

4103

2009-2010 Regular Sessions

I N   S E N A T E

April 9, 2009

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Introduced by Sen. AUBERTINE -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law and the New York state urban development corporation act, in relation to establishing a strategic network partnerships program

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1     Section 1. Section 190 of the economic development law is amended by  
2 adding three new subdivisions 7, 8 and 9 to read as follows:  
3     7. "STRATEGIC INDUSTRY" SHALL MEAN A REGIONAL OR STATEWIDE INDUS-  
4 TRY GROUP ENGAGED IN MANUFACTURING OR OTHER PRODUCTION OF GOODS OR  
5 SERVICES, INCLUDING RESEARCH AND DEVELOPMENT ACTIVITIES, THAT IS CONSID-  
6 ERED TO BE CRITICAL TO THE ECONOMY OF THE STATE IN TERMS OF EMPLOYMENT,  
7 AND/OR IN WHICH THE STATE APPEARS TO HAVE A COMPARATIVE ADVANTAGE WHICH  
8 WOULD ENABLE SUCH AN INDUSTRY GROUP TO CONTINUE TO MAKE A SIGNIFICANT  
9 CONTRIBUTION TO THE ECONOMIC HEALTH OF THE STATE OR A REGION OF THE  
10 STATE, AND WHICH IS DESIGNATED BY THE COMMISSIONER AS A STRATEGIC INDUS-  
11 TRY PURSUANT TO SECTION ONE HUNDRED NINETY-TWO-B OF THIS ARTICLE.  
12     8. "SUPPLIER NETWORK" SHALL MEAN A STATEWIDE OR REGIONAL GROUP OF  
13 SMALL AND MEDIUM-SIZED MANUFACTURING FIRMS OR OTHER PRODUCERS OF GOODS  
14 OR SERVICES, INCLUDING RESEARCH AND DEVELOPMENT ACTIVITIES, IN DIFFERENT  
15 INDUSTRY GROUPS WHICH SUPPLY THE SAME MANUFACTURING COMPANY OR GROUP OF  
16 SIMILAR MANUFACTURING COMPANIES WITH PRODUCTS USED IN THE MANUFACTURE,  
17 PRODUCTION, OR ASSEMBLING OF FINAL PRODUCTS.  
18     9. "STRATEGIC ALLIANCES" SHALL MEAN AN INFORMAL OR FORMAL ASSOCIATION  
19 OF BUSINESSES IN A STRATEGIC INDUSTRY FOR THE PURPOSE OF SOLVING COMMON  
20 PROBLEMS AND ENGAGING IN COOPERATIVE ACTIVITIES.  
21     S 2. The economic development law is amended by adding three new  
22 sections 192-a, 192-b and 192-c to read as follows:

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD03944-01-9

1 S 192-A. STRATEGIC NETWORK PARTNERSHIPS PROGRAM. 1. THE DEPARTMENT  
2 SHALL ENTER INTO AN AGREEMENT WITH THE NEW YORK STATE URBAN DEVELOPMENT  
3 CORPORATION, THE NEW YORK STATE JOB DEVELOPMENT AUTHORITY, THE NEW YORK  
4 STATE OFFICE OF SCIENCE, TECHNOLOGY AND ACADEMIC RESEARCH, THE STATE  
5 UNIVERSITY OF NEW YORK, THE STATE EDUCATION DEPARTMENT, THE DEPARTMENT  
6 OF LABOR AND OTHER STATE AGENCIES TO CREATE A STRATEGIC NETWORK PARTNER-  
7 SHIPS PROGRAM WHICH SHALL BE COORDINATED BY THE DEPARTMENT.

8 2. IN ORDER TO EFFECT SUCH COORDINATION, THE COMMISSIONER SHALL ESTAB-  
9 LISH THROUGH THE STRATEGIC NETWORK PARTNERSHIPS PROGRAM AN INTER-AGENCY  
10 COMMITTEE COMPOSED OF REPRESENTATIVES OF EACH OF THE STATE AGENCIES SET  
11 FORTH IN SUBDIVISION ONE OF THIS SECTION, WHICH SHALL PROVIDE INTEGRATED  
12 PLANNING OF STATE-SUPPORTED INDUSTRIAL MODERNIZATION ACTIVITIES, INCLUD-  
13 ING DEVELOPMENT OF CRITERIA AND PROCESSES FOR THE IDENTIFICATION OF  
14 STRATEGIC INDUSTRIES IN COOPERATION WITH THE STRATEGIC INDUSTRY GROUP  
15 AND SUPPLIER NETWORK ADVISORY PANEL ESTABLISHED PURSUANT TO SECTION ONE  
16 HUNDRED NINETY-TWO-B OF THIS ARTICLE.

