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I N   S E N A T E

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Introduced by Sens. GOLDEN, GALLIVAN, GRIFFO, HANNON, RANZENHOFER, ROBACH, TKACZYK, VALESKY -- 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, in relation to the New York state biomedical and biotechnological translational research and entrepreneurship initiative

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

1     Section 1. Intent. The legislature hereby finds and declares that a  
2     coordinated program of research, entrepreneurship, and public-private  
3     partnerships and collaborations, centered in and with the state's  
4     medical schools, can significantly increase the speed and amount of  
5     commercialization of research from lab to market, maintain the quality  
6     and increase the likelihood of high impact healthcare breakthroughs, and  
7     materially expand economic and job opportunities for all New Yorkers in  
8     this high growth sector.  
9     The legislature further finds that although New York state's biomedical  
10    cal and biotechnological research infrastructure includes many of the  
11    nation's top institutions, researchers and scientists, and has many  
12    natural advantages compared to other states, it has lagged behind the  
13    nation as a whole and many states in growth in jobs, development, and  
14    economic activity for a decade; and further, that other states are  
15    making investments and developing incentives that are creating rapid  
16    growth in this sector and increasing the gap between New York and other  
17    states, and potential loss of top tier scientific and research talent as  
18    they migrate to other states in search of opportunity and professional  
19    advancement.  
20    The legislature further finds that recent changes that have made New  
21    York's economic development programs more sophisticated and competitive  
22    can be combined with other approaches and statutory precedents to  
23    support and incentivize an effective and integrated plan for development  
24    of biomedical and biotechnological entrepreneurship by and through the  
25    state's medical schools, and declares that the program enacted by this

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

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act will expand economic activity and job development, maintain and attract high quality research, increase resources available to the schools and researchers from grants, private investments, and licensure, and leverage significant partnerships with public and private entities, to increase the speed of commercialization of research and the expansion of economic opportunity, which are in every sense to the benefit of the people of this state.

S 2. The economic development law is amended by adding a new article 22 to read as follows:

ARTICLE 22

THE NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL  
TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE

SECTION 441. SHORT TITLE.

442. DEFINITIONS.

443. NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATION-  
AL RESEARCH AND ENTREPRENEURSHIP INITIATIVE COMMITTEE.

444. ADMINISTRATION.

445. APPLICATION FOR DESIGNATION AS A NEW YORK STATE BIOMEDICAL  
AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTRE-  
PRENEURSHIP INITIATIVE CENTER.

446. REVIEW AND APPROVAL OF APPLICATIONS.

447. WAIVER IN CERTAIN CASES.

448. OPERATION AND REDESIGNATION OF NEW YORK STATE BIOMEDICAL  
AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTRE-  
PRENEURSHIP INITIATIVE CENTERS.

449. SCIENTIFIC RESEARCH AND DISCOVERY BANK PROGRAM.

450. UNIFIED CONTRACT.

451. REPORT.

S 441. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS  
"THE NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL  
RESEARCH AND ENTREPRENEURSHIP INITIATIVE."

S 442. DEFINITIONS. AS USED IN THIS SECTION,

1. "MEDICAL SCHOOL" MEANS A PUBLIC OR PRIVATE MEDICAL SCHOOL LOCATED  
IN THIS STATE.

2. "NEW YORK STATE INCUBATORS" AND "NEW YORK STATE INNOVATION  
HOTSPOTS" OR "INCUBATORS" AND "HOTSPOTS" MEAN AND REFER TO "NEW YORK  
STATE INCUBATORS" AND "NEW YORK STATE INNOVATION HOTSPOTS" DESIGNATED  
PURSUANT TO SECTION SIXTEEN-V OF THE URBAN DEVELOPMENT CORPORATION ACT.

