

## **Notice of Adoption of Rules**

Pursuant to the authority vested in the Procurement Policy Board (PPB) by Sections 311, 313, and 319 of the New York City Charter and in accordance with the requirements of Section 1043 of said Charter, the PPB has adopted amendments to Chapter 3 of Title 9 of the Rules of the City of New York.

### **Statement of Basis and Purpose of Rules**

These Procurement Policy Board (PPB) Rule amendments update the provisions of the PPB Rules relating to the term and approval requirements for multiple-award contracts and task or purchase orders. The amendments set forth in PPB Rules §§ 3-02 and 3-03 extend the maximum allowable term of multiple award contracts. Extending the maximum term of these procurements will reduce the number of procurements necessary, reducing the administrative burden on agencies. The rule amendments previously published in proposed form would have also extended the maximum allowable term for non-project specific task orders or purchase orders. After discussions among PPB members and stakeholders, the PPB decided not to implement that change.

This rule amendment (1) extends the maximum allowable term of multiple award task or purchase order contracts awarded through competitive sealed bidding from three years to five years, (2) extends the maximum allowable term of multiple award task order contracts awarded through competitive sealed proposals from three years to five years, and (3) amends the Rule to clarify that such contracts may be extended in accordance with the PPB Rules § 4-02(b)(1)(iii).

Section 1 amends PPB Rule § 3-02(t)(3), which relates to multiple award task or purchase order contracts awarded through competitive sealed bidding, to extend the maximum allowable term of such contracts. Section 1 also amends such provision to make clear that such contracts may be extended in accordance with PPB Rule § 4-02(b)(1)(iii).

Section 2 amends PPB Rule § 3-03(j)(3), which relates to multiple award task order contracts awarded through competitive sealed proposals, to extend the maximum allowable term of such contracts from three years to five years. Section 2 also amends the Rule to make clear that such contracts may be extended in accordance with PPB Rule § 4-02(b)(1)(iii).

On June 4, 2024, the PPB voted to initiate the rulemaking process under the Citywide Administrative Procedure Act for this proposed rule amendment. A proposed version of this amendment was published in the *City Record* on July 26, 2024. A public hearing was held on August 28, 2024.

The PPB did not receive either written comments or oral testimony at the public hearing regarding these proposed rules. In the absence of comments and in consideration of the PPB's discussions during public meetings, the PPB adopted the amendment on November 21, 2024.

The PPB's authority to promulgate these rules is found in sections 311, 313, 319, 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 (3) OF SUBDIVISION (t) OF SECTION 3-02 OF TITLE 9 OF THE RULES OF THE CITY OF NEW YORK IS AMENDED TO READ AS FOLLOWS:**

(3) *Duration.* Unless otherwise approved by the CCPO, contracts awarded pursuant to this [section] subdivision shall have a total term including all renewals, of not more than [three] five years, provided that any such contract may be extended for an additional period of one year beyond the date of expiration of such contract in accordance with § 4-02(b)(1)(iii) of these Rules. Task orders, or purchase orders, may extend beyond the expiration of the contract term, in which event the terms and conditions of the contract shall continue to apply to the task order or purchase order until its termination or expiration. Task orders, or purchase orders, shall have a maximum term of three years or, if issued for a specific project, until the specific project is completed. Notwithstanding the above, a task order may be extended beyond, or further extended beyond, the expiration of the contract term[, ] or [beyond] the expiration of the task order[, ] with the CCPO’s approval [of the CCPO], which must be obtained in a manner prescribed by the CCPO.

**§ 2. PARAGRAPH (3) OF SUBDIVISION (j) OF SECTION 3-03 OF TITLE 9 OF THE RULES OF THE CITY OF NEW YORK IS AMENDED TO READ AS FOLLOWS:**

(3) *Duration.* Unless otherwise approved by the CCPO, contracts awarded pursuant to this [section] subdivision shall have an initial term, or a total term including all renewals, of not more than [three] five years, provided that any such contract may be extended for an additional period of one year beyond the date of expiration of such contract in accordance with § 4-02(b)(1)(iii) of these Rules. Task orders or purchase orders may extend beyond the expiration of the contract term, in which event the terms and conditions of the contract shall continue to apply to the task order until its termination or expiration. Task orders or purchase orders shall have a maximum term of three years or, if issued for a specific project, until the specific project is completed. Notwithstanding the above, a task order or purchase order may be extended beyond, or further extended beyond, the expiration of the contract term[, ] or [beyond] the expiration of the task order or purchase order[, ] with the CCPO’s approval [of the CCPO], which must be obtained in a manner prescribed by the CCPO.