17 3. THROUGH THE STRATEGIC NETWORK PARTNERSHIPS PROGRAM THE DEPARTMENT  
18 SHALL:

19 (A) ORGANIZE, INTEGRATE AND COORDINATE STATE PROGRAMS DESIGNED TO  
20 ASSIST MANUFACTURING INDUSTRIES AND OTHER PRODUCERS OF GOODS OR SERVICES  
21 TO BECOME MORE COMPETITIVE AND PRODUCTIVE.

22 (B) ANALYZE THE MODERNIZATION NEEDS OF SMALL AND MEDIUM-SIZED MANUFAC-  
23 TURERS AND OTHER PRODUCERS OF GOODS OR SERVICES, INCLUDING SELECTED  
24 BRANCH PLANTS OF LARGER FIRMS, AT BOTH THE INDIVIDUAL FIRM AND OVERALL  
25 INDUSTRY LEVELS, FOR THE PURPOSE OF TARGETING APPROPRIATE AND NECESSARY  
26 RESOURCES TO IMPROVE PRODUCTIVITY AND COMPETITIVENESS.

27 (C) STIMULATE SELF-HELP ACTIVITIES THAT ARE DEVELOPED THROUGH COOPER-  
28 ATIVE EFFORTS BY FIRMS OR GROUPS OF FIRMS AT THE STATE AND REGIONAL  
29 LEVELS, WHICH ARE DESIGNED TO DEVELOP SOLUTIONS TO FUNDAMENTAL PROBLEMS  
30 FACING INDUSTRY GROUPS.

31 (D) ENCOURAGE, WHERE APPROPRIATE, THE FORMATION OF FLEXIBLE MANUFAC-  
32 TURING NETWORKS AMONG SMALLER FIRMS.

33 (E) CREATE A COMPUTER NETWORK AMONG MANUFACTURING FIRMS IN THE STATE  
34 OR REGION.

35 (F) ESTABLISH A STRATEGIC INDUSTRIES GROUP SERVICES PROGRAM PURSUANT  
36 TO SECTION ONE HUNDRED NINETY-TWO-B OF THIS ARTICLE.

37 (G) ESTABLISH A SUPPLIER NETWORK GROUP SERVICES PROGRAM PURSUANT TO  
38 SECTION ONE HUNDRED NINETY-TWO-C OF THIS ARTICLE.

39 4. THE FOLLOWING PROGRAMS WITHIN THE DEPARTMENT AND THE AGENCIES AND  
40 AUTHORITIES SET FORTH IN SUBDIVISION ONE OF THIS SECTION SHALL BE COOR-  
41 DINATED WITH THE STRATEGIC NETWORK PARTNERSHIPS PROGRAM: INDUSTRIAL  
42 EFFECTIVENESS PROGRAM, PROCUREMENT ASSISTANCE PROGRAMS, EXPORT ASSIST-  
43 ANCE PROGRAMS, EXCELSIOR LINKED DEPOSIT PROGRAM, THE URBAN AND COMMUNITY  
44 DEVELOPMENT PROGRAM, THE EMPIRE STATE ECONOMIC DEVELOPMENT FUND, THE  
45 STRATEGIC TRAINING ALLIANCE PROGRAM AND OTHER PROGRAMS AS DETERMINED BY  
46 THE COMMISSIONER.

47 5. THE COMMISSIONER SHALL ESTABLISH, WITHIN THE STRATEGIC NETWORK  
48 PARTNERSHIPS PROGRAM, A QUALITY COUNCIL PROGRAM DESIGNED TO COORDINATE  
49 EDUCATIONAL AND ECONOMIC DEVELOPMENT ASSISTANCE ACTIVITIES RELATED TO  
50 FURTHERING THE IMPLEMENTATION OF TOTAL QUALITY MANAGEMENT PRINCIPLES  
51 WITHIN MANUFACTURING FIRMS AND INDUSTRIES AND OTHER PRODUCERS OF GOODS  
52 OR SERVICES. THE QUALITY COUNCIL PROGRAM SHALL INCLUDE COMMUNICATION ON  
53 INFORMATION CONCERNING QUALITY PRINCIPLES AND BEST QUALITY PRACTICES,  
54 SPONSORSHIP OF QUALITY CONFERENCES, SEMINARS AND WORKSHOPS, AND SHALL  
55 SERVE AS A QUALITY INFORMATION CLEARINGHOUSE FOR MANUFACTURERS.