3. "PEER REVIEW COMMITTEE" MEANS THE PEER REVIEW COMMITTEE CREATED BY  
THE DEPARTMENT IN COLLABORATION WITH THE STATE INITIATIVE COMMITTEE,  
CONSISTING OF NON-NEW YORK STATE EXPERTS IN THE FIELDS OF BIOMEDICAL AND  
BIOTECHNOLOGICAL DEVELOPMENT, INCLUDING RESEARCHERS AND SCIENTISTS, AND  
COMPANY REPRESENTATIVES AT THE EXECUTIVE OFFICER LEVEL ENGAGED IN  
MAKING, DEVELOPMENT, AND FINANCING OF BIOMEDICAL AND BIOTECHNOLOGICAL  
RESEARCH.

4. "PLAN" MEANS THE MULTI-YEAR PLAN THAT ACCOMPANIES THE APPLICATION  
OF A MEDICAL SCHOOL TO BECOME A NEW YORK STATE BIOMEDICAL AND BIOTECHNO-  
LOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE CENTER.

5. "PROJECT" IS THE EXECUTION OF THE NEW YORK STATE BIOMEDICAL AND  
BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE  
CENTER PLAN BY THE MEDICAL SCHOOL WHICH HAS BEEN DESIGNATED AS A NEW  
YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND  
ENTREPRENEURSHIP INITIATIVE CENTER.

6. "START-UP NY" PROGRAM MEANS THE START-UP NY PROGRAM AUTHORIZED  
PURSUANT TO ARTICLE TWENTY-ONE OF THIS CHAPTER, AND "TAX-FREE NY AREA"  
HAS THE SAME MEANING AS IN ARTICLE TWENTY-ONE OF THIS CHAPTER.

1 7. "STATE INITIATIVE COMMITTEE" MEANS THE BIOMEDICAL AND BIOTECHNOLOG-  
2 ICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE COMMITTEE  
3 CREATED BY SECTION FOUR HUNDRED FORTY-THREE OF THIS ARTICLE.

4 8. "TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP CENTER" OR "CENTER" IS  
5 THE NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL  
6 RESEARCH AND ENTREPRENEURSHIP INITIATIVE CENTER CREATED AT A MEDICAL  
7 SCHOOL UPON APPROVAL BY THE STATE INITIATIVE COMMITTEE PURSUANT TO THIS  
8 ARTICLE.

9 9. "UNIFIED CONTRACT" IS THE CONTRACT BETWEEN THE DEPARTMENT AND THE  
10 MEDICAL SCHOOL THAT INCLUDES ALL ITEMS NECESSARY TO THE EXECUTION AND  
11 ADMINISTRATION OF THE NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL  
12 TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE PROJECT AS  
13 DESCRIBED IN THIS ARTICLE, INCLUDING FUNDING, ACTIVITIES, PERFORMANCE  
14 METRICS, DATA SHARING, AND OTHER ITEMS.

15 S 443. NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL  
16 RESEARCH AND ENTREPRENEURSHIP INITIATIVE COMMITTEE. THE NEW YORK STATE  
17 BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEUR-  
18 SHIP INITIATIVE COMMITTEE IS HEREBY CREATED, TO CONSIST OF THE COMMIS-  
19 SIONERS OF THE DEPARTMENTS OF HEALTH, EDUCATION, ECONOMIC DEVELOPMENT,  
20 LABOR, TAX AND FINANCE, THE CHANCELLOR OF THE STATE UNIVERSITY OF NEW  
21 YORK, THE CHANCELLOR OF THE CITY UNIVERSITY OF NEW YORK, THE PRESIDENT  
22 OF THE EMPIRE STATE DEVELOPMENT CORPORATION, THE DIRECTOR OF THE DIVI-  
23 SION OF THE BUDGET, AND THE STATE COMPTROLLER. THE COMMITTEE SHALL BE  
24 CHAIRED BY THE COMMISSIONER OF ECONOMIC DEVELOPMENT, AND CO-CHAIRED BY  
25 THE COMMISSIONER OF HEALTH. COMMISSIONERS MAY BE REPRESENTED BY DESIG-  
26 NEES AT MEETINGS OF THE COMMITTEE.

