



## **Top issues for New York engineering firms in 2020 - by Jay Simson, ACEC New York**

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ACEC New York continues to highlight the exceptional qualifications, expertise and efficiencies brought by private engineering design firms. State taxpayers benefit from ACEC New York member firms' creativity and flexibility in multiplying the capacity and bandwidth of public clients' efforts. A 2016 NYU Polytechnic Report documents a 15%+ savings when private engineering firms are utilized. This administration's focus on nimbly and responsively delivering infrastructure improvements demands strong partnership between public clients and the state's professional design communities.

**Budget Priorities:** ACEC New York supports sustainable funding that recognizes the transportation needs across all regions of the State; continues the progress made in water infrastructure, pollution abatement and green infrastructure; and invests in advanced energy generation, storage, transmission and efficiency measures. Investments in high-profile road, airport and transit projects are important, but enhanced maintenance and reconstruction of existing stock cannot be overlooked

Other ACEC New York legislative priorities for 2020 include:

- **Qualifications-Based Selection (QBS):** Qualifications-Based Selection remains the the most effective, fair and productive way to procure professional design services. ACEC New York continues to advocate for QBS procurement at all levels of state, local and municipal work. Multiple studies have shown that QBS incentivizes increased competition on projects and allows for enhanced competitiveness by smaller and emerging firms, including MWBE and SDVOB firms. QBS brings procurers the best quality and the best overall value, and it avoids the change orders and scope misalignments associated with low-bid professional engineering service contracts.
- **Support DPC ESOP Expansion:** ACEC New York-supported legislation would allow an Employee Stock Ownership Plan to own a greater amount of a DPC-organized design professional firm. Licensed design professionals would control and manage the firm, but a larger number of employees can share in the benefits of ownership. Employee ownership and professional management and control is a common business model across the country, and it helps firms manage ownership transition, stay locally-owned, retain top talent and reward those who build the firm's success.
- **Geology Update:** ACEC New York's 2020 legislative agenda includes a measure to remedy an unintended consequence of the 2014 licensure of professional geologists. Currently, grandfather

engineering firms are unable to provide the geology services they could before the change in law. This important legislation restores this ability and allows public clients to continue their relationships with the best qualified firms to ensure that public projects are designed to the highest standards.

- **Business Climate Protection:** From uninsurable clauses, to responsibility for work beyond their scope and control, to unreasonable contract terms, New York continues to be a challenging business environment for many firms. ACEC New York will continue to work with our public and private partners to identify and promote corrective measures for these issues through legislative, regulatory and administrative channels. The resulting changes will not only benefit our members and partners but will also have a positive impact on the State economy.

- **Indemnification:** ACEC New York continues to work with public and private stakeholders to protect engineering firms from unreasonable and uninsurable indemnification demands. All too frequently, the defense and indemnity clauses in public works contracts expose consulting firms to liabilities that are outside the control of the consultant and cannot be covered by insurance. These misguided clauses are uninsurable and offer only illusory protection, while putting businesses at risk of failing and preventing individuals who are harmed from just compensation. ACEC New York continues to lead the effort to reform the way these clauses are worded.

ACEC New York is a proactive coalition of almost 300 firms representing every discipline of engineering related to the built environment—civil, structural, mechanical, electrical, environmental, geotechnical—and affiliated companies. Our shared goals are to further the business interests of our membership, enhance the quality and safety of the environment we live and work in, and help ensure the vitality of our communities.

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