1 S 192-B. STRATEGIC INDUSTRIES GROUP SERVICES PROGRAM. 1. THE DEPART-  
2 MENT SHALL:

3 (A) ESTABLISH WITHIN THE STRATEGIC NETWORK PARTNERSHIPS PROGRAM A  
4 STRATEGIC INDUSTRIES GROUP SERVICES PROGRAM AND CREATE A PROCESS, PURSU-  
5 ANT TO SUBDIVISION TWO OF THIS SECTION, TO DESIGNATE CERTAIN INDUSTRIAL  
6 GROUPS ENGAGED IN MANUFACTURING OR THE PRODUCTION OF OTHER GOODS OR  
7 SERVICES AS STRATEGIC INDUSTRIES.

8 (B) ACTIVELY PROMOTE COOPERATION AMONG FIRMS IN A STRATEGIC INDUSTRY  
9 TO IDENTIFY NEEDS, SOLVE COMMON PROBLEMS, AND ENCOURAGE AND BUILD COOP-  
10 ERATIVE PROGRAMS AMONG MEMBER COMPANIES OF STRATEGIC NETWORKS OR ALLI-  
11 ANCES IN AREAS CRITICAL TO THEIR SURVIVAL AND GROWTH, SUCH AS WORKFORCE  
12 DEVELOPMENT, MARKET DEVELOPMENT AND EXPANSION, EXPORT TRADE, COMPETI-  
13 TIVENESS IMPROVEMENT, PRODUCT QUALITY IMPROVEMENT, TOTAL QUALITY MANAGE-  
14 MENT, PRODUCT DIVERSIFICATION, AND HIGH PERFORMANCE WORK ORGANIZATIONS.

15 (C) OFFER COMPANIES WITHIN A STRATEGIC INDUSTRY VARIOUS FORMS OF TECH-  
16 NICAL AND FINANCIAL ASSISTANCE, IN COOPERATION WITH THE NEW YORK STATE  
17 URBAN DEVELOPMENT CORPORATION, THE NEW YORK STATE JOB DEVELOPMENT  
18 AUTHORITY, THE NEW YORK STATE OFFICE OF SCIENCE, TECHNOLOGY AND ACADEMIC  
19 RESEARCH, AND OTHER STATE AGENCIES, AS INCENTIVES FOR THE FORMATION OF  
20 STRATEGIC ALLIANCES AMONG FIRMS IN A DESIGNATED STRATEGIC INDUSTRY AND  
21 DIRECT SUCH ASSISTANCE TOWARD ADDRESSING THE PROBLEMS OF STRATEGIC  
22 INDUSTRIES PURSUANT TO AGREEMENTS ENTERED INTO WITH STATE AGENCIES AND  
23 AUTHORITIES PURSUANT TO SECTION ONE HUNDRED NINETY-TWO-A OF THIS ARTI-  
24 CLE.

25 (D) PROVIDE IN-DEPTH ASSISTANCE FOR ACTIVITIES SPONSORED BY INDUSTRY  
26 ASSOCIATIONS AND STRATEGIC ALLIANCES IN STRATEGIC INDUSTRIES TO STIMU-  
27 LATE INDUSTRIAL MODERNIZATION AND MARKET EXPANSION ACTIVITY.

28 (E) IN COOPERATION WITH THE OFFICE OF SCIENCE, TECHNOLOGY AND ACADEMIC  
29 RESEARCH, ASSIST AND SUPPORT STRATEGIC INDUSTRIES IN ACCESSING MANUFAC-  
30 TURING TECHNOLOGY SERVICE AND OUTREACH CENTERS CREATED PURSUANT TO THE  
31 FEDERAL DEFENSE CONVERSION REINVESTMENT AND TRANSITION ASSISTANCE ACT OF  
32 1992 (P.L. 102-484) AND OTHER SOURCES OF STATE AND LOCAL MODERNIZATION  
33 ASSISTANCE DESIGNED TO:

34 (I) COLLECT AND DISSEMINATE THE MOST CURRENT INFORMATION ON MANUFAC-  
35 TURING AND PRODUCTION METHODS, PROCEDURES, PROCESS AND TECHNOLOGIES  
36 RELEVANT TO MEMBERS OF THE STRATEGIC INDUSTRY SERVED BY THE CENTER AND  
37 CREATE AN INFORMATION RETRIEVAL SYSTEM FOR USE BY MEMBERS OF A STRATEGIC  
38 INDUSTRY.

