

#### New York City Law Department

# MEMORANDUM

**To:** Agency Chief Contracting Officers, Deputy Agency Chief Contracting Officers, and Agency General Counsels

From: Mayor's Office of Contract Services and New York City Law Department

Date: January 6, 2025

Re: Implementation of New York State Labor Law 220-I

This memo provides guidance concerning the requirements of Labor Law 220-I, which mandates that all contractors and subcontractors submitting bids/proposals or performing construction work, including construction, demolition, reconstruction, excavation, rehabilitation, repair, installation, renovation, alteration, or custom fabrication, on public work projects covered by Labor Law Article 8 must register with the New York State Department of Labor (NYSDOL) Public Work Contractor and Subcontractor Registry (<u>https://dol.ny.gov/public-work-contractor-and-subcontractor-registry-landing</u>). The registry is currently active and as of the date of this memorandum NYSDOL has been issuing certificates of registration within a few days of application.

#### Background

The law was signed on Dec 30, 2022. Chapter amendments signed March 3, 2023. NYSDOL proposed rules published May 29, 2024. The public comment closed July 28, 2024. Rules were adopted August 28, 2024, and the law takes effect December 30, 2024.

The law mandates that:

"[n]o contractor shall bid on a contract for public work unless such contractor is registered pursuant to this section. In the case of a covered project subject to section two hundred twentyfour-a or two hundred twenty-four-d of this article, or other projects that are privately owned and subject to provisions of this article, contractors must register prior to commencing any work on a covered project. Subcontractors must be registered prior to commencing any work on a covered project. Further, each contractor must submit their certificate of registration at the time the bid is made. Applications for registration shall not be accepted as a substitute for a certificate of registration for the purposes of this section."

Moreover, a covered project is defined as "including but not limited to, public work projects *and those subject to* [emphasis added] the provisions of sections two hundred twenty-four-a and two hundred twenty-four-d of this article."

# **Registration Requirement**

Regarding solicitations for covered projects due on or after December 30, 2024, contractors must provide a copy of their certificate of registration at the time of bid/proposal (see below, changes to "RFx Questionnaire").

If bids or proposals were submitted prior to December 30, 2024; yet the work will commence on or after December 30, 2024, then Agencies are recommended to instruct contractors to provide a copy of their certificate of registration from the NYS Department of Labor to the contracting Agency prior to commencing work. Covered projects include all projects subject to Article 8 of the Labor Law, including projects for public work and certain other projects. Agencies should take proactive steps to ensure contractors are properly informed of their obligation to be registered or be subject to fines from NYSDOL.

# Regardless of whether the bid or proposal was submitted before or after December 30, 2024, contractors are now required by the statute to confirm their subcontractors are registered before their subcontractors begins work.

This registration requirement applies to all solicitations, whether competitive or non-competitive, including M/WBE Small Purchases, involving construction on applicable public work projects unless specifically exempted by the law.

#### Exemption

Registration is not required if the bid or work is in response to a Federal or State emergency declaration, or if the work is conducted under an emergency construction contract or another contract issued in response to an urgent or unforeseen event that jeopardizes public safety or resources (i.e., Charter 315 and PPB Rule 3-06).

# **Agency Responsibilities**

Agencies are not obligated by the statute for ensuring the compliance of contractors and or subcontractors. However, as noted previously, it does explicitly state that "[n]o contractor shall bid on a contract for public work unless such contractor is registered pursuant to this section . . . each contractor must submit their certificate of registration at the time the bid is made." Consequently, we are implementing the following controls as best practices to prevent delays and facilitate adoption of the registry by contractors as mandated by the NYS Department of Labor.

#### New and Current Solicitations

For all applicable solicitations with due dates after 12/30/2024, Agencies must add the following to their solicitations (RFx and RFI):

1) In the RFx Questionnaire, add a new section/question for this NYSDOL Registry Requirement stating:

"Pursuant to Labor Law 220-I, contractors must be registered with the New York State Department of Labor Contractor and Subcontractor Registry (<u>https://dol.ny.gov/public-work-</u> <u>contractor-and-subcontractor-registry-landing</u>) prior to submitting bids/proposals on public works projects covered by Article 8 of the Labor Law. Vendors should submit their NYSDOL certificate within PASSPort as part of their bid response (under the required documents section). Note that failure to provide this certification may be grounds for being found non-responsive."

Agencies must configure this question within PASSPort to include an acknowledgement by the vendor. Note that this should be configured as a minimum qualification..

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2) In the Document Submission Setup tab, Agencies must list the "NYSDOL Certification" as a required (versus optional) document. Use Document Type as "Certifications", select Required for "Required Type", and include the following text as the Agency Label: "Copy of your NYSDOL Certification for the Public Work Contractor and Subcontractor Registry (https://dol.ny.gov/public-work-contractor-and-subcontractor-registry-landing)."

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3) Agencies must then ensure that contractors are registered as part of their responsiveness checks by checking the uploaded certificate of registration and the New York's Open Data website. This will handle the requirement for Prime Contractors.

Note that this requirement applies to bids or proposals required to be submitted by December 30, 2024, or later. Agencies that have solicitation that are active or open which are due on or after December 30, 2024, should issue an addendum to the solicitation.

#### All Construction Work on Covered Projects

Going forward, all contractors and subcontractors are also required to be registered prior to commencing construction work on a covered project regardless of the date submission of the bid or proposal. Although not required by the statute, we recommend agencies engage awarded contractors that have not commenced work on a project prior to December 30, 2024, to reiterate that contractors are responsible for their compliance with New York State Labor Law 220-I.

For subcontractors, agencies should require proof of registration as a condition of subcontractor approval within the Manage Subcontractor module.

# **Additional Information**

A registration fee of \$200 is required at the time of registration, except New York State certified MWBEs pay a reduced fee of \$100. The reduced fee is not available to City certified MWBEs that are not New York State certified MBWEs.

Certificates of registration are valid for two calendar years from the date of registration. Registrations must be renewed at least 90 days before expiration.

If the registration of a contractor or subcontractor lapses while performing contracted work on a covered project, that contractor or subcontractor shall not be prohibited from completing its contracted work on such covered project. For a contractor or subcontractor who has been determined unfit while performing contracted work on a covered project at the time of such determination, Agencies must contact the Law Department promptly for direction.

If you have any questions regarding Labor Law 220-I, please contact MOCS Deputy General Counsel David Garfinkel at <u>david.garfinkel@mocs.nyc.gov</u>.