prior to the date of filing and other debts owed to such individual at the close of the taxable year last occurring prior to the date of filing, in EXCESS of \$1,000, including the name of the debtor, type of obligation, date due and the nature of the collateral securing payment of each, if any, excluding securities reported in item 16 hereinabove. Debts, notes and accounts receivable owed to the individual by a relative shall not be reported.

Name of Debtor	Type of Obligation, Date Due, and Nature of Collateral, if any	Category of Amount
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(In Table II)

19. List below all liabilities of the reporting individual and such individual's spouse, in EXCESS of \$10,000 as of the date of filing of this statement, other than liabilities to a relative. Do NOT list liabilities incurred by, or guarantees made by, the reporting individual or such individual's spouse or by any proprietorship, partnership or corporation in which the reporting individual or such individual's spouse has an interest, when incurred or made in the ordinary course of the trade, business or professional practice of the reporting individual or such individual's spouse. Include the name of the creditor and any collateral pledged by such individual to secure payment of any such liability. A reporting individual shall not list any obligation to pay maintenance in connection with a matrimonial action, alimony or child support payments. Any loan issued in the ordinary course of business by a financial institution to finance educational costs, the cost of home purchase or improvements for a primary or secondary residence, or purchase of a personally owned motor vehicle, household furniture or appliances shall be excluded. If any such reportable liability has been guaranteed by any third person, list the liability and name the guarantor.

Name of Creditor or Guarantor	Type of Liability and Collateral, if any	Category of Amount
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(In Table II)

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The requirements of law relating to the reporting of financial interests are in the public interest and no adverse inference of unethical or illegal conduct or behavior will be drawn merely from compliance with these requirements.

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(Signature of Reporting Individual)	Date (month/day/year)
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TABLE I

Category A		none		
Category B	\$	1 to under	\$	1,000
Category C	\$	1,000 to under	\$	5,000
Category D	\$	5,000 to under	\$	20,000
Category E	\$	20,000 to under	\$	50,000
Category F	\$	50,000 to under	\$	75,000
Category G	\$	75,000 to under	\$	100,000

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Category H	\$	100,000 to under	\$	150,000
Category I	\$	150,000 to under	\$	250,000
Category J	\$	250,000 to under	\$	350,000
Category K	\$	350,000 to under	\$	450,000
Category L	\$	450,000 to under	\$	550,000
Category M	\$	550,000 to under	\$	650,000
Category N	\$	650,000 to under	\$	750,000
Category O	\$	750,000 to under	\$	850,000
Category P	\$	850,000 to under	\$	950,000
Category Q	\$	950,000 to under	\$	1,050,000
Category R	\$	1,050,000 to under	\$	1,150,000
Category S	\$	1,150,000 to under	\$	1,250,000
Category T	\$	1,250,000 to under	\$	1,350,000
Category U	\$	1,350,000 to under	\$	1,450,000
Category V	\$	1,450,000 to under	\$	1,550,000
Category W	\$	1,550,000 to under	\$	1,650,000
Category X	\$	1,650,000 to under	\$	1,750,000
Category Y	\$	1,750,000 to under	\$	1,850,000
Category Z	\$	1,850,000 to under	\$	1,950,000
Category AA	\$	1,950,000 to under	\$	2,050,000
Category BB	\$	2,050,000 to under	\$	2,150,000
Category CC	\$	2,150,000 to under	\$	2,250,000
Category DD	\$	2,250,000 to under	\$	2,350,000
Category EE	\$	2,350,000 to under	\$	2,450,000
Category FF	\$	2,450,000 to under	\$	2,550,000
Category GG	\$	2,550,000 to under	\$	2,650,000
Category HH	\$	2,650,000 to under	\$	2,750,000
Category II	\$	2,750,000 to under	\$	2,850,000
Category JJ	\$	2,850,000 to under	\$	2,950,000

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Category KK	\$	2,950,000 to under	\$	3,050,000
Category LL	\$	3,050,000 to under	\$	3,150,000
Category MM	\$	3,150,000 to under	\$	3,250,000
Category NN	\$	3,250,000 to under	\$	3,350,000
Category OO	\$	3,350,000 to under	\$	3,450,000
Category PP	\$	3,450,000 to under	\$	3,550,000
Category QQ	\$	3,550,000 to under	\$	3,650,000
Category RR	\$	3,650,000 to under	\$	3,750,000
Category SS	\$	3,750,000 to under	\$	3,850,000
Category TT	\$	3,850,000 to under	\$	3,950,000
Category UU	\$	3,950,000 to under	\$	4,050,000
Category VV	\$	4,050,000 to under	\$	4,150,000
Category WW	\$	4,150,000 to under	\$	4,250,000
Category XX	\$	4,250,000 to under	\$	4,350,000
Category YY	\$	4,350,000 to under	\$	4,450,000
Category ZZ	\$	4,450,000 to under	\$	4,550,000
Category AAA	\$	4,550,000 to under	\$	4,650,000
Category BBB	\$	4,650,000 to under	\$	4,750,000
Category CCC	\$	4,750,000 to under	\$	4,850,000
Category DDD	\$	4,850,000 to under	\$	4,950,000
Category EEE	\$	4,950,000 to under	\$	5,050,000
Category FFF	\$	5,050,000 to under	\$	5,150,000
Category GGG	\$	5,150,000 to under	\$	5,250,000
Category HHH	\$	5,250,000 to under	\$	5,350,000
Category III	\$	5,350,000 to under	\$	5,450,000
Category JJJ	\$	5,450,000 to under	\$	5,550,000
Category KKK	\$	5,550,000 to under	\$	5,650,000
Category LLL	\$	5,650,000 to under	\$	5,750,000
Category MMM	\$	5,750,000 to under	\$	5,850,000

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Category NNN	\$	5,580,000 to under	\$	5,950,000
Category OOO	\$	5,950,000 to under	\$	6,050,000
Category PPP	\$	6,050,000 to under	\$	6,150,000
Category QQQ	\$	6,150,000 to under	\$	6,250,000
Category RRR	\$	6,250,000 to under	\$	6,350,000
Category SSS	\$	6,350,000 to under	\$	6,450,000
Category TTT	\$	6,450,000 to under	\$	6,550,000
Category UUU	\$	6,550,000 to under	\$	6,650,000
Category VVV	\$	6,650,000 to under	\$	6,750,000
Category WWW	\$	6,750,000 to under	\$	6,850,000
Category XXX	\$	6,850,000 to under	\$	6,950,000
Category YYY	\$	6,950,000 to under	\$	7,050,000
Category ZZZ	\$	7,050,000 to under	\$	7,150,000
Category AAAA	\$	7,150,000 to under	\$	7,250,000
Category BBBB	\$	7,250,000 to under	\$	7,350,000
Category CCCC	\$	7,350,000 to under	\$	7,450,000
Category DDDD	\$	7,450,000 to under	\$	7,550,000
Category EEEE	\$	7,550,000 to under	\$	7,650,000
Category FFFF	\$	7,650,000 to under	\$	7,750,000
Category GGGG	\$	7,750,000 to under	\$	7,850,000
Category HHHH	\$	7,850,000 to under	\$	7,950,000
Category IIII	\$	7,950,000 to under	\$	8,050,000
Category JJJJ	\$	8,050,000 to under	\$	8,150,000
Category KKKK	\$	8,150,000 to under	\$	8,250,000
Category LLLL	\$	8,250,000 to under	\$	8,350,000
Category MMMM	\$	8,350,000 to under	\$	8,450,000
Category NNNN	\$	8,450,000 ¹ to under	\$	8,550,000
Category OOOO	\$	8,550,000 to under	\$	8,650,000
Category PPPP	\$	8,650,000 to under	\$	8,750,000

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Category QQQQ	\$	8,750,000 to under	\$	8,850,000
Category RRRR	\$	8,850,000 to under	\$	8,950,000
Category SSSS	\$	8,950,000 to under	\$	9,050,000
Category TTTT	\$	9,050,000 to under	\$	9,150,000
Category UUUU	\$	9,150,000 to under	\$	9,250,000
Category VVVV	\$	9,250,000 to under	\$	9,350,000
Category WWWW	\$	9,350,000 to under	\$	9,450,000
Category XXXX	\$	9,450,000 to under	\$	9,550,000
Category YYYY	\$	9,550,000 to under	\$	9,650,000
Category ZZZZ	\$	9,650,000 to under	\$	9,750,000
Category AAAAA	\$	9,750,000 to under	\$	9,850,000
Category BBBB	\$	9,850,000 to under	\$	9,950,000
Category CCCC	\$	9,950,000 to under	\$	10,000,000
Category DDDD	\$	10,000,000 or over		

TABLE II

Category A		none		
Category B	\$	1 to under	\$	1,000
Category C	\$	1,000 to under	\$	5,000
Category D	\$	5,000 to under	\$	20,000
Category E	\$	20,000 to under	\$	50,000
Category F	\$	50,000 to under	\$	75,000
Category G	\$	75,000 to under	\$	100,000
Category H	\$	100,000 to under	\$	150,000
Category I	\$	150,000 to under	\$	250,000
Category J	\$	250,000 to under	\$	500,000
Category K	\$	500,000 to under	\$	750,000
Category L	\$	750,000 to under	\$	1,000,000
Category M	\$	1,000,000 to under	\$	1,250,000
Category N	\$	1,250,000 to under	\$	1,500,000