39 (II) CONDUCT DEMONSTRATIONS OF THE MOST CURRENT MANUFACTURING AND  
40 PRODUCTION METHODS, PROCEDURES, PROCESSES AND TECHNOLOGIES FOR MEMBERS  
41 OF THE STRATEGIC INDUSTRY AND UNDERTAKE TECHNOLOGY TRANSFER ACTIVITIES.

42 (III) PROVIDE TECHNICAL ASSISTANCE TO STRATEGIC INDUSTRY GROUP MEMBERS  
43 TO ASSIST THEM IN ANALYZING PRODUCTION PROBLEMS AND IN IMPLEMENTING NEW  
44 MANUFACTURING AND PRODUCTION PRACTICES, PROCESSES, PROCEDURES AND TECH-  
45 NOLOGIES.

46 (IV) PROVIDE THE OPPORTUNITY FOR SHARED MANUFACTURING AND PRODUCTION  
47 SPACE AND THE USE OF SPECIALIZED DEMONSTRATION EQUIPMENT FOR USE BY  
48 INDIVIDUAL FIRMS OR GROUPS OF FIRMS IN A STRATEGIC INDUSTRY GROUP.

49 (V) ESTABLISH TIES WITH UNIVERSITIES AND CONDUCT JOINT RESEARCH INTO  
50 THE PROBLEMS AFFECTING A STRATEGIC INDUSTRY GROUP.

51 (VI) OFFER MANAGEMENT AND TECHNICAL COURSES TO MEMBERS OF A STRATEGIC  
52 INDUSTRY GROUP.

53 (VII) ARRANGE FOR AND CONDUCT WORKER PARTICIPATION AND TRAINING FOR  
54 STRATEGIC INDUSTRY GROUP MEMBERS.

55 (VIII) ARRANGE FOR AND PROVIDE EXPORT INFORMATION, ASSISTANCE AND  
56 REPRESENTATION AT TRADE SHOWS.

1 (IX) ACT AS PACKAGERS, WHERE APPROPRIATE, OF GROUP INSURANCE FOR STRA-  
2 TEGIC INDUSTRY GROUP MEMBERS.

3 (F) GRADUALLY REDUCE ASSISTANCE TO STRATEGIC INDUSTRY GROUPS OVER TIME  
4 TO ALLOW INDUSTRY GROUPS TO BECOME USER-FUNDED AND SELF-SUPPORTING.

5 2. (A) THE COMMISSIONER SHALL DESIGNATE A STRATEGIC INDUSTRY GROUP AND  
6 SUPPLIER NETWORK ADVISORY PANEL.

7 (I) SUCH ADVISORY PANEL SHALL BE COMPOSED OF LEADING UNIVERSITY AND  
8 PRIVATE SECTOR ECONOMISTS, REPRESENTATIVES OF LABOR GROUPS, REPRESENT-  
9 TIVES FROM THE PRIVATE BUSINESS SECTOR, SELECTED MEMBERS OF THE BOARD  
10 OF DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT CORPORATION, THE  
11 NEW YORK STATE JOB DEVELOPMENT AUTHORITY, AND THE NEW YORK STATE OFFICE  
12 OF SCIENCE, TECHNOLOGY AND ACADEMIC RESEARCH AND OTHER SUCH REPRESENT-  
13 TIVES AS THE COMMISSIONER DEEMS APPROPRIATE.

14 (II) THE MEMBERS OF THE ADVISORY BOARD SHALL RECEIVE NO COMPENSATION  
15 FOR THEIR SERVICES BUT SHALL BE ALLOWED THEIR ACTUAL AND NECESSARY  
16 EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES.

17 (B) THE STRATEGIC INDUSTRY GROUP AND SUPPLIER NETWORK ADVISORY PANEL  
18 SHALL:

19 (I) ASSIST THE COMMISSIONER IN DEVELOPING CRITERIA FOR DESIGNATING A  
20 STRATEGIC INDUSTRY GROUP, SUCH CRITERIA TO BE PUBLISHED BY THE COMMIS-  
21 SIONER.