27 1. POWERS AND DUTIES. THE COMMITTEE SHALL:

28 (A) ESTABLISH GUIDELINES APPROPRIATE TO THE ACTIVITIES REQUIRED UNDER  
29 THIS ARTICLE.

30 (B) ACCEPT AND REVIEW APPLICATIONS AND DESIGNATE MEDICAL SCHOOLS AS  
31 NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH  
32 AND ENTREPRENEURSHIP INITIATIVE CENTERS USING THE CRITERIA ESTABLISHED  
33 IN THIS ARTICLE.

34 (C) ACCEPT REQUESTS FOR AND APPROVE WAIVERS OF REGULATIONS AND PROCE-  
35 DURES AS PROVIDED FOR IN SECTION FOUR HUNDRED FORTY-SIX OF THIS ARTICLE.

36 (D) ESTABLISH A UNIFIED CONTRACT FOR ADMINISTRATION OF PROJECTS PURSU-  
37 ANT TO SECTION FOUR HUNDRED FIFTY OF THIS ARTICLE.

38 (E) RECEIVE AND REVIEW REPORTS FROM CENTERS TO ASSURE THAT PERFORMANCE  
39 METRICS OF APPROVED PLANS ARE MET.

40 (F) REDESIGNATE THE CENTERS EVERY THREE YEARS UNDER THE PROCEDURES  
41 ESTABLISHED PURSUANT TO THIS ARTICLE.

42 (G) DEVELOP RESOURCES AND PROCEDURES TO AID IN ESTABLISHING A MORE  
43 RAPID PROCESS FOR COMMERCIALIZATION OF RESEARCH AND FUNDING OF ENTREPRE-  
44 NEURIAL EFFORTS CREATED AS A RESULT OF PROJECTS, INCLUDING BUT NOT  
45 LIMITED TO SUCH ACTIVITIES AS PROCUREMENT BY MEMBER AGENCIES OF THE  
46 COMMITTEE OF GOODS OR SERVICES FROM COMPANIES CREATED IN THE PROJECTS;  
47 ENDORSING, COLLABORATING, OR ACTING AS A CO-PRINCIPAL INVESTIGATOR OR  
48 OTHER LEVEL OF PARTICIPANT ON GRANTS OR OTHER ACTIVITIES THAT WILL AID  
49 IN FURTHERING PROJECT ACTIVITIES; AND SUCH OTHER APPLICATION OF THE  
50 RESOURCES OF THE STATE AND ITS AGENCIES TO RAPID COMMERCIALIZATION AS  
51 ARE PERMISSIBLE UNDER LAW.

52 (H) OVERSEE AND MAKE RECOMMENDATIONS FOR APPROVAL OF APPLICATIONS TO  
53 THE SCIENTIFIC RESEARCH AND DISCOVERY BANK CREATED BY THIS ARTICLE FOR  
54 THE RECRUITMENT AND RETENTION OF STAR SCIENTISTS AND RESEARCHERS.

55 (I) UPON REQUEST, PROVIDE TECHNICAL ASSISTANCE TO APPLICANTS, AND AS  
56 NEEDED FOR A PROJECT, INCLUDING BUT NOT LIMITED TO ASSISTANCE IN IDENTI-

1 FYING AND OBTAINING RESOURCES AND FUNDING NECESSARY FOR THE SUCCESSFUL  
2 IMPLEMENTATION OF THE PLAN.

3 (J) IDENTIFY STATUTORY REQUIREMENTS THAT THE COMMITTEE VIEWS AS IMPED-  
4 IMENTS TO SUCCESSFUL IMPLEMENTATION OF APPROVED PLANS AND, AS NECESSARY,  
5 SUBMIT REQUESTS TO THE LEGISLATURE IN ACCORDANCE WITH ARTICLE VII OF THE  
6 STATE CONSTITUTION FOR SPECIFIC LEGISLATIVE ENACTMENTS NECESSARY TO  
7 REMOVE SUCH IMPEDIMENTS.

