

Fiscal Impact Statement Prepared By

New York City Mayor's Office of Management and Budget



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Disclaimer: This fiscal impact statement is a preliminary estimate and subject to change based upon further data analysis or changes in bill text. This legislation is summarized as understood by the administration as of the date this statement was prepared and does not include or consider subsequent text changes. This fiscal impact statement is not legally binding on the administration. "Total" columns represent the respective sum over a four-year period; note that fiscal impacts continue after year four. Unless otherwise stated, information used in the preparation of this Fiscal Impact Statement is sourced from the agencies impacted and the NYC Mayor's Office of Management and Budget.

Proposed Intro No. / Title: *Int. 1247-B / Disbursement of a percentage of awards to non-profit organizations for contracts immediately upon registration by the comptroller*

Sponsors: The Speaker (Council Member Adams) and Council Members Stevens, Won, Brannan, Louis, Brewer, Fariás, Hanks, Riley, Restler, Hanif, Gutiérrez, Ossé, Rivera, Banks, Dinowitz, Joseph, Schulman, Avilés, Ung, Cabán and Lee

Committee: Contracts

Summary of Legislation: This legislation would require that for city human services contracts with nonprofit organizations, the city shall pay at least 50 percent of the fiscal year budget for such contract within 30 days of registration of the contract, and within 30 days of the start of each fiscal year following registration for multi-year contracts. The Office of Contracts Services shall promulgate rules establishing procedures for recoupment of advance payments which exceed the value of services received.

Effective Date: July 1, 2026

First Fiscal Year Legislation Takes Effect: Fiscal Year 2027

First Fiscal Year with Full Impact: Fiscal Year 2027

Agencies Impacted: Mayor's Office of Contract Services

Fiscal Impact Analysis

A. Total Impact (Expense and Revenue)

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expense	0	0	0	0	0
Revenue	0	0	0	0	0
Total	0	0	0	0	0

B. Expense

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expenditures	0	0	0	0	0

Impact on Expenditures (Expense):

Remitting advances in the manner prescribed in the legislation will create more contractual actions that must be processed by both contracting agencies and providers. Thus, implementation could potentially require Personal Service (PS) resources at contracting agencies if it is determined during this pilot year that staff capacity must be increased in order to continue the 50 percent advance pilot policy into future fiscal years—which is what is required by the legislation. Additionally, it may now be more costly for the city to maintain levels of service if providers similarly must increase staff levels to handle the increase in necessary contractual actions.

C. Revenue

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Revenue	0	0	0	0	0

Impact on Revenue:

There is no anticipated impact on revenue.

D. Capital

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expenditures	0	0	0	0	0

Impact on Expenditures (Capital):

There is no anticipated impact on capital expenditures.