§ 73-a. Financial disclosure, NY PUB OFF § 73-a

Category O	\$	1,500,000 to under	\$	1,750,000
Category P	\$	1,750,000 to under	\$	2,000,000
Category Q	\$	2,000,000 to under	\$	2,250,000
Category R	\$	2,250,000 to under	\$	2,500,000
Category S	\$	2,500,000 to under	\$	2,750,000
Category T	\$	2,750,000 to under	\$	3,000,000
Category U	\$	3,000,000 to under	\$	3,250,000
Category V	\$	3,250,000 to under	\$	3,500,000
Category W	\$	3,500,000 to under	\$	3,750,000
Category X	\$	3,750,000 to under	\$	4,000,000
Category Y	\$	4,000,000 to under	\$	4,250,000
Category Z	\$	4,250,000 to under	\$	4,500,000
Category AA	\$	4,500,000 to under	\$	4,750,000
Category BB	\$	4,750,000 to under	\$	5,000,000
Category CC	\$	5,000,000 to under	\$	5,250,000
Category DD	\$	5,250,000 to under	\$	5,500,000
Category EE	\$	5,500,000 to under	\$	5,750,000
Category FF	\$	5,750,000 to under	\$	6,000,000
Category GG	\$	6,000,000 to under	\$	6,250,000
Category HH	\$	6,250,000 to under	\$	6,500,000
Category II	\$	6,500,000 to under	\$	6,750,000
Category JJ	\$	6,750,000 to under	\$	7,000,000
Category KK	\$	7,000,000 to under	\$	7,250,000
Category LL	\$	7,250,000 to under	\$	7,500,000
Category MM	\$	7,500,000 to under	\$	7,750,000
Category NN	\$	7,750,000 to under	\$	8,000,000
Category OO	\$	8,000,000 to under	\$	8,250,000
Category PP	\$	8,250,000 to under	\$	8,500,000
Category QQ	\$	8,500,000 to under	\$	8,750,000

§ 73-a. Financial disclosure, NY PUB OFF § 73-a

Category RR	\$	8,750,000 to under	\$	9,000,000
Category SS	\$	9,000,000 to under	\$	9,250,000
Category TT	\$	9,250,000 to under	\$	9,500,000
Category UU	\$	9,500,000 or over		

4. A reporting individual who knowingly and wilfully fails to file an annual statement of financial disclosure or who knowingly and wilfully with intent to deceive makes a false statement or gives information which such individual knows to be false on such statement of financial disclosure filed pursuant to this section shall be subject to a civil penalty in an amount not to exceed forty thousand dollars. Assessment of a civil penalty hereunder shall be made by the joint commission on public ethics or by the legislative ethics commission, as the case may be, with respect to persons subject to their respective jurisdictions. The joint commission on public ethics acting pursuant to subdivision fourteen of section ninety-four of the executive law or the legislative ethics commission acting pursuant to subdivision eleven of section eighty of the legislative law, as the case may be, may, in lieu of or in addition to a civil penalty, refer a violation to the appropriate prosecutor and upon such conviction, but only after such referral, such violation shall be punishable as a class A misdemeanor. A civil penalty for false filing may not be imposed hereunder in the event a category of "value" or "amount" reported hereunder is incorrect unless such reported information is falsely understated. Notwithstanding any other provision of law to the contrary, no other penalty, civil or criminal may be imposed for a failure to file, or for a false filing, of such statement, except that the appointing authority may impose disciplinary action as otherwise provided by law. The joint commission on public ethics and the legislative ethics commission shall each be deemed to be an agency within the meaning of article three of the state administrative procedure act and shall adopt rules governing the conduct of adjudicatory proceedings and appeals relating to the assessment of the civil penalties herein authorized. Such rules, which shall not be subject to the approval requirements of the state administrative procedure act, shall provide for due process procedural mechanisms substantially similar to those set forth in such article three but such mechanisms need not be identical in terms or scope. Assessment of a civil penalty shall be final unless modified, suspended or vacated within thirty days of imposition and upon becoming final shall be subject to review at the instance of the affected reporting individual in a proceeding commenced against the joint commission on public ethics or the legislative ethics commission, pursuant to article seventy-eight of the civil practice law and rules.

5. Nothing contained in this section shall be construed as precluding any public authority or public benefit corporation from exercising any authority or power now or hereafter existing to require any of its members, directors, officers or employees to file financial disclosure statements with such public authority or public benefit corporation that are the same as, different from or supplemental to any of the requirements contained herein and to provide only for internal employment discipline for any violation arising out of such internal filing.

6. Notwithstanding any other provision of law or any professional disciplinary rule to the contrary, the disclosure of the identity of any client or customer on a reporting individual's annual statement of financial disclosure shall not constitute professional misconduct or a ground for disciplinary action of any kind, or form the basis for any civil or criminal cause of action or proceeding.

7. With respect to an application to either the joint commission or the office of court administration for an exemption to disclosing the name of a client or customer in response to questions 8 (b-1), 8 (b-2) and 8 (c), all information which is the subject of or a part of such application shall remain confidential. The name of the client need not be disclosed by the reporting individual unless and until the joint commission or the office of court administration formally advises the reporting individual that he or she must disclose such names and the reporting individual agrees to represent the client. Any commissioner or person employed by the joint commission or any person employed by the office of court administration who, intentionally and without

authorization from a court of competent jurisdiction releases confidential information related to a request for an exemption received by the commission or the office of court administration shall be guilty of a class A misdemeanor.

Credits

(Added L.1987, c. 813, § 3. Amended L.1989, c. 242, §§ 3 to 12; L.1996, c. 283, § 2; L.2011, c. 399, pt. A, § 5; L.2014, c. 55, pt. H, subpt. A, § 37, eff. April 30, 2014; L.2015, c. 56, pt. CC, §§ 1 to 3, eff. April 13, 2015.)

Notes of Decisions (7)

Footnotes

1 So in original. (“\$5,580,000” should be “\$5,850,000”.)

McKinney's Public Officers Law § 73-a, NY PUB OFF § 73-a

Current through L.2015, chapters 1 to 18, 50 to 61.

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APPENDIX C

McKinney's Consolidated Laws of New York Annotated Public Officers Law (Refs & Annos) Chapter 47. Of the Consolidated Laws Article 4. Powers and Duties of Public Officers (Refs & Annos)
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McKinney's Public Officers Law § 74

§ 74. Code of ethics

Effective: February 12, 2010

Currentness

1. Definition. As used in this section: The term "state agency" shall mean any state department, or division, board, commission, or bureau of any state department or any public benefit corporation or public authority at least one of whose members is appointed by the governor or corporations closely affiliated with specific state agencies as defined by paragraph (d) of subdivision five of section fifty-three-a of the state finance law or their successors.

The term "legislative employee" shall mean any officer or employee of the legislature but it shall not include members of the legislature.

2. Rule with respect to conflicts of interest. No officer or employee of a state agency, member of the legislature or legislative employee should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his duties in the public interest.

3. Standards.

a. No officer or employee of a state agency, member of the legislature or legislative employee should accept other employment which will impair his independence of judgment in the exercise of his official duties.

b. No officer or employee of a state agency, member of the legislature or legislative employee should accept employment or engage in any business or professional activity which will require him to disclose confidential information which he has gained by reason of his official position or authority.

c. No officer or employee of a state agency, member of the legislature or legislative employee should disclose confidential information acquired by him in the course of his official duties nor use such information to further his personal interests.

d. No officer or employee of a state agency, member of the legislature or legislative employee should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others, including but not limited to, the misappropriation to himself, herself or to others of the property, services or other resources of the state for private business or other compensated non-governmental purposes.

e. No officer or employee of a state agency, member of the legislature or legislative employee should engage in any transaction as representative or agent of the state with any business entity in which he has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his official duties.

f. An officer or employee of a state agency, member of the legislature or legislative employee should not by his conduct give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the performance of his official duties, or that he is affected by the kinship, rank, position or influence of any party or person.

g. An officer or employee of a state agency should abstain from making personal investments in enterprises which he has reason to believe may be directly involved in decisions to be made by him or which will otherwise create substantial conflict between his duty in the public interest and his private interest.

h. An officer or employee of a state agency, member of the legislature or legislative employee should endeavor to pursue a course of conduct which will not raise suspicion among the public that he is likely to be engaged in acts that are in violation of his trust.

i. No officer or employee of a state agency employed on a full-time basis nor any firm or association of which such an officer or employee is a member nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such officer or employee, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the state agency in which such officer or employee serves or is employed.

j. *Repealed by L.2007, c. 14, § 30, eff. April 25, 2007.*

4. Violations. In addition to any penalty contained in any other provision of law any such officer, member or employee who shall knowingly and intentionally violate any of the provisions of this section may be fined, suspended or removed from office or employment in the manner provided by law. Any such individual who knowingly and intentionally violates the provisions of paragraph b, c, d or i of subdivision three of this section shall be subject to a civil penalty in an amount not to exceed ten thousand dollars and the value of any gift, compensation or benefit received as a result of such violation. Any such individual who knowingly and intentionally violates the provisions of paragraph a, e or g of subdivision three of this section shall be subject to a civil penalty in an amount not to exceed the value of any gift, compensation or benefit received as a result of such violation.

