

The County Perspective on

Local Government Procurement

Testimony submitted by the

New York State Association of Counties (NYSAC)

to the

Assembly Standing Committee on Local Governments & Assembly Standing Committee on Cities

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Legislative Office Building Hearing Room C Albany, NY Chairs and Members of the Assembly Standing Committee on Local Governments and Standing Committee on Cities:

Thank you for the opportunity to submit testimony on behalf of the New York State Association of Counties (NYSAC) regarding state procurement laws. These laws directly affect how counties purchase everything from road salt to public safety equipment, impacting our ability to deliver critical services efficiently and cost-effectively.

NYSAC represents all 62 counties of New York State. As governments of general jurisdiction, counties are the on-the-ground service providers for nearly all state and federal programs— delivering social services, public and mental health programs, indigent defense, 9-1-1 coordination, and many other essential programs.

To deliver these services, counties make thousands of purchases annually, from road salt and highway equipment to jail security systems and public health supplies. This requires extensive and varied procurement activities across multiple departments.

State procurement law directly affects how well counties can serve residents, how quickly we can respond to needs, and how responsibly we can manage taxpayer dollars. Today, I will address nine critical areas where procurement law reform would significantly improve county operations and deliver better value for New York taxpayers.

Piggybacking Authority Must Be Made Permanent – GML § 103(16) Sunset

One important tool for local governments is "piggybacking" on contracts let by another governmental entity (state, another county, or other jurisdictions). In New York, General Municipal Law § 103(16) (enacted as Chapter 308 of the Laws of 2012) authorizes certain contract piggybacking of apparatuses, materials, equipment, supplies, or related services when the original contract was let by the lowest responsible bidder (or on the basis of best value) and the contract clearly states that other governmental entities may use it.

Counties and local governments rely on these larger, aggregated contracts to obtain better pricing, benefit from economies of scale, and save the time and administrative burden of conducting a separate full bid process. This purchasing tool has been effective and has been proven to save both time and taxpayer money. Since 2012, local governments across New York State have used piggyback contracts for thousands of purchases, resulting in documented savings to local taxpayers.

However, when this law was passed, the piggybacking authorization was set to expire unless extended. It was seen as a pilot at the time to make sure this tool was effective. I can report that all counties believe it is effective and ask the Legislature to continue this

authority. Without legislative action this year, this purchasing authority will expire on June 30, 2026.

Because counties rely on piggybacking as a tool to be efficient and cost-effective—and because setting up a full bid solicitation for every purchase is time-consuming and sometimes duplicative—the law should be made permanent to provide certainty to local governments. The administrative time savings and cost savings can be significant, especially when multiple departments in a county make routine, sometimes recurring, purchases.

We respectfully recommend that the Legislature make the piggybacking authorization permanent by removing the sunset provision entirely. Local governments should retain the obligation to conduct appropriate due diligence, including reviewing the contracts' terms, verifying vendor performance, documenting price reasonableness, and ensuring taxpayer protection. Without permanency, counties cannot properly plan and budget these procurements in the most effective manner possible due to ongoing uncertainty about whether this tool will remain available.

2. Clarify Piggyback Authority for Public Works Projects – GML § 103(16)

A critical issue has recently emerged regarding the scope of piggybacking authority, with conflicting court and administrative decisions creating uncertainty for counties and other local governments. While GML § 103(16) has been used successfully by counties for various procurements, two recent decisions have reached opposite conclusions about whether public works projects may be procured through piggybacking.

In Matter of Daniel J. Lynch, Inc. v. Board of Education of the Maine-Endwell Central School District (Supreme Court, Broome County, 2025), the court ruled that GML § 103(16) does not authorize piggybacking for public works contracts. The court defined "public works contracts" as construction or repair projects undertaken by municipalities on their infrastructure that are subject to the competitive bidding process. This decision has created immediate uncertainty for counties that have relied on this procurement method for smaller-scale public works projects involving both materials and installation.

However, in *Appeal of Crisorio*, *et al.* (Decision No. 18,405, NYS Education Department Commissioner, 2024), the Commissioner reached the opposite conclusion. In that case involving the Bethlehem Central School District's use of cooperative bidding for turf field installation, athletic field lighting, and bleachers, the Commissioner found that GML § 103(16) specifically exempts the bids described therein from compliance with subdivision one, which requires competitive bidding for public works. Therefore, subdivision sixteen, which does not contain an exception for public works contracts,

controls. The Commissioner explicitly rejected arguments that public works contracts could not be piggybacked, holding that the piggybacking exception in GML § 103(16) applies to these types of projects.

Additionally, the Office of the State Comptroller has informally indicated that certain public works projects may be able to be piggybacked under GML § 103(16) on a case-by-case basis, particularly when the project involves a combination of materials procurement and installation services. The *Lynch* decision effectively forecloses this practical approach by holding that § 103(16) does not authorize piggybacking for any public works contracts.

Prior to the *Lynch* decision, cooperative bidding for certain public works projects was common practice among school districts, municipalities, and counties throughout New York State. This approach allowed local governments to benefit from economies of scale, reduced administrative costs, and expedited project delivery while maintaining competitive pricing and prevailing wage protections. If upheld and followed broadly, this decision would disrupt these established procurement practices and could result in:

- Increased costs to schools, municipalities, and taxpayers due to loss of volume pricing;
- Delayed project timelines as each entity must conduct separate competitive bidding;
- Administrative inefficiency and duplication of effort across jurisdictions; and
- Reduced access to specialized contractors and equipment for smaller jurisdictions.

Given these competing interpretations, counties urge the Legislature to provide clear statutory guidance. Notably, GML § 103(3) already permits local governments to piggyback on county-awarded contracts for materials, equipment, and supplies, provided the contracts comply with Article 8 of the Labor Law (prevailing wage requirements). This demonstrates that the Legislature has recognized the value of cooperative procurement for public works.

We recommend that the Legislature amend GML § 103(16) to explicitly authorize piggybacking for public works projects, provided that:

- The original contract complies with prevailing wage requirements under Labor Law Article 8;
- The contract was competitively bid in accordance with applicable law;
- The contract explicitly permits use by other governmental entities; and

The piggybacking entity documents due diligence and price reasonableness.

This clarification would resolve the current legal uncertainty, align state law with the Commissioner's interpretation and established procurement practices, reduce duplication of bidding efforts, and save taxpayer dollars through economies of scale while maintaining all necessary labor protections.

3. Increase Bidding Thresholds to Reflect Inflation

Currently, under GML § 103(1), the thresholds for requiring competitive sealed bidding by a local government (political subdivision) are \$20,000 for purchase contracts and \$35,000 for public works contracts.

These thresholds are severely outdated. The commodity purchase threshold of \$20,000 was established in 2010—over 15 years ago—when it was raised from \$10,000. The public works threshold of \$35,000 was established in 2009—over 16 years ago—when it was raised from \$20,000, which had remained unchanged for several decades. The practical effect is that counties must trigger full bidding procedures, with associated advertisement, bid evaluation, oversight, and staff time, for many purchases that in real dollars are modest—but rising costs mean that many more routine items cross the threshold today than when the law was last adjusted. For example, what cost \$20,000 in 2010 may cost \$28,000 to \$30,000 today. Similarly, a \$35,000 public works project from 2009 would cost approximately \$51,000 to \$53,000 in today's dollars.

By increasing the threshold, counties could make purchases more quickly for amounts under the higher threshold, reducing administrative overhead, speeding up delivery of needed goods/services, and focusing staff time on higher-value procurements. We recommend that the Legislature amend GML § 103 to raise the purchase contract threshold from \$20,000 to at least \$50,000 and raise the public works threshold from \$35,000 to at least \$100,000 to reflect inflation, while preserving the bidding requirement for higher-value contracts. Furthermore, we recommend that the statute include a mechanism for periodic adjustment of these thresholds based on inflation indices to prevent these figures from becoming outdated again. In doing so, we believe county governments will be able to operate more effectively and responsively.

4. Raise Wicks Law Threshold to Reflect Inflation

Wicks Law (General Municipal Law § 101) currently requires that public work contracts be divided into separate contracts for plumbing and gas fitting, steam heating, hot water heating, ventilation and air conditioning, and electrical work when projects exceed certain thresholds: \$3 million in New York City counties, \$1.5 million in Nassau, Suffolk and Westchester counties, and \$500,000 for the remaining 54 counties.

While these thresholds were increased in 2008 from the previous uniform threshold of \$50,000, they have not been adjusted for inflation in over 17 years. These outdated thresholds now force even moderate projects to be subject to Wicks Law requirements, leading to increased administrative complexity, delays in project coordination, limited flexibility in contractor selection, and diminished accountability. These issues drive up construction costs, diverting scarce taxpayer resources away from critical public services and infrastructure needs.

NYSAC recommends that the Legislature increase Wicks Law thresholds to \$5 million in New York City counties, \$3.5 million in Nassau, Suffolk and Westchester counties, and \$2.5 million in the remaining counties.

Furthermore, we recommend that these threshold amounts be raised by \$100,000 each year to ensure they keep pace with inflation going forward. This reform would modernize outdated thresholds, reduce administrative burdens on local governments, and allow counties to complete critical infrastructure projects more efficiently and cost-effectively.

5. Authorize Design-Build Authority for Counties

Design-build is a project delivery method in which a single entity (the design-builder) is responsible for both the design and construction of a project. This integrated approach offers significant benefits, including:

- Reduced project timelines through overlapping design and construction phases;
- Cost savings through better coordination and reduced change orders;
- Single point of accountability for project delivery;
- Enhanced collaboration and innovation between designers and builders; and
- Earlier identification and resolution of constructability issues.

Currently, New York State agencies have design-build authority, as do certain public authorities and some other entities. However, counties and most municipalities lack this authority and must use the traditional design-bid-build method, where design is completed first and then construction is separately bid.

For complex projects—such as renovating aging jail facilities, building new public health infrastructure, or upgrading critical highway bridges—design-build can significantly reduce costs and accelerate delivery of essential public infrastructure. Counties should have the same tools available to state government.

We recommend that the Legislature grant counties explicit design-build authority with appropriate safeguards. Several other states have successfully granted design-build authority to local governments, and New York counties are ready to use this tool responsibly to deliver better value for taxpayers.

6. Best Value Bidding Must Be Maintained and Clarified

The next major area concerns procurement flexibility: ensuring that counties and local governments retain the ability to award purchase contracts based on best value, rather than being restricted solely to the lowest responsible bidder in all circumstances.

Under GML § 103(1) and related provisions, local governments may award purchase contracts—but not public works contracts—on the basis of "best value" (defined in State Finance Law § 163), provided the local government has adopted the requisite local law, regulation, or resolution authorizing best value. "Best value" means that while the lowest bid in price may be chosen, the local government may also consider factors such as quality, durability, life-cycle cost, maintenance costs, vendor performance, and reliability rather than selecting strictly on lowest price alone.

For county governments, best value has proven to be a critical tool. For example, when purchasing a major IT system, heavy equipment vehicles, emergency response equipment, a long-term service contract for public health or corrections, the lowest-priced option may cost more over time in maintenance, downtime, or vendor failure. A best-value evaluation may result in lower total cost to taxpayers and better service delivery.

Any changes to procurement law must preserve—and ideally expand—best value authority for local governments. Counties need flexibility to make procurement decisions that serve the long-term interests of taxpayers, not just the lowest initial price. For this reason, we urge the Legislature to affirm and strengthen the ability of counties to use best value, to ensure guidance is clear, to ensure training is available, and to avoid unintended restrictions that de facto force "lowest bid only" in all circumstances.

7. Allow Online Reverse Auction Bidding

Counties believe that an additional procurement tool—online reverse auction bidding—should be allowed under state law. A reverse auction is a process in which prospective vendors compete in real time, lowering their bids during a timed online event until the lowest responsive and responsible bidder remains. The mechanism promotes competition, transparency, and potentially lower costs, and can be efficient for commodities or services with standardized specifications.

Currently, New York's law does not explicitly provide for online reverse auctions for local governments as a standard procurement option. Many other states allow reverse auctions, especially for commonly purchased goods, where specification is clear, and the vendor market is robust. By authorizing reverse auctions, counties could procure standardized items—such as fleet vehicles, IT hardware, office supplies, fuel, and road salt—more efficiently and cost-effectively.

We recommend that the Legislature explicitly authorize—or provide permissive language enabling—local governments, including counties, to use online reverse auction bidding when appropriate. Such authorization should include safeguards to protect the public interest, including requirements for vendor responsibility verification, specification clarity, sufficient competition, transparency, and audit trails. Reverse auctions would be particularly valuable for commodity purchases where specifications are standardized and multiple qualified vendors exist, creating genuine real-time competition that benefits taxpayers.

8. Support Strategic Use of E-Procurement Technology

Technology has transformed procurement practices in both the public and private sectors. E-procurement systems offer significant advantages, including:

- Streamlined bid solicitation and submission processes;
- Enhanced transparency and audit trails;
- Reduced paperwork and administrative burden;
- Broader vendor participation through easier access to opportunities;
- Better data analytics for spending patterns and vendor performance; and
- Faster processing and reduced cycle times.

Many counties have already invested in e-procurement platforms, while others are exploring options. Counties need flexibility to adopt technology solutions that meet their specific needs and resources. State law should encourage and facilitate—not hinder—these technology investments.

We recommend that the Legislature provide state funding or grants to assist counties in acquiring and implementing e-procurement systems, particularly for smaller counties with limited IT budgets, and support the development of standards or best practices for e-procurement that ensure interoperability and facilitate cooperative purchasing across jurisdictions.

9. Allow Multiple Awards Where Appropriate

Current state law generally requires counties to award contracts to a single "lowest responsible bidder" under General Municipal Law § 103. While the State may establish multiple-award contracts for the same commodities or service categories through the Office of General Services (OGS), counties lack comparable flexibility. This limitation can be inefficient—particularly for purchases like office supplies, IT services, or specialized equipment—where multiple vendors can meet specifications at competitive prices. Authorizing counties to make multiple awards where appropriate would enhance efficiency, promote vendor diversity, strengthen local

economies, and allow faster response to operational needs while preserving full competitive safeguards.

Conclusion

On behalf of New York's 62 county governments, thank you for your attention to these important issues and for your consideration of NYSAC's recommendations. The nine reforms I have outlined today represent practical, tested solutions that would significantly enhance county governments' ability to serve New York residents efficiently and responsibly:

- Making piggybacking authority permanent to provide certainty and continued cost savings;
- Clarifying piggyback authority for public works projects to align with existing successful practices;
- 3. **Increasing bidding thresholds** to reflect inflation;
- 4. **Raising Wicks Law thresholds** to reduce administrative complexity on moderate-sized projects;
- 5. **Authorizing design-build authority** to accelerate delivery of critical infrastructure:
- 6. **Maintaining and clarifying best value bidding** to ensure long-term taxpayer value;
- 7. **Allowing online reverse auction bidding** for competitive, transparent procurement; and
- 8. **Supporting e-procurement technology** through state funding and technical assistance.
- 9. **Allowing multiple awards where appropriate** to provide counties with the same flexibility as the State.

Each of these measures has been proven effective in other jurisdictions or through county experience in New York. Together, they would modernize our procurement framework, reduce administrative burdens, accelerate project delivery, and maximize value for local taxpayers—all while maintaining appropriate safeguards and competitive processes.

Counties are not seeking to bypass competitive procurement or weaken oversight. Rather, we are asking for the tools and flexibility to procure goods and services in ways that reflect modern practices, current economic conditions, and the realities of 21st-century government operations.

We appreciate the Assembly's attention to these issues and stand ready to work with the Legislature to advance these common-sense reforms. Thank you for the opportunity to testify today, and I welcome any questions.