22 (II) USE SUCH CRITERIA TO PERIODICALLY REVIEW THE CONDITION OF  
23 MANUFACTURING INDUSTRIES IN THE STATE AND RECOMMEND TO THE COMMISSIONER  
24 INDUSTRY GROUPS FOR DESIGNATION AS STRATEGIC INDUSTRIES.

25 (III) ASSIST A STRATEGIC INDUSTRY DESIGNATED BY THE COMMISSIONER  
26 PURSUANT TO PARAGRAPH (C) OF THIS SUBDIVISION TO DEVELOP A COMPACT AMONG  
27 ITS MEMBER INDUSTRIES AND BETWEEN ITS MEMBER INDUSTRIES AND THE STATE  
28 SETTING FORTH AN AGREEMENT OF COOPERATION CONSISTENT WITH THE APPROPRI-  
29 ATE AND RELEVANT ELEMENTS OF COOPERATION SET FORTH IN SECTION ONE  
30 HUNDRED NINETY-TWO-A OF THIS ARTICLE AND THIS SECTION, SUCH COMPACT TO  
31 BE SIGNED BY THE MEMBER INDUSTRIES OF A STRATEGIC INDUSTRY, THE GOVER-  
32 NOR, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE  
33 ASSEMBLY.

34 (C) THE COMMISSIONER SHALL, FROM AMONG THE INDUSTRY GROUPS RECOMMENDED  
35 BY THE ADVISORY PANEL FOR DESIGNATION AS STRATEGIC INDUSTRY GROUPS,  
36 DESIGNATE STRATEGIC INDUSTRIES, SUCH DESIGNATION TO BE FINAL UPON THE  
37 SIGNING OF THE COMPACT AS SET FORTH IN PARAGRAPH (B) OF THIS SUBDIVI-  
38 SION.

39 (D) NO DESIGNATION OF AN INDUSTRY GROUP AS A STRATEGIC INDUSTRY SHALL  
40 BE MADE FOR A PERIOD OF LONGER THAN THREE YEARS FROM THE TIME OF DESIG-  
41 NATION; PROVIDED, HOWEVER, THAT THE ADVISORY PANEL SHALL BE ABLE TO  
42 COMMEND AN INDUSTRY GROUP FOR REDESIGNATION UNDER THE PROCESS SET FORTH  
43 IN THIS SUBDIVISION, AND THE COMMISSIONER MAY REDESIGNATE AN INDUSTRY  
44 GROUP AS A STRATEGIC INDUSTRY.

45 3. INDUSTRIES DESIGNATED OR REDESIGNATED AS STRATEGIC INDUSTRIES SHALL  
46 HAVE PREFERENCE FOR ASSISTANCE UNDER THE STRATEGIC NETWORK PARTNERSHIPS  
47 PROGRAM SET FORTH IN SECTION ONE HUNDRED NINETY-TWO-A OF THIS ARTICLE.

48 4. THE DEPARTMENT SHALL MONITOR AND PERIODICALLY REVIEW THE PERFORM-  
49 ANCE OF STRATEGIC INDUSTRY GROUPS TO DETERMINE WHETHER OR NOT CONTINUED  
50 PREFERENCE UNDER SUBDIVISION THREE OF THIS SECTION IS WARRANTED ACCORD-  
51 ING TO CRITERIA DEVELOPED BY THE DEPARTMENT, SUCH CRITERIA TO INCLUDE  
52 THE EXTENT TO WHICH THE INDUSTRY HAS UNDERTAKEN THE SELF-HELP MEASURES,  
53 THE FINANCIAL CONTRIBUTIONS TO THE PROGRAM BY THE INVOLVED FIRMS,  
54 PROGRESS TOWARD SELF-SUFFICIENCY, AND THE JOB RETENTION AND CREATION  
55 EFFECTS OF THE PROGRAM ON A PARTICULAR STRATEGIC INDUSTRY, AND MAY  
56 DISCONTINUE SUCH PREFERENCE AT ANY TIME THAT IT DETERMINES THAT THE