Credits

(Added L.1954, c. 696. Amended L.1964, c. 941, § 6; L.1965, c. 1012, § 4; L.1983, c. 764, § 2; L.2007, c. 14, §§ 28 to 30, eff. April 25, 2007; L.2010, c. 1, § 1, eff. Feb. 12, 2010.)

Notes of Decisions (108)

McKinney's Public Officers Law § 74, NY PUB OFF § 74
Current through L.2015, chapters 1 to 18, 50 to 61.

APPENDIX D

[Compilation of Codes, Rules and Regulations of the State of New York](#) Currentness

[Title 19. Department of State](#)

[Chapter XX. Joint Commission on Public Ethics](#)

[Part 933. Gifts \(Pursuant to Public Officers Law\)](#)

NYCRR T. 19, Ch. XX, Pt. 933, Refs & Annos

Credits

(Statutory authority: [Executive Law](#), § 94[9][c], [17]; [Public Officers Law](#), §§ 73[5], 74)

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.

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[Title 19. Department of State](#)

[Chapter XX. Joint Commission on Public Ethics](#)

[Part 933. Gifts \(Pursuant to Public Officers Law\) \(Refs & Annos\)](#)

19 NYCRR 933.1

Section 933.1. Purpose and effect of regulations

(a) The purpose of these regulations is to effectuate the statutory provisions of [Public Officers Law section 73\(5\)](#), which incorporates the provisions of section 1-c(j) of Article 1-A of the Legislative Law.

(b) The effect of these regulations is to supersede prior Advisory Opinions issued by predecessor agencies to the Joint Commission on Public Ethics, including Advisory Opinion Nos. 94-16, 96-28, 97-03, and 08-01 to the extent they are inconsistent with this Part.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.

19 NYCRR 933.1, 19 NY ADC 933.1

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[Title 19. Department of State](#)

[Chapter XX. Joint Commission on Public Ethics](#)

[Part 933. Gifts \(Pursuant to Public Officers Law\) \(Refs & Annos\)](#)

19 NYCRR 933.2

Section 933.2. Definitions

(a) **Bona Fide Charitable Event** shall mean a function the primary purpose of which is to provide financial support to a Charitable Organization.

(b) **Bona Fide Political Event** shall mean a function the primary purpose of which is to provide financial support to Political Organization(s) or Political Candidate(s).

(c) **Charitable Organization** shall mean:

(1) an entity as defined in [Executive Law section 171-a\(1\)](#) that is registered with the Office of the Attorney General, as required by [Executive Law section 172](#), unless otherwise exempted from filing pursuant to [Executive Law section 172-a](#); or

(2) an entity organized and operated exclusively for charitable purposes and qualified as an exempt organization by the United States Department of Treasury under [section 501\(c\)\(3\) of the Internal Revenue Code](#); or

(3) a person who requests contributions for the relief of any individual, specified by name at the time of the solicitation, if all of the contributions collected, without any deductions whatsoever, are paid to or for the benefit of the named beneficiary, provided the individual has submitted a form entitled “Charitable Solicitation for the Relief of an Individual” with the Charities Bureau of the Office of Attorney General prior to the event.

(d) **Client** shall mean every person or organization as defined in section 1-c(b) of article 1-A of the Legislative Law.

(e) **Commission** shall mean the New York State Joint Commission on Public Ethics.

(f) **Complimentary Attendance** shall mean the waiver of all or part of a registration or admission fee, or waiver of all or part of a fee or charge for the provision of food, beverages, entertainment, instruction, or materials. **Complimentary Attendance** shall include the awarding of continuing education credits or certification for attendance at a program provided such credits or certification are offered to all attendees. **Complimentary Attendance** shall not include travel, lodging, or items of more than Nominal Value. For a State Officer or Employee (as defined in subdivision (v) of this section), the acceptance of payment or reimbursement for travel or lodging is governed by Part 931 of this Title.

(g) **Covered Person** shall mean:

(1) State Officer or Employee as defined in subdivision (v) of this section;

(2) Legislative Employee as defined in subdivision (m) of this section; or

(3) Legislative Member as defined in subdivision (n) of this section.

(h) **Educational Program** shall mean formal instruction provided to attendees. Factors to be considered in assessing whether a program is educational include, but are not limited to: the curriculum; whether the entity providing the program, or the instructors, are accredited, certified, or otherwise qualified to provide the program; to whom the program is presented to; and where and how the program is presented.

(i) **Family Member of any Covered Person** shall have the same meaning as the term Relative set forth in [Public Officers Law section 73\(1\)\(m\)](#).

(j) **Gift** shall mean anything of more than Nominal Value in any form including, but not limited to: money; service; loan; travel; lodging; meals; refreshments; entertainment; discount; or a forbearance of an obligation or a promise that has a monetary value. Notwithstanding the preceding sentence, the exclusions contained in section 933.4 of this Part are not Gifts and do not need to be analyzed under section 933.3 of this Part.

(k) **Informational Event** shall mean an event or meeting the primary purpose of which is to provide information about a subject or subjects related to a Covered Person's official responsibilities.

(l) **Interested Source** shall mean any person or entity who on his or her own behalf, or on behalf of an entity, satisfies any one of the following:

(1) is regulated by, negotiates with, appears before in other than a Ministerial Matter, seeks to contract with or has contracts with, or does other business with:

(i) the Legislative Member, the Legislative Employee, or the State Officer or Employee, in his or her official capacity;

(ii) the State Agency with which the State Officer or Employee is employed or affiliated; or

(iii) any other State Agency when the State Officer or Employee's agency is to receive the benefits of the contract; or

(2) with respect to a Legislative Member or a Legislative Employee, is required to be listed on a statement of registration pursuant to section 1-e(a)(1) of article 1-A of the Legislative Law, or is the spouse or unemancipated child of any person required to be listed on a statement of registration pursuant to section 1-e(a)(1) of article 1-A of the Legislative Law; or

(3) with respect to State Officers and Employees, is required to be listed on a statement of registration pursuant to section 1-e(a)(1) of article 1-A of the Legislative Law and lobbies or attempts to influence actions, decisions, or policies of the State Agency with which the State Officer or Employee is employed or affiliated; or

(4) with respect to State Officers and Employees, is the spouse or unemancipated child of any individual satisfying the requirements of paragraph (3) of this section; or

(5) is involved in any action or proceeding, in which administrative and judicial remedies thereto have not been exhausted, and which is adverse to either:

(i) the State Officer or Employee in his or her official capacity; or

(ii) the State Agency with which the State Officer or Employee is employed or affiliated; or

(6) has received or applied for funds from the State Agency with which the Covered Person is employed or affiliated at any time during the previous 12 months up to and including the date of the proposed or actual receipt of the item or service of more than Nominal Value.

(m) **Legislative Employee** shall mean any officer or employee of the New York State Legislature but it shall not include any Legislature Member.

(n) **Legislative Member** shall mean any elected member of the New York State Legislature.

(o) **Lobbyist** shall mean every person or organization as defined in section 1-c(a) of article 1-A of the Legislative Law.

(p) **Ministerial Matter** shall mean an administrative act carried out in a prescribed manner not allowing for substantial personal discretion.

(q) **Nominal Value** is not defined in the Public Officers Law or Legislative Law Article 1-A. The Commission, however, generally deems an item or service with a fair market value of 15 dollars or less as having a Nominal Value.

(r) **Political Candidate** shall mean any individual meeting any of the requirements in [Public Officers Law sections 73-a\(2\)\(a\)\(iii\)—\(viii\)](#), including the current office holder.

(s) **Political Organization** shall mean any entity that is affiliated with or a subsidiary of a political party including, without limitation, a partisan political club or committee, or a campaign or fund-raising committee for a political party or Political Candidate.

(t) **Professional Program** shall mean a program that provides information, such as trends in an industry or discipline, which would benefit the administration or operation of the State and would enable a Covered Person to perform his or her duties more effectively. It shall not include a program, the primary purpose of which is the promotion or marketing of products or services for purchase or lease by the State.

(u) **State Agency** shall mean any civil department; State department; or division, board, commission, or bureau of any State department or civil department; any public benefit corporation, public authority, or commission at least one of whose members is appointed by the Governor. State Agency shall also include the State University of New York or the City University of New York, including all their constituent units except:

(1) community colleges of the State University of New York; and

(2) the independent institutions operating statutory or contract colleges on behalf of the State.

(v) **State Officer(s)** or **Employee(s)** shall mean:

(1) Statewide elected officials (Governor, Lieutenant Governor, Comptroller, and Attorney General of the State of New York);

(2) Heads of civil departments and State departments and their respective deputies and assistants other than members of the Board of Regents of the University of the State of New York who receive no compensation or are compensated on a per diem basis;

(3) Officers and employees of statewide elected officials;

(4) Officers and employees of state departments, boards, bureaus, divisions, commissions, councils, or other State Agencies other than officers of such boards, commissions or councils who receive no compensation or are compensated on a per diem basis;

(5) Employees of public authorities (other than multi-state authorities), public benefit corporations, and commissions at least one of whose members of such public authorities, public benefit corporations, and commissions is appointed by the Governor; and

(6) Members or directors of public authorities (other than multi-state authorities), public benefit corporations, and commissions identified in paragraph (5) of this subdivision who receive compensation other than on a per diem basis.

(w) **Widely Attended Event** shall mean an event as defined in section 933.4(a)(7)(i) of this Part.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 933.2, 19 NY ADC 933.2

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[Part 933. Gifts \(Pursuant to Public Officers Law\) \(Refs & Annos\)](#)

19 NYCRR 933.3
Section 933.3. Gifts

(a) If the item, service, or any other thing of value solicited, received, or accepted by a Covered Person meets the definition of Gift and is from an Interested Source, it is presumptively impermissible. Such Gift is only permissible if, under the

circumstances, all of the following criteria are met:

- (1) it is not reasonable to infer that the Gift was intended to influence the Covered Person; and
- (2) the Gift could not reasonably be expected to influence the Covered Person in the performance of his or her official duties; and
- (3) it is not reasonable to infer that the Gift was intended as a reward for any official action on the Covered Person's part.

(b) If the item, service, or any other thing of value solicited, received, or accepted by a Covered Person meets the definition of Gift and is not from an Interested Source, then the Gift is permissible unless, under the circumstances, any one of the following criteria is met:

- (1) it could reasonably be inferred that the Gift was offered or given with the intent to influence the Covered Person; or
- (2) the Gift could reasonably be expected to influence the Covered Person in the performance of his or her official duties; or
- (3) it could reasonably be inferred that the Gift was offered or given with the intent to reward the Covered Person for any official action on his or her part.

(c) Multiple Gifts. Nothing in this Part shall be construed as relieving a Covered Person's obligations under [Public Officers Law section 74](#) with respect to the solicitation, receipt, or acceptance of multiple items, services, or any other things of value that, individually, are permissible Gifts under subdivision (a) or (b) of this section.

(d) Directing Impermissible Gifts to Third Parties Prohibited. A Covered Person may not direct a Gift that is impermissible under subdivision (a) or (b) of this section to any third party, including a Charitable Organization.

(e) A Gift that is permissible under subdivision (a) or (b) of this section satisfies the Covered Person's obligations under [Public Officers Law sections 73 and 74](#) with respect to such Gift.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
[19 NYCRR 933.3, 19 NY ADC 933.3](#)

Compilation of Codes, Rules and Regulations of the State of New York Currentness

Title 19. Department of State

Chapter XX. Joint Commission on Public Ethics

Part 933. Gifts (Pursuant to Public Officers Law) (Refs & Annos)

19 NYCRR 933.4

Section 933.4. Exclusions

(a) The following are not Gifts:

- (1) Anything for which a Covered Person has paid fair market value.
- (2) Anything for which the State has paid or secured by State contract.
- (3) Rewards or prizes given to competitors in contests or events (including random drawings) offered to the general public or a segment of the general public defined on a basis other than status as a Covered Person.
- (4) Contributions reportable under article 14 of the Election Law, including contributions made in violation of that article of the Election Law.
- (5) Food or beverage valued at \$15 or less per occasion.
- (6) Complimentary Attendance (including food and beverage) at a Bona Fide Charitable Event or a Bona Fide Political Event.
- (7) Complimentary Attendance (including food and beverage) offered by the sponsor of a Widely Attended Event.

(i) Widely Attended Event shall mean an event:

(a) which at least 25 individuals other than members, officers, or employees from the governmental entity in which the Covered Person serves attend or were, in good faith, invited to attend in person; and

(b) which is related to the attendee's duties or responsibilities or allows the Covered Person to perform a ceremonial function appropriate to his or her position. For the purposes of this exclusion, a Covered Person's duties or responsibilities shall include but not be limited to:

(1) for elected Covered Persons (or their staff attending with or on behalf of such elected officials) only, attending an event or a meeting at which more than one-half of the attendees, or persons invited in good faith to attend in person, are residents of the county, district, or jurisdiction from which the elected Covered Person was elected; or

(2) for all Covered Persons, attending an event or a meeting at which a speaker or attendee addresses an issue of public

interest or concern as a significant activity at such event or meeting.

(i) for the purposes of subdivision (a)(7)(i)(b) of this section, Complimentary Attendance does not include registration or admission without charge to any entertainment, recreational, or sporting activity unless the presentation addressing the public interest or concern that is made by the speaker or attendee is delivered at such entertainment, recreational, or sporting activity.

(ii) for the purposes of subdivision (a)(7)(i)(b) of this section, Complimentary Attendance does not include food and beverage unless such food or beverage are available to all participants as part of the Widely Attended Event.

(ii) Prior Written Notification Required for State Officers or Employees. A State Officer or Employee shall, prior to the Widely Attended Event, notify in writing the head of his or her State Agency (or such person's appropriate designee for the State Officer or Employee involved) of the State Officer's or Employee's intention to accept an invitation for Complimentary Attendance from the sponsor of a Widely Attended Event. The written notification shall contain pertinent details demonstrating that the criteria for a Widely Attended Event, contained in subdivision (a)(7)(i) of this section, are satisfied.

(8) Awards, Plaques, and Other Ceremonial Items. Awards, plaques, and other ceremonial items must be publicly presented, or intended to be publicly presented, and in recognition of service related to a Covered Person's official duties and responsibilities. Additionally, such awards, plaques, and other ceremonial items must be of the type customarily bestowed at similar ceremonies and be otherwise reasonable under the circumstances.

(9) Honorary degrees bestowed upon a Covered Person by a public or private college or university.

(10) Promotional Items. Items having no substantial resale value such as pens, mugs, calendars, hats, and t-shirts which bear an entity's name, logo, or message in a manner which promotes the entity's cause.

(11) Goods and Services and Discounts for Goods and Services.

(i) Goods and services, or discounts for goods and services, must be offered to the general public or a segment of the general public defined on a basis other than status as a Covered Person and offered on the same terms and conditions as the goods and services are offered to the general public or segment thereof.

(ii) Notwithstanding subdivision (a)(11)(i) of this section, discounts made available to all Covered Persons fall within this exclusion.

(iii) Notwithstanding subdivision (a)(11)(i) of this section, discounts made to a select group of Covered Persons may fall within this exclusion. The following non-exhaustive list of factors shall be considered when any discount is made available to a select group of Covered Persons to determine whether the discount would fall within this exclusion:

(a) the scope of the class of Covered Persons who are offered the discount;

(b) the amount and duration of the discount;

(c) whether the criterion for the offer is based on factors other than the Covered Person's official duties and responsibilities; and

(d) For State Officers and Employees, whether the offeror is an Interested Source.

(12) Gifts from Friends or Family Members.

(i) Gifts from a Family Member or a person with a personal relationship with a Covered Person when it is reasonable to infer that the Gift was primarily motivated by the family or personal relationship. Personal Gifts may include an invitation to attend a personal or family social event.

(ii) In determining whether the Gift was primarily motivated by a family or personal relationship, the factors to be considered include but are not limited to:

(a) the history and nature of the relationship between the individual offering the Gift and the recipient, including whether items have previously been exchanged;

(b) whether the item was purchased by the individual offering the Gift; and

(c) whether the individual offering the Gift at the same time gave similar items to other Covered Persons.

(iii) The Gift shall not be considered to be motivated by a family or personal relationship if the individual or entity seeks to charge or deduct the value of such item as a business expense or seeks reimbursement from a client.

(13) Reimbursement of Expenses for Speakers at Informational Events. Travel reimbursement or payment for transportation, meals, and accommodations for an attendee, panelist, or speaker at an Informational Event when such reimbursement or payment is made by a governmental entity or by an in-state accredited public or private institution of higher education that hosts the event on its campus, provided, however, that the Covered Person may only accept lodging from an institution of higher education:

(i) at a location on or within close proximity to the host campus; and

(ii) for the night preceding and the nights of the days on which the attendee, panelist, or speaker actually attends the Informational Event.

(14) Provision of Local Transportation to Inspect Facilities.

(i) Provision of local transportation to inspect or tour facilities, operations, or property located in New York State, when such inspection or tour is related to the Covered Person's official duties or responsibilities.

(ii) The payment or reimbursement for expenses for lodging or travel expenses to and from the locality where such facilities, operations, or property are located is not covered by this exclusion. The acceptance of such payment or reimbursement is governed by Part 931 of this Title.

(15) Meals for Participants at a Professional or Educational Program. Receipt of food and beverages when participating in a Professional Program or Educational Program as a part of a Covered Person's official duties, provided the food or beverages are available to all participants.

(b) With respect to the solicitation, acceptance, or receipt of items and services identified in subdivisions (a)(5)—(15) of this section, nothing in this Part shall be construed as relieving a Covered Person's obligations under [Public Officers Law section 74](#) with respect to such items or services.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 933.4, 19 NY ADC 933.4

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[Part 933. Gifts \(Pursuant to Public Officers Law\) \(Refs & Annos\)](#)

19 NYCRR 933.5

Section 933.5. Multiple non-gifts

Nothing in this Part shall be construed as relieving a Covered Person's obligations under [Public Officers Law section 74](#) with respect to the solicitation, receipt, or acceptance of multiple items, services, or any other things of value that, individually, are not Gifts solely because each has less than Nominal Value.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 933.5, 19 NY ADC 933.5

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Part 933. Gifts (Pursuant to Public Officers Law) (Refs & Annos)

19 NYCRR 933.6

Section 933.6. Enforcement

The Commission is authorized pursuant to [Executive Law section 94](#) to investigate possible violations of [Public Officers Law sections 73](#) and [74](#) and their corresponding regulations and take appropriate action as authorized in these statutes.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 933.6, 19 NY ADC 933.6

End of Document

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Section 933.7. Minimum requirements

Nothing contained in this Part shall prohibit any State Agency from adopting or implementing its own rules, regulations, or procedures that are more restrictive than the requirements of this Part.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 933.7, 19 NY ADC 933.7

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[Part 934. Gifts \(Pursuant to Legislative Law Article 1-a\)](#)

NYCRR T. 19, Ch. XX, Pt. 934, Refs & Annos

Credits

(Statutory authority: Legislative Law, art. 1-A, §§ 1-c(j) and 1-m; [Executive Law, § 94\[9\]\[c\]](#) and [\[17\]\[a\]](#))

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.

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[Part 934. Gifts \(Pursuant to Legislative Law Article 1-a\) \(Refs & Annos\)](#)

19 NYCRR 934.1

Section 934.1. Purpose and effect of regulation

(a) The purpose of these regulations is to effectuate the statutory provisions of [§ 1-c\(j\)](#) and [§ 1-m](#) of article 1-A of the [Legislative Law](#).

(b) The effect of these regulations is to supersede prior Advisory Opinions issued by predecessor agencies to the Joint Commission on Public Ethics to the extent they are inconsistent with this Part.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.

19 NYCRR 934.1, 19 NY ADC 934.1

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[Part 934. Gifts \(Pursuant to Legislative Law Article 1-a\) \(Refs & Annos\)](#)

19 NYCRR 934.2

Section 934.2. Definitions

(a) **Bona Fide Charitable Event** shall mean a function the primary purpose of which is to provide financial support to a Charitable Organization.

(b) **Bona Fide Political Event** shall mean a function the primary purpose of which is to provide financial support to Political Organization(s) or Political Candidate(s).

(c) **Charitable Organization** shall mean:

(1) an entity as defined in [Executive Law section 171-a\(1\)](#) that is registered with the Office of the Attorney General, as required by [Executive Law section 172](#), unless otherwise exempted from filing pursuant to [Executive Law section 172-a](#); or

(2) an entity organized and operated exclusively for charitable purposes and qualified as an exempt organization by the United States Department of Treasury under [section 501\(c\)\(3\) of the Internal Revenue Code](#); or

(3) a person who requests contributions for the relief of any individual, specified by name at the time of the solicitation, if all of the contributions collected, without any deductions whatsoever, are paid to or for the benefit of the named beneficiary, provided the individual has submitted a form entitled “Charitable Solicitation for the Relief of an Individual” with the Charities Bureau of the Office of Attorney General prior to the event.

(d) **Client** shall mean every person or organization as defined in section 1-c(b) of article 1-A of the Legislative Law.

(e) **Commission** shall mean the New York State Joint Commission on Public Ethics.

(f) **Complimentary Attendance** shall mean the waiver of all or part of a registration or admission fee, or waiver of all or part of a fee or charge for the provision of food, beverages, entertainment, instruction, or materials. **Complimentary Attendance** shall include the awarding of continuing education credits or certification for attendance at a program provided such credits or certification are offered to all attendees. **Complimentary Attendance** shall not include travel, lodging, or items of more than Nominal Value.

(g) **Educational Program** shall mean formal instruction provided to attendees. Factors to be considered in assessing whether a program is educational include, but are not limited to: the curriculum; whether the entity providing the program, or the instructors, are accredited, certified, or otherwise qualified to provide the program; who the program is presented to; and where and how the program is presented.

(h) **Family Member of any Public Official** shall have the same meaning as the term Relative set forth in [Public Officers Law section 73\(1\)\(m\)](#).

(i) **Gift** shall mean anything of more than Nominal Value in any form including, but not limited to: money; service; loan; travel; lodging; meals; refreshments; entertainment; discount; or a forbearance of an obligation or a promise that has a monetary value. Notwithstanding the preceding sentence, the exclusions contained in section 934.4 of this Part are not Gifts and do not need to be analyzed under section 934.3 of this Part.

(j) **Informational Event** shall mean an event or meeting the primary purpose of which is to provide information about a

subject or subjects related to a Public Official's official responsibilities.

(k) **Lobbyist** shall mean every person or organization as defined in section 1-c(a) of article 1-A of the Legislative Law.

(l) **Ministerial Matter** shall mean an administrative act carried out in a prescribed manner not allowing for substantial personal discretion.

(m) **Nominal Value** is not defined in the Public Officers Law or Legislative Law Article 1-A. The Commission, however, generally deems an item or service with a fair market value of fifteen dollars or less as having a Nominal Value.

(n) **Political Candidate** shall mean any individual meeting any of the requirements in [Public Officers Law sections 73-a\(2\)\(a\)\(iii\)—\(viii\)](#), including the current office holder.

(o) **Political Organization** shall mean any entity that is affiliated with or a subsidiary of a political party including, without limitation, a partisan political club or committee, or a campaign or fund-raising committee for a political party or Political Candidate.

(p) **Professional Program** shall mean a program that provides information, such as trends in an industry or discipline, which would benefit the administration or operation of the State or the Public Official's applicable governmental entity, and would enable a Public Official to perform his or her duties more effectively. It shall not include a program, the primary purpose of which is the promotion or marketing of products or services for purchase or lease by the State or the Public Official's applicable governmental entity.

(q) **Public Official(s)** shall mean:

(1) Statewide elected officials (the Governor, Lieutenant Governor, Comptroller, or Attorney General of the State of New York) and their officers and employees;

(2) Members, officers, and employees of the New York State Legislature;

(3) Heads of State departments and their deputies and assistants other than members of the Board of Regents of the University of the State of New York who receive no compensation or are compensated on a per diem basis;

(4) Officers and employees of state departments, boards, bureaus, divisions, commissions, councils, or other state agencies;

(5) Members, directors, and employees of public authorities (other than multi-state authorities), public benefit corporations, and commissions at least one of whose members is appointed by the Governor; and

(6) Municipal officers and employees (including officers or employees of a municipality as defined in section 1-c(k) of article 1-A of the Legislative Law), whether paid or unpaid. Municipal officers and employees also includes members of

any administrative board, commission, or other agency thereof, and in the case of a county, shall include any officer or employee paid from county funds. No person shall be deemed to be a municipal officer or employee solely by reason of being a volunteer fireman or civil defense volunteer, except a fire chief or assistant fire chief.

(r) **Widely Attended Event** shall mean an event as defined in section 934.4(a)(4)(i) of this Part.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 934.2, 19 NY ADC 934.2

End of Document

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[Part 934. Gifts \(Pursuant to Legislative Law Article 1-a\) \(Refs & Annos\)](#)

19 NYCRR 934.3
Section 934.3. Gifts

(a) It is presumptively impermissible for a Lobbyist or Client to offer or give a Gift to any Public Official. Such a Gift is only permissible if, under the circumstances, all of the following criteria are met:

- (1) it is not reasonable to infer that the Gift was intended to influence the Public Official; and
- (2) the Gift could not reasonably be expected to influence the Public Official, in the performance of his or her official duties; and
- (3) it is not reasonable to infer that the Gift was intended as a reward for any official action on the Public Official's part.

(b) The offering or giving of a Gift from a Lobbyist or a Client to the spouse or unemancipated child of a Public Official is permissible unless, under the circumstances, any one of the following criteria is met:

- (1) it could reasonably be inferred that the Gift was offered or given with the intent to influence the Public Official; or
- (2) the Gift could reasonably be expected to influence the Public Official in the performance of his or her official duties; or
- (3) it could reasonably be inferred that the Gift was offered or given with the intent to reward the Public Official for any official action on his or her part.

(c) The offering or giving of a Gift from a spouse or unemancipated child of a Lobbyist or a Client to a Public Official is permissible unless, under the circumstances, any one of the following criteria is met:

- (1) it could reasonably be inferred that the Gift was offered or given with the intent to influence the Public Official; or
- (2) the Gift could reasonably be expected to influence the Public Official in the performance of his or her official duties; or
- (3) it could reasonably be inferred that the Gift was offered or given with the intent to reward the Public Official for any official action on his or her part.

(d) Notwithstanding subdivisions (a), (b), and (c) of this section, nothing in this Part shall apply to Gifts to officers, members, or directors of boards, commissions, councils, public authorities, or public benefit corporations who receive no compensation or are compensated on a per diem basis if the Lobbyist or Client giving or offering such Gift does not appear, and does not have any matters pending before, the entity on which the recipient sits.

(e) No Lobbyist or Client shall offer or give a Gift to a third party, including a Charitable Organization:

- (1) on behalf of a Public Official (or a Public Official's spouse or unemancipated child), when such Gift cannot be offered or given to such Public Official (or the spouse or unemancipated child of such Public Official) under subdivision (a) of this section; or
- (2) at the designation or recommendation of a Public Official (or a Public Official's spouse or unemancipated child), when such Gift cannot be offered or given to such Public Official (or the spouse or unemancipated child of such Public Official) under subdivision (a) of this section.

(f) Multiple Gifts. A Gift that is otherwise permissible under subdivisions (a), (b), or (c) of this section may be prohibited if it is one of multiple Gifts from the same person, entity, or organization if, under the circumstances, it could be reasonable to infer that the multiple Gifts, collectively:

- (1) were given with the intent to influence the Public Official; or
- (2) could reasonably be expected to influence the Public Official in the performance of his or her official duties; or
- (3) were offered or given with the intent to reward the Public Official for any official action on his or her part.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

Current with amendments included in the New York State Register, XXXIX, Issue 10 dated March 8, 2017.
19 NYCRR 934.3, 19 NY ADC 934.3

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Title 19. Department of State

Chapter XX. Joint Commission on Public Ethics

Part 934. Gifts (Pursuant to Legislative Law Article 1-a) (Refs & Annos)

19 NYCRR 934.4

Section 934.4. Exclusions

(a) The following are not Gifts:

(1) Contributions reportable under article 14 of the Election Law, including contributions made in violation of that article of the Election Law.

(2) Food or beverage valued at \$15 or less per occasion.

(3) Complimentary Attendance (including food and beverage) at a Bona Fide Charitable Event or a Bona Fide Political Event.

(4) Complimentary Attendance (including food and beverage) offered by a Lobbyist or Client who is the sponsor of a Widely Attended Event.

(i) Widely Attended Event shall mean an event:

(a) which at least 25 individuals other than members, officers, or employees from the governmental entity in which the Public Official serves attend or were, in good faith, invited to attend in person; and

(b) which is related to the attendee's duties or responsibilities or allows the Public Official to perform a ceremonial function appropriate to his or her position. For the purposes of this exclusion, a Public Official's duties or responsibilities shall include but not be limited to:

(1) for an elected Public Official (or his or her staff attending with or on behalf of such elected official) only, attending an event or a meeting at which more than one-half of the attendees, or persons invited in good faith to attend in person, are residents of the county, district, or jurisdiction from which the elected Public Official was elected; or

(2) for all Covered Persons, attending an event or a meeting at which a speaker or attendee addresses an issue of public interest or concern as a significant activity at such event or meeting.

(i) For the purposes of subdivision (a)(4)(i)(b) of this section, Complimentary Attendance does not include registration or admission without charge to any entertainment, recreational, or sporting activity unless the presentation addressing the issue of public interest or concern that is made by the speaker or attendee is delivered at

such entertainment, recreational, or sporting activity.

(ii) For the purposes of subdivision (a)(4)(i)(b) of this section, Complimentary Attendance does not include food and beverage unless such food or beverage are available to all participants as part of the Widely Attended Event.

(5) Awards, Plaques, and Other Ceremonial Items. Awards, plaques, and other ceremonial items must be publicly presented, or intended to be publicly presented, and in recognition of service related to a Public Official's official duties and responsibilities. Additionally, such awards, plaques, and other ceremonial items must be of the type customarily bestowed at similar ceremonies and be otherwise reasonable under the circumstances.

(6) Honorary degrees bestowed upon a Public Official by a public or private college or university.

(7) Promotional Items. Items having no substantial resale value such as pens, mugs, calendars, hats, and t-shirts which bear an entity's name, logo, or message in a manner which promotes the entity's cause.

(8) Goods and Services and Discounts for Goods and Services.

(i) Goods and services, or discounts for goods and services, must be offered to the general public or a segment of the general public defined on a basis other than status as a Public Official and offered on the same terms and conditions as the goods and services are offered to the general public or segment thereof.

(ii) Notwithstanding subdivision (a)(8)(i) of this section, discounts made available to all Public Officials fall within this exclusion.

(iii) Notwithstanding subdivision (a)(8)(i) of this section, discounts made to a select group of Public Officials may fall within this exclusion. The following non-exhaustive list of factors shall be considered when any discount is made available to a select group of Public Officials to determine whether the discount would fall within this exclusion:

(a) the scope of the class of Public Officials who are offered the discount;

(b) the amount and duration of the discount; and

(c) whether the criterion for the offer is based on factors other than the Public Official's official duties and responsibilities.

(9) Gifts from Friends or Family Members.

(i) Gifts, including an invitation to attend a personal or family social event, from a Client or Lobbyist (or the Client's or Lobbyist's spouse or unemancipated child) when all of the following criteria are met:

(a) the Client or Lobbyist (or the Client's or Lobbyist's spouse or unemancipated child) is a Family Member or a person with a personal relationship with a Public Official; and

(b) it is reasonable to infer that the Gift was primarily motivated by the family or personal relationship.

(ii) In determining whether the Gift was primarily motivated by a family or personal relationship, the factors to be considered include but are not limited to:

(a) the history and nature of the relationship between the individual offering the Gift and the recipient, including whether items have previously been exchanged;

(b) whether the item was purchased by the individual offering the Gift; and

(c) whether the individual offering the Gift at the same time gave similar items to other Public Officials.

(iii) The Gift shall not be considered to be motivated by a family or personal relationship if the individual or entity seeks to charge or deduct the value of such item as a business expense or seeks reimbursement from a client.

(10) Reimbursement of Expenses for Speakers at Informational Events. Travel reimbursement or payment for transportation, meals, and accommodations for an attendee, panelist, or speaker at an Informational Event when such reimbursement or payment is made by a governmental entity or by an in-state accredited public or private institution of higher education that hosts the event on its campus, provided, however, that the Public Official may only accept lodging from an institution of higher education:

(i) at a location on or within close proximity to the host campus; and

(ii) for the night preceding and the nights of the days on which the attendee, panelist, or speaker actually attends the Informational Event.

(11) Provision of Local Transportation to Inspect Facilities.

(i) Provision of local transportation to inspect or tour facilities, operations, or property located in New York State, when such inspection or tour is related to the Public Official's official duties or responsibilities.

(ii) The payment or reimbursement for expenses for lodging or travel expenses to and from the locality where such facilities, operations, or property are located is not covered by this exclusion.

(12) Meals for Participants at a Professional or Educational Program. Receipt of food and beverages when participating in a Professional Program or Educational Program as a part of a Public Official's official duties, provided the food or beverages are available to all participants.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

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19 NYCRR 934.4, 19 NY ADC 934.4

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[Part 934. Gifts \(Pursuant to Legislative Law Article 1-a\) \(Refs & Annos\)](#)

19 NYCRR 934.5

Section 934.5. Enforcement

The Commission is authorized pursuant to [Executive Law section 94](#) to investigate possible violations of section 1-m of article 1-A of the Legislative Law and its corresponding regulations and take appropriate action as authorized in these statutes.

Credits

Sec. filed June 3, 2014 eff. June 18, 2014.

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19 NYCRR 934.5, 19 NY ADC 934.5

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APPENDIX E

Compilation of Codes, Rules and Regulations of the State of New York Currentness

Title 9. Executive Department

Subtitle A. Governor's Office

Chapter I. Executive Orders

Part 7. Executive Orders (David A. Paterson)

9 NYCRR 7.7

Section 7.7. Executive Order No. 7: Prohibition Against Personal
Use of State Property and Campaign Contributions to the Governor

WHEREAS, government employment is a privilege rather than a right, and is based upon the trust and confidence placed in the State's workers by the public; and

WHEREAS, all State employees and officers should be able to pursue the interests of the public in an environment that is free from political party influence or interference; and

WHEREAS, it is the obligation of every State employee and officer to pursue a course of conduct that will not engender public concern as to whether the individual is engaged in acts that may violate his or her public trust; and

WHEREAS, all State employees therefore must act in a manner consistent with that public trust, and must not take any actions that are intended, or appear to be intended, to achieve personal gain or benefit; and

WHEREAS, employees and officers of State agencies and public authorities are subject to certain ethical statutes and rules, including but not limited to the State Code of Ethics (Section 74 of the Public Officers Law), and statutory restrictions on business and professional activities (Section 73 of the Public Officers Law); and

WHEREAS, there are some areas where New York's existing statutes governing ethical standards can and should be improved or clarified;

NOW, THEREFORE, I, David A. Paterson, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and the laws of the State of New York, do hereby order as follows:

A. Definitions

1. "Agency" shall mean any state agency, department, office, board, commission or other instrumentality of the State, other than a public authority.
2. "Public authority" shall mean a public authority or public benefit corporation created by or existing under any State law, at least one of whose members is appointed by the Governor (including any subsidiaries of such public authority or public benefit corporation), other than an interstate or international authority or public benefit corporation.

B. Prohibition Against the Personal Use of State Property

1. State supplies, equipment, computers, personnel and other resources may not be utilized for non-governmental purposes, including for personal purposes or for outside activities of any kind. This prohibition includes but is not limited to the following:

a. Official stationery may not be used for non-governmental purposes, nor may State government resources be used to mail personal correspondence. The designation "personal" on agency stationery means only that the contents are meant for the personal viewing of the addressee and not that the sender is acting unofficially. All letters and other written materials printed on such official stationery are considered official, and thus the designation "unofficial" has no meaning and may not be used.

b. Under no circumstances may State mail, postage, internal office mail, or inter-city couriers be used for non-governmental purposes.

c. State telephones may not be used for non-governmental long-distance calls, except for toll-free calls, collect calls, and calls billed to a personal telephone number. State telephones may be used for incidental and necessary personal local calls that are of limited number and duration and do not conflict with the proper exercise of the duties of the State employee.

d. State computers shall be used only for official business, except that state computers may be used for incidental and necessary personal purposes, such as sending personal electronic mail messages, provided that such use is in a limited amount and duration and does not conflict with the proper exercise of the duties of the State employee.

e. State vehicles shall be used only for official business or incidental personal use associated with official business away from an employee's official work station. Individuals who are authorized by their agency or public authority to use a vehicle for personal purposes shall keep records of such use, and the value of such personal use shall be calculated and reported as personal income to such individual for tax purposes.

C. Prohibition Against Campaign Contributions to the Governor

1. No State agency officer or employee who serves at the pleasure of the Governor or their appointing authority, and no member of a public authority appointed by the Governor, may make or offer to make any monetary contribution to the campaign of the Governor, or to any political campaign committee organized by or for the specific benefit of the Governor. In addition, no such individual may request or demand that any other person make or offer to make any monetary contribution to the campaign of the Governor, or to any political campaign committee organized by or for the specific benefit of the Governor.

D. Application to Public Authorities

1. Each public authority shall adopt policies or rules applying the restrictions set forth above to all officers and employees who serve at the pleasure of their appointing authority.

E. Penalties

1. Any violation of this order may result in dismissal or other appropriate sanction as determined by the appointing authority of the individual committing such violation.

Signed: David A. Paterson

Dated: June 18, 2008

Credits

Order dated June 18, 2008, filed June 18, 2008.

Current with amendments included in the New York State Register, Volume XXXVII, Issue 24, dated June 17, 2015.

9 NYCRR 7.7, 9 NY ADC 7.7

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APPENDIX F

**LONG ISLAND POWER AUTHORITY
ANNUAL CERTIFICATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

Name [Last, First]: _____
(Please print)

Address: _____

Title: _____

Check only one (and provide any comments or explanations below):

☐ I have read and understand the Code of Ethics and Conduct of the Long Island Power Authority and hereby certify that I am in compliance with all of the policies and standards and principles of conduct stated therein and I have no direct or indirect Financial Interests or Other Interests which may create or appear to create a conflict with my official job duties and responsibilities.

I further certify that I have inquired as to my Spouse, Dependent Child and all other Relatives (as defined in the Code) and based upon such inquiry none of the above has any direct or indirect Financial Interests or Other Interests which may create or appear to create a conflict with my official job duties and responsibilities.

OR

☐ I have read and understand the Code of Ethics and Conduct of the Long Island Power Authority and acknowledge my responsibility to fully disclose any and all Financial Interests or Other Interests which may create or appear to create a conflict with my official job duties and responsibilities and these interests are described below. I also understand that as a result of any conflict of interest, additional action will need to be taken to relieve the conflict. I further certify that I have inquired as to my Spouse, Dependent Child and all other Relatives (as defined in the Code) and based upon such inquiry none of the above has any direct or indirect Financial Interests or Other Interests which may create or appear to create a conflict with my official job duties and responsibilities except as described below.

I or my Relatives have the following conflicts (attach additional sheet if necessary):

Certification

In submitting this form, I certify that the above information is true and accurate.

Signature: _____ Date: _____

APPENDIX G

LONG ISLAND POWER AUTHORITY ANTI-RETALIATION POLICY

A. PRELIMINARY STATEMENT

The Authority is committed to a professional working environment and the prevention of discrimination, harassment, violence, malfeasance, misconduct, wrongdoing and/or any other unethical conduct in the workplace. The Authority prohibits acts of Retaliation against any Employee, Former Employee or Trustee who in Good Faith files a complaint, provides information or otherwise assists in an investigation regarding acts of discrimination, harassment, violence, malfeasance, misconduct, wrongdoing and/or unethical behavior in the workplace including violations of the Authority's Codes of Ethics and Conduct.

B. SCOPE

This policy is applicable to all Authority Employees, Former Employees and Trustees, as defined below, and prohibits Retaliation against any Employee, Former Employee or Trustee who exercises his/her rights under law and/or as outlined herein. This Anti-Retaliation Policy is not intended to supplant, but rather complement and supplement, existing LIPA policies.

C. DEFINITIONS

As used in this Anti-Retaliation Policy, the following terms have the following meanings:

1. "Authority" means the Long Island Power Authority and its wholly owned subsidiary, LIPA, as well as any other subsidiaries created by the Long Island Power Authority.
2. "Code of Ethics and Conduct" means the "Trustee Code of Ethics and Conduct of the Long Island Power Authority" and the "Employee Code of Ethics and Conduct of the Long Island Power Authority" dated March 1, 2012.
3. "Employee" means any person employed by the Authority.
4. "Employee Handbook" means the policies, principles and procedures established for Employees of the Authority, as periodically updated.
5. "Former Employee" means persons other than Trustees of the Authority who are no longer Employees of the Authority but were Employees in the time period following the Authority's adoption of a Code of Ethics and Conduct.

6. "Good Faith" means the disclosure of information when the individual making the disclosure reasonably believes such information to be true and reasonably believes it constitutes potential wrong-doing.
7. "Retaliation" means acts or omissions taken in response to reports made pursuant to this policy, including but not limited to discrimination, harassment, discharge, demotion, suspension, threats and negative job references.
6. "Trustee" means the Trustees of the Authority appointed or elected, as the case may be, pursuant to Public Authorities Law §1020-b (21).

D. REPORTING

Employees, Former Employees and Trustees are encouraged to report, provide information or otherwise assist in the investigation of actual, potential or suspected violations of the Codes of Ethics and Conduct, the Employee Handbook and/or any other applicable laws, policies or regulations governing Employee, Former Employee or Trustee behavior, including this Anti-Retaliation Policy. Early reporting and intervention is encouraged in order to minimize the possibility of continued violations.

Employees, Former Employees and Trustees may, in Good Faith, report alleged violations to the General Counsel, the Chief Executive Officer or the Director of Human Resources, either in person, via email or other form of writing. Reports of alleged violations will be kept confidential, except to the extent reasonably necessary to conduct an investigation, as set forth below. Reports may also be made anonymously; however, a lack of sufficient, specific information may adversely affect the ability to conduct a meaningful investigation of the alleged violation.

Should an Employee, Former Employee or Trustee believe in Good Faith that disclosing information within the Authority pursuant to the paragraph above would likely subject him or her to adverse personnel action or be wholly ineffective, the Employee, Former Employee or Trustee may instead disclose the information to the Authorities Budget Office or an appropriate law enforcement agency, if applicable. The Authorities Budget Office's toll free number (1-800-560-1770) should be used in such circumstances.

E. INVESTIGATIONS

Upon notification of an alleged violation of the law and/or the Authority's policies and/or regulations governing Employee, Former Employee or Trustee behavior, including acts of Retaliation, the General Counsel will promptly investigate or cause the investigation of such violation, as appropriate under the circumstances. In no event shall any person who is alleged to be involved in the alleged violation or Retaliation supervise or conduct the investigation. The investigation, which will be conducted through interviews with the reporting Employee, Former Employee or Trustee and/or other Employees, Former

Employees or Trustees, as well as through the required production and review of relevant documentation and such other steps as are determined appropriate by the official conducting or supervising the investigation, will seek to ascertain whether such violation occurred.

Employees, Former Employees and Trustees alleged to have violated this Anti-Retaliation Policy will be given an opportunity to be heard during the investigation process.

Upon the conclusion of an investigation, the General Counsel shall review the findings of the investigation with the Director of Human Resources and Administration, and shall promptly make a recommendation to the Chief Executive Officer as to what disciplinary action, if any, should be taken. Such recommendation will be communicated to the appropriate supervisor and any other affected Employees, Former Employee or Trustee as necessary.

The General Counsel of the Authority will inform the Authority's Governance Committee of the Board of Trustees about the status and disposition of official investigations and issues raised thereof.

The Authority will maintain a written record of each report and how it was investigated and resolved. The Authority will endeavor to maintain the confidentiality of such written record, to the extent possible and appropriate.

F. REMEDIES

Investigations of violations that are determined to be substantiated, or knowingly false reports of violations under this Anti-Retaliation Policy, will result in disciplinary action, including but not limited to issuance of written warnings, corrective action, restitution, change of employment status, training, counseling, suspension without pay, or termination.

**UTILITY DEBT SECURITIZATION AUTHORITY
PROMPT PAYMENT POLICY
MARCH 28, 2017**

Section 1.1 Purpose and Applicability

- (a) The purpose of this policy is to implement Section 2880 of the Public Authorities Law by detailing the Authority's policy for making payment promptly on amounts properly due by the Authority under Contracts. This policy constitutes the Authority's prompt payment policy as required by that Section.
- (b) This policy generally applies to payments due by the Authority to a person or business in the private sector under a Contract it has entered into with the Authority. This policy does not apply to payments due:
 - 1) under the Eminent Domain Procedure Law;
 - 2) as interest allowed on judgments rendered by a court pursuant to any provision of law except Section 2880 of the Public Authorities Law;
 - 3) to the federal government; to any state agency or its instrumentalities; to any duly constituted unit of local government, including but not limited to counties, cities, towns, villages, school districts, special districts, or any of their related instrumentalities; to any public authority or public benefit corporation; or to its employees when acting in or incidental to their public employment capacity;
 - 4) if the Authority is exercising a legally or authorized set-off against all or part of the payment; or
 - 5) if other State or Federal law, rule, or regulation specifically requires otherwise.