8 (K) ENTER INTO AGREEMENTS BETWEEN AND AMONG THE MEMBERS OF THE COMMIT-  
9 TEE AS NECESSARY TO DELINEATE THEIR RESPECTIVE ROLES REGARDING THE COOP-  
10 ERATIVE PROVISION OF PROGRAM FUNDING AND TECHNICAL ASSISTANCE.

11 (L) REQUIRE SUCH ADDITIONAL REPORTS, INFORMATION, OR OVERSIGHT AS MAY  
12 BE NECESSARY TO THE SUCCESSFUL IMPLEMENTATION OF A PROJECT.

13 2. THE COMMITTEE MAY ACT THROUGH ITS CHAIRS IN ALL MATTERS OF OVER-  
14 SIGHT AND IMPLEMENTATION OF THE PROGRAM AUTHORIZED BY THIS ARTICLE,  
15 INCLUDING RECEIPT OF APPLICATIONS, NOTIFICATION OF DESIGNATION, AND  
16 MONITORING OF APPROVED CENTERS TO ENSURE THAT SERVICES ARE PROVIDED IN  
17 ACCORDANCE WITH THE APPROVED PLAN AND THAT FUNDS ARE USED IN ACCORDANCE  
18 WITH APPLICABLE STATE AND FEDERAL LAW AND REGULATIONS.

19 S 444. ADMINISTRATION. EXCEPT WHERE OTHERWISE PRESCRIBED, THE DEPART-  
20 MENT SHALL BE RESPONSIBLE FOR THE ADMINISTRATION OF THE PROVISIONS OF  
21 THIS ARTICLE.

22 S 445. APPLICATION FOR DESIGNATION AS A NEW YORK STATE BIOMEDICAL AND  
23 BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE  
24 CENTER. IN RESPONSE TO A REQUEST FOR PROPOSALS, A MEDICAL SCHOOL MAY  
25 APPLY FOR FUNDING AND DESIGNATION AS A NEW YORK STATE BIOMEDICAL AND  
26 BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE  
27 CENTER BY SUBMITTING AN APPLICATION AND PLAN TO THE COMMISSIONER. THE  
28 COMMISSIONER SHALL FORWARD ALL SUCH PLANS TO THE PEER REVIEW COMMITTEE  
29 FOR ASSESSMENT AS HEREIN PROVIDED, AND THEN TO THE STATE INITIATIVE  
30 COMMITTEE. IN ADDITION TO SUCH OTHER ITEMS, WARRANTIES, AND INFORMATION  
31 AS THE STATE INITIATIVE COMMITTEE MAY REQUIRE, PLANS MUST SHOW AN INTE-  
32 GRATED VISION FOR COMMERCIALIZING RESEARCH FROM LAB TO MARKETPLACE  
33 INCLUDING AN INTERRELATED DEMONSTRATION OF THE FOLLOWING:

34 1. COMMITMENT: A MULTI-YEAR COMMITMENT BY THE MEDICAL SCHOOL TO DEVEL-  
35 OPMENT AND IMPLEMENTATION OF THE PLAN, OVER A PERIOD OF NOT LESS THAN  
36 FIVE YEARS, SUCH COMMITMENT TO BE DEMONSTRATED BY A MULTI-YEAR COMMIT-  
37 MENT OF RESOURCES, PERSONNEL, AND FUNDS THAT THE SCHOOL WILL USE,  
38 DIRECTLY OR THROUGH PARTNERSHIPS AND COLLABORATIONS, TO PROVIDE AND/OR  
39 INCENTIVIZE INTEGRATED RESEARCH, EDUCATION, CLINICAL PRACTICE, ENTRE-  
40 PRENEURSHIP, FINANCING, PARTNERSHIPS, AND MORE RAPID COMMERCIALIZATION  
41 OF RESEARCH.

42 2. RESOURCES: A DESCRIPTION OF THE ACTIONS AND RESOURCES NECESSