

Statement of Basis and Purpose of Proposed Rule

These Procurement Policy Board (PPB) Rule amendments would update provisions of the PPB Rules relating to public hearings and public notice and comment.

Effective May 21, 2025, New York City Charter § 326 will be amended by New York State law (Chapter 483 of the Laws of 2024) to replace the requirement for public hearings with a requirement for public notice and comment for any contract for goods, services or construction in excess of one hundred thousand dollars to be awarded by other than competitive sealed bidding or competitive sealed bids from prequalified vendors.

This proposed rule would amend sections of the PPB Rules for clarity consistency with the changes to Charter § 326 and PPB Rule § 2-11. A previous proposed rule of the PPB, published in the City Record on April 1, 2025, amends PPB Rule § 2-11 in identical fashion.

Section 1 would amend PPB Rule § 3-07 to replace all references to “public hearing” to “public notice and comment.”

Section 2 would amend PPB Rule § 3-08 to replace all references to “public hearing” to “public notice and comment.”

Sections 3, 4, and 5 would amend PPB Rule § 4-04 to replace references to “public hearing” to “public notice and comment” and update the section for clarity and consistency with the changes to Charter § 326.

Section 6 would amend PPB Rule § 4-12 to replace all references to “public hearing” to “public notice and comment.”

The PPB’s authority to promulgate these rules is found in sections 311, 326, and 1043 of the New York City Charter.

The new material added in the text of the rule is underlined and the deleted material is in [brackets]. “Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Paragraph (2) of subdivision (e) of section 3-07 of Title 9 of the Rules of the City of New York is amended to read as follows:

(2) an accelerated procurement is exempt from the [hearing] notice and comment requirements of these Rules, and

Section 2. Subparagraph (i) of paragraph (1) of subdivision (c) of section 3-08 of Title 9 of the Rules of the City of New York is amended to read as follows:

(i) Public notice of solicitation and award, written decision to procure technical, consultant, or personal services, presolicitation review report, Recommendation for Award, vendor protests, written notice to the low bidder or offeror of non-responsiveness, VENDEX questionnaires (unless the total aggregate value of purchases, franchises, and concessions awarded to that vendor including this one during the immediately preceding twelve-month period equals or exceeds \$250,000) and public [hearing] notice and comment (unless the award is valued over \$100,000) shall not be required for small purchases awarded, pursuant to this section.

Notwithstanding any provision of this subparagraph, notice of award shall be made in accordance with paragraph (d)(2) for procurements made pursuant to subparagraph (c)(1)(iv) below.

Section 3. Paragraph (14) of subdivision (c) of section 4-04 of Title 9 of the Rules of the City of New York is amended to read as follows:

(14) if a public hearing or public notice and comment was held, the date of the public hearing or period of public notice and comment, the number of witnesses testifying or comments received, and an explanation of the effect, if any, of the testimony offered at the public hearing or comments on the decision to renew and/or on the terms and conditions of the contract; if a public hearing or public notice and comment was not held, an explanation of why a public hearing or public notice and comment was not held, including a statement that the renewal contract is on substantially the same terms and conditions as the original contract;

Section 4. Subparagraph (i) of paragraph (1) of subdivision (d) of section 4-04 of Title 9 of the Rules of the City of New York is amended to read as follows:

(i) In the case of contracts in value greater than \$100,000, such notice shall be provided whenever [a] public [hearing] notice and comment is required.

Section 5. Subdivision (e) of section 4-04 of Title 9 of the Rules of the City of New York is amended to read as follows:

(e) Public [Hearing] Notice and Comment Requirements. Renewal contracts shall be subject to public [hearings] notice and comment for the purpose of eliciting information concerning the vendor's performance and other factors relevant to the renewal, unless:

(1) the renewal option to be exercised is in a contract where the original contract or any prior renewal option was subject to a public hearing or public notice and comment, and the original contract term and all possible renewal options contained within the contract, were subject to such public hearing or public notice and comment, or

(2) in exigent circumstances, in the case of contracts in value less than \$10,000,000, the ACCO has made a determination justifying an exemption and that justification has been approved by the CCPO.

Section 6. Paragraph (i) of subdivision (b) of section 4-12 of Title 9 of the Rules of the City of New York is amended to read as follows:

(i) The provisions of this subdivision shall apply to client service contracts and extensions: contracts awarded by negotiated acquisition where there is a compelling need to extend the contract one or more times beyond the cumulative twelve-month limit, pursuant to Section 3-04(b)(2)(iii) of these Rules; contracts for which no public [hearing] notice and comment is required pursuant to these Rules because they do not differ materially in terms and conditions from contracts currently held by the City where the parties to such contracts are the same, pursuant to Section 2-11(b)(3) of these Rules; extensions of contract terms for a cumulative

period not to exceed one year, pursuant to Section 4-02(b)(1)(iii) of these Rules; and renewal contracts, pursuant to Section 4-04 of these Rules.