Section 1.2 Definitions: As used in this policy, the following terms shall have the following meanings:

- (a) "Authority" means the Utility Debt Securitization Authority.
- (b) "Contract" means an enforceable agreement entered into between the Authority and a Contractor.
- (c) "Contractor" means any person, entity, partnership, private corporation or association providing goods, property or services to the Authority pursuant to a Contract.

- (d) “Designated payment office” means the office within the Authority to which a proper invoice is to be submitted by a Contractor.
- (e) “Payment” means provision by the Authority of funds in an amount sufficient to satisfy a debt properly due to a Contractor and payable under all applicable provisions of a Contract to which this policy applies and of law, including but not limited to provisions for retained amounts or provision which may limit the Authority’s power to pay, such as claims, liens, attachments, or judgments against the Contractor which have not been properly discharged waived or released. Payment shall be deemed to occur on the date the Authority places the funds in the mail addressed to the Contractor, or, in the event payment is made electronically, on the date on which the Authority initiates the electronic transfer.
- (f) “Payment due date” means the date by which payment must occur, in accordance with the provisions of Section 1.3 through 1.5 of this policy, in order for the Authority not to be liable for interest pursuant to Section 1.6.
- (g) “Prompt payment” means a payment within the time periods applicable pursuant to Sections 1.3 through 1.5 of this policy in order for the Authority not to be liable for interest pursuant to Section 1.6.
- (h) “Proper invoice” means a written request for a Contract payment that is submitted by a Contractor setting forth the description, price or cost, and quantity of goods, property, or services delivered, or rendered by the Contractor in such form, and supported by such other substantiating documentation, as the Authority may reasonably require, including but not limited to any requirements set forth in the Contract.
- (i) “Public holiday” shall have the meaning ascribed to it in New York General Construction Law § 24.
- (j) “Receipt” of an invoice
 - 1) “Receipt” of an invoice means:
 - A. If the payment is one for which an invoice is required, the later of;
 - i. the date on which a proper invoice is actually received in the designated payment office during the normal business hours; or
 - ii. the date by which, during normal business hours; the Authority has actually received all the purchased goods, property, or services covered by a proper invoice previously received in the designated payment office.
 - B. If a Contract provides that a payment will be made on a specific date or at a predetermined interval without the Contractor being required to submit a written invoice, the thirtieth calendar day, excluding public holidays, before the date so specified or predetermined.

- 2) For purposes of this subdivision, if the Contract requires a multifaceted, completed, or working system, or delivery of no less than a specific quantity of goods, property, or services and only a portion of such systems or less than the required goods, property, or services are working, completed or delivered, even though the Contractor has invoiced the Authority for the portion working, completed, or delivered, the Authority will not be considered in receipt of an invoice until the specified minimum amount of the system, goods, property, or services are working, completed or delivered.
- (k) “Set-off” means the reduction by the Authority of a payment due to a Contractor by an amount equal to the amount of an unpaid legally enforceable debt owed by the Contractor to the Authority.

Section 1.3 Prompt Payment Schedule: Except as otherwise provided by law or regulation or in Sections 1.4 and 1.5 of this policy, the payment due date of an amount properly due by the Authority under a Contract shall be thirty calendar days, excluding public holidays, after receipt of an invoice for such amount due; except that if such thirtieth calendar day falls on a Saturday or Sunday, the payment due date shall be the following business day.

Section 1.4 Payment Procedures

- (a) Unless otherwise specified by a Contract provision, proper invoice submitted by the Contractor to the designated payment office shall be required to initiate payment for goods, property, or services. As soon as any invoice is received in the designated payment office during normal business hours, such invoice shall be date-stamped. The invoice shall then promptly be reviewed by the Authority.
- (b) The Authority shall notify the Contractor within fifteen calendar days after receipt of an invoice of:
 - 1) any defects in the delivered goods, property, or services;
 - 2) any defects in the invoice; and
 - 3) suspected improprieties of any kind.
- (c) The existence of any defects or suspected improprieties shall prevent the commencement of the time period specified in Section 1.3 until any such defects or improprieties are corrected or otherwise resolved.
- (d) If the Authority fails to notify a Contractor of a defect or impropriety within the fifteen calendar day period specified in subdivision (b), the sole effect shall be that the number of days allowed for payment after the defects or improprieties have been corrected or otherwise resolved shall be reduced by the number of days between the fifteenth day and the day that notification was transmitted to the Contractor. If the Authority fails to provide

reasonable grounds for its contention that a defect or impropriety exists, the sole effect shall be that the payment due date shall be calculated using the original date of receipt of an invoice.

- (e) In the absence of any defect or suspected impropriety, or upon satisfactory corrections or resolution of a defect or suspected impropriety, the Authority shall make payment consistent with any such correction or resolution and the provisions of this policy.

Section 1.5 Exceptions and extension of payment due date. The Authority has determined that, notwithstanding the provisions of Section 1.3 and 1.4, any of the following facts or circumstances, which may occur concurrently or consecutively, reasonably justify extension of the payment due date;

- (a) If any documentation, supporting data, performance verification, or notice specifically required by the Contract or other State or Federal mandate has not been submitted to the Authority on a timely basis, then the payment due date shall be extended by the number of calendar days from the date by which all such matter was to be submitted to the Authority to the date when the Authority has actually received such matter.
- (b) If an inspection or testing period, performance verification, audit, or other review or documentation independent of the Contractor is specifically required by the Contract or by other State or Federal mandate, whether to be performed by or on behalf of the Authority or another entity, or is specifically permitted by the Contract or by other State or Federal provision and the Authority or other entity with the right to do so elects to have such activity or documentation undertaken, then the payment due date shall be extended by the number of calendar days from the date of receipt of an invoice to the date when any such activity or documentation has been completed, the Authority has actually received the results of such activity or documentation conducted by another entity, and any deficiencies identified or issues raised as a result of such activity or documentation have been corrected or otherwise resolved.
- (c) If an invoice must be examined by a State or Federal agency, or by another party contributing to the funding of the Contract, prior to payment, then the payment due date shall be extended by the number of calendar days from the date of receipt of an invoice to the date when the State or Federal agency, or other contributing party to the Contract, has completed the inspection, advised the Authority of the results of the inspection, and any deficiencies identified or issues raised as a result of such inspection have been corrected or otherwise resolved.
- (d) If appropriate funds from which payment is to be made have not yet been appropriated or, if appropriated, not yet been made available to the Authority, then the payment due date shall be extended by the number of calendar days from the date of receipt of an invoice to the date when such funds are made available to the Authority.

Section 1.6 Interest eligibility and computation: If the Authority fails to make prompt payment, the Authority shall become liable for interest payments to a Contractor on the payment. Interest shall be computed and accrue to the overpayment rate set by the Commissioner of Taxation pursuant to Subsection (e) of Section 1096 of the Tax Law of the State of New York. Interest on such a payment shall accrue for the period beginning on the day after the payment due date and ending on the earliest to occur of (i) the date of payment, (ii) the date of a notice of intention to file a claim, (iii) the date of a notice of a claim, and (iv) the date commencing a legal action for the payment of such interest.

Section 1.7 Sources of funds to pay interest: Any interest payable by the Authority pursuant to this policy shall be paid only from the same accounts, funds, or appropriates that are lawfully available to make the related Contract payment.

Section 1.8 Incorporation of Prompt Payment Policy into Contracts: The provisions of this policy in effect at the time of creation of a Contract shall be incorporated into and made part of such Contract and shall apply to all payments as they become due pursuant to the terms and conditions of such Contract, notwithstanding that the Authority may subsequently amend this policy.

Section 1.9 Notice of objection: Unless a different procedure is specifically prescribed in a Contract, a Contractor may object to any action taken by the Authority pursuant to this policy which prevents the commencement of the time in which interest will be paid by submitting a written notice of objection to the Authority. Such notice shall be signed and dated and concisely and clearly set forth the basis for the objection and be sent to the Chief Financial Officer of the Authority. The Chief Financial Officer or his designee shall review the objection for purposes of affirming or modifying the Authority's action. Within 15 working days of the receipt of the objection, the Chief Financial Officer or his designee shall notify the Contractor either that the Authority's action is affirmed or that it is modified or that, due to the complexity of the issue, additional time is needed to conduct the review; provided, however, in no event shall the extended review period exceed 30 calendar days.

Section 1.10 Judicial Review: Any determination made by the Authority pursuant to this policy which prevents the commencement of the time in which interest will be paid is subject to judicial review in a proceeding pursuant to Article 78 of the Civil Practice Law and Rules. Such proceedings shall only be commenced upon completion of the review procedure that may be specified in the Contract or by law, rule or regulation.

Section 1.11 Court Action or other Legal Processes

- (a) Notwithstanding any other law to the contrary, the liability of the Authority to make an interest payment to a Contractor pursuant to this policy shall not extend beyond the date of a notice of intention to file a claim, the date of a notice of a claim, or the date commencing a legal action for the payment of such interest, whichever occurs first.
- (b) With respect to the court action or other legal process referred to in Subdivision (a) of this Section, any interest obligation incurred by the Authority after the date specified therein pursuant to any provision of law other than Public Authorities Law Section 2880 shall be determined as prescribed by such separate provision of law, shall be paid as directed by the court, and shall be paid from any source of funds available for that purpose.