1 PERFORMANCE OF A STRATEGIC INDUSTRY GROUP IS NOT SATISFACTORY ACCORDING  
2 TO SUCH CRITERIA.

3 S 192-C. SUPPLIER NETWORK GROUP SERVICES PROGRAM. L. THE DEPARTMENT  
4 SHALL:

5 (A) ESTABLISH WITHIN THE STRATEGIC NETWORK PARTNERSHIPS PROGRAM A  
6 SUPPLIER NETWORK GROUP SERVICES PROGRAM AND CREATE A PROCESS, PURSUANT  
7 TO SUBDIVISION TWO OF THIS SECTION, TO DESIGNATE AS SUPPLIER NETWORKS  
8 CERTAIN SMALL AND MEDIUM-SIZED MANUFACTURING FIRMS AND OTHER PRODUCERS  
9 OF GOODS OR SERVICES IN DIFFERENT INDUSTRY GROUPS WHICH SUPPLY THE SAME  
10 MANUFACTURING COMPANY OR GROUP OF SIMILAR MANUFACTURING COMPANIES WITH  
11 THE PRODUCTS USED IN THE MANUFACTURE, PRODUCTION, OR ASSEMBLING OF FINAL  
12 PRODUCTS.

13 (B) ACTIVELY PROMOTE COOPERATION AMONG FIRMS IN A SUPPLIER NETWORK TO  
14 IDENTIFY NEEDS AND SOLVE COMMON PROBLEMS.

15 (C) OFFER COMPANIES WITHIN A SUPPLIER NETWORK VARIOUS FORMS OF TECHNICAL  
16 AND FINANCIAL ASSISTANCE, IN COOPERATION WITH THE NEW YORK STATE  
17 URBAN DEVELOPMENT CORPORATION, THE NEW YORK STATE JOB DEVELOPMENT  
18 AUTHORITY, THE NEW YORK STATE OFFICE OF SCIENCE, TECHNOLOGY AND ACADEMIC  
19 RESEARCH, AND OTHER STATE AGENCIES, AS INCENTIVES FOR THE FORMATION OF  
20 STRATEGIC ALLIANCES AMONG FIRMS IN A DESIGNATED SUPPLIER NETWORK AND  
21 DIRECT SUCH ASSISTANCE TOWARD ADDRESSING THE PROBLEMS OF THE FIRMS IN A  
22 SUPPLIER NETWORK PURSUANT TO AGREEMENTS ENTERED INTO WITH STATE AGENCIES  
23 AND AUTHORITIES PURSUANT TO SECTION ONE HUNDRED NINETY-THREE OF THIS  
24 ARTICLE.

25 (D) ASSIST AND SUPPORT SUPPLIER NETWORKS BY:

26 (I) COLLECTING AND DISSEMINATING THE MOST CURRENT INFORMATION ON MANU-  
27 FACTURING METHODS, PROCEDURES, PROCESSES AND TECHNOLOGIES RELEVANT TO  
28 MEMBERS OF A SUPPLIER NETWORK AND CREATE AN INFORMATION RETRIEVAL SYSTEM  
29 FOR USE BY MEMBERS OF A SUPPLIER NETWORK.

30 (II) CONDUCT DEMONSTRATIONS OF THE MOST CURRENT MANUFACTURING AND  
31 PRODUCTION METHODS, PROCEDURES, PROCESSES AND TECHNOLOGIES FOR MEMBERS  
32 OF THE SUPPLIER NETWORK AND UNDERTAKE TECHNOLOGY TRANSFER ACTIVITIES.

33 (III) PROVIDE TECHNICAL ASSISTANCE TO A SUPPLIER NETWORK TO ASSIST ITS  
34 MEMBERS IN ANALYZING PRODUCTION PROBLEMS AND IN IMPLEMENTING NEW MANU-  
35 FACTURING PRACTICES, PROCESSES, PROCEDURES AND TECHNOLOGIES.

36 (IV) PROVIDE THE OPPORTUNITY FOR SHARED MANUFACTURING OR PRODUCTION  
37 SPACE AND THE USE OF SPECIALIZED DEMONSTRATION EQUIPMENT FOR USE BY  
38 INDIVIDUAL FIRMS OR GROUPS OF FIRMS IN A SUPPLIER NETWORK.

39 (V) ESTABLISH TIES WITH UNIVERSITIES AND CONDUCT JOINT RESEARCH INTO  
40 THE PROBLEMS AFFECTING A SUPPLIER NETWORK.

41 (VI) OFFER MANAGEMENT AND TECHNICAL COURSES TO MEMBERS OF A SUPPLIER  
42 NETWORK GROUP.

43 (VII) CONDUCT JOB TRAINING FOR SUPPLIER NETWORK GROUP MEMBERS.

44 (VIII) PROVIDE EXPORT INFORMATION, ASSISTANCE AND REPRESENTATION AT  
45 TRADE SHOWS.

46 (IX) ACT AS PACKAGERS, WHERE APPROPRIATE, OF GROUP INSURANCE FOR  
47 SUPPLIER NETWORK GROUP MEMBERS.

48 (E) WHERE APPROPRIATE, AND IN COOPERATION WITH THE OFFICE OF SCIENCE,  
49 TECHNOLOGY AND ACADEMIC RESEARCH, ASSIST AND SUPPORT SUPPLIER NETWORKS  
50 IN ACCESSING MANUFACTURING TECHNOLOGY SERVICE AND OUTREACH CENTERS  
51 CREATED PURSUANT TO THE FEDERAL DEFENSE CONVERSION REINVESTMENT AND  
52 TRANSITION ASSISTANCE ACT OF 1992 (P.L. 102-484) AND OTHER SOURCES OF  
53 STATE AND LOCAL MODERNIZATION ASSISTANCE.

54 (F) GRADUALLY REDUCE ASSISTANCE TO SUPPLIER NETWORKS OVER TIME TO  
55 ALLOW INDUSTRY GROUPS TO BECOME USER-FUNDED AND SELF-SUPPORTING.

2. DESIGNATION OF SUPPLIER NETWORKS. (A) THE STRATEGIC INDUSTRY GROUP AND SUPPLIER NETWORK ADVISORY PANEL ESTABLISHED PURSUANT TO SECTION ONE HUNDRED NINETY-TWO-B OF THIS ARTICLE SHALL:

(I) ASSIST THE COMMISSIONER IN DEVELOPING CRITERIA FOR DESIGNATING A SUPPLIER NETWORK, SUCH CRITERIA TO BE PUBLISHED BY THE COMMISSIONER.

(II) USE SUCH CRITERIA TO PERIODICALLY REVIEW THE CONDITION OF MANUFACTURING INDUSTRIES IN THE STATE AND RECOMMEND TO THE COMMISSIONER GROUPS OF MANUFACTURING FIRMS FOR DESIGNATION AS SUPPLIER NETWORKS.

(III) ASSIST A SUPPLIER NETWORK DESIGNATED BY THE COMMISSIONER PURSUANT TO PARAGRAPH (B) OF THIS SUBDIVISION TO DEVELOP A COMPACT BETWEEN ITS MEMBER INDUSTRIES AND AMONG ITS MEMBER INDUSTRIES AND THE STATE SETTING FORTH AN AGREEMENT OF COOPERATION CONSISTENT WITH THE APPROPRIATE AND RELEVANT ELEMENTS OF COOPERATION SET FORTH IN SECTION ONE HUNDRED NINETY-TWO-A OF THIS ARTICLE AND THIS SECTION, SUCH COMPACT TO BE SIGNED BY THE MEMBER INDUSTRIES OF A SUPPLIER NETWORK, THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE ASSEMBLY.

(B) THE COMMISSIONER SHALL, FROM AMONG THE GROUPS RECOMMENDED BY THE ADVISORY PANEL FOR DESIGNATION AS SUPPLIER NETWORKS, DESIGNATE SUPPLIER NETWORKS, SUCH DESIGNATION TO BE FINAL UPON THE SIGNING OF THE COMPACT AS SET FORTH IN PARAGRAPH (A) OF THIS SUBDIVISION.

(C) NO DESIGNATION OF A GROUP OF MANUFACTURING OR OTHER PRODUCTION FIRMS AS A SUPPLIER NETWORK SHALL BE MADE FOR A PERIOD OF LONGER THAN THREE YEARS FROM TIME OF DESIGNATION; PROVIDED, HOWEVER, THAT THE ADVISORY PANEL SHALL BE ABLE TO RECOMMEND THAT A GROUP OF FIRMS SHOULD BE REDESIGNATED UNDER THE PROCESS SET FORTH IN THIS SUBDIVISION, AND THE COMMISSIONER MAY REDESIGNATE SUCH A GROUP AS A SUPPLIER NETWORK.

3. INDUSTRIES DESIGNATED OR REDESIGNATED AS SUPPLIER NETWORKS SHALL HAVE PREFERENCE FOR ASSISTANCE UNDER THE STRATEGIC NETWORK PARTNERSHIPS PROGRAM SET FORTH IN SECTION ONE HUNDRED NINETY-TWO-A OF THIS ARTICLE.

4. THE DEPARTMENT SHALL MONITOR AND PERIODICALLY REVIEW THE PERFORMANCE OF SUPPLIER NETWORKS TO DETERMINE WHETHER OR NOT CONTINUED PREFERENCE UNDER SUBDIVISION TWO OF THIS SECTION IS WARRANTED ACCORDING TO CRITERIA DEVELOPED BY THE DEPARTMENT, SUCH CRITERIA TO INCLUDE THE EXTENT TO WHICH THE SUPPLIER NETWORK HAS UNDERTAKEN THE SELF-HELP MEASURES, THE FINANCIAL CONTRIBUTIONS TO THE PROGRAM BY THE INVOLVED FIRMS, PROGRESS TOWARD SELF-SUFFICIENCY, AND THE JOB RETENTION AND CREATION EFFECTS OF THE PROGRAM AT ANY TIME THAT IT DETERMINES THAT THE PERFORMANCE OF A SUPPLIER NETWORK IS NOT SATISFACTORY ACCORDING TO SUCH CRITERIA.

S 3. The opening paragraph of paragraph (e) of subdivision 7 of section 16-d of section 1 of chapter 174 of the laws of 1968 constituting the New York state urban development corporation act, as added by chapter 169 of the laws of 1994, is amended to read as follows:

Not-for-profit corporations, business improvement districts and community development organizations, INCLUDING ASSOCIATIONS REPRESENTING STRATEGIC NETWORK PARTNERSHIPS DESIGNATED PURSUANT TO SECTIONS 192-B AND 192-C OF THE ECONOMIC DEVELOPMENT LAW, WHICH MAY APPLY FOR UP TO FIFTY PERCENT OF PROJECT COSTS, PARAGRAPH (B) OF THIS SUBDIVISION NOTWITHSTANDING, shall be eligible to apply for support under this subdivision to operate a program or programs of business and economic development services to stabilize, retain or revitalize existing businesses, and to assist small and new businesses, including, but not limited to, assistance to individual businesses or business sectors in such project areas as:

S 4. The opening paragraph of subdivision 1 of section 16-m of section 1 of chapter 174 of the laws of 1968 constituting the New York state

1 urban development corporation act, as added by section 1 of part N of  
2 chapter 84 of the laws of 2002, is amended to read as follows:

3 The empire state economic development fund is hereby created. The  
4 corporation is authorized, within available appropriations, to provide  
5 financial, technical or other assistance from such fund TO QUALIFIED  
6 BUSINESSES AND OTHER ENTITIES, INCLUDING ASSOCIATIONS REPRESENTING STRA-  
7 TEGIC NETWORK PARTNERSHIPS DESIGNATED PURSUANT TO SECTIONS 192-B AND  
8 192-C OF THE ECONOMIC DEVELOPMENT LAW for the following:

9 S 5. Subdivision 1 of section 16-j of section 1 of chapter 174 of the  
10 laws of 1968, constituting the New York state urban development corpo-  
11 ration act, as amended by chapter 624 of the laws of 1999, is amended to  
12 read as follows:

13 1. Program created. Pursuant to this section and article 24-A of the  
14 labor law there is hereby established within the corporation and the  
15 department of labor a strategic training alliance program to identify  
16 and address employer demands for skilled workers. The corporation and  
17 the department of labor may cooperate with the department of economic  
18 development, the state university of New York, the city university of  
19 New York, and the state education department, in providing support with-  
20 in amounts available for the program for training activities by an  
21 eligible applicant which is defined as an employer or an employer in  
22 conjunction with a labor organization, a strategic alliance or network  
23 or association of employers with common problems or concerns, INCLUDING  
24 ASSOCIATIONS REPRESENTING STRATEGIC NETWORK PARTNERSHIPS DESIGNATED  
25 PURSUANT TO SECTIONS 192-B AND 192-C OF THE ECONOMIC DEVELOPMENT LAW, a  
26 private industry council established pursuant to the federal job train-  
27 ing partnership act (P.L. 97-300) or one or more local workforce invest-  
28 ment boards established pursuant to the federal workforce investment act  
29 (P.L. 105-300) representing a strategic alliance.

30 S 6. This act shall take effect immediately; provided, however, that  
31 the amendments to subdivision 1 of section 16-m of section 1 of chapter  
32 174 of the laws of 1968 constituting the New York state urban develop-  
33 ment corporation act made by section four of this act shall not affect  
34 the expiration of such section and shall be deemed to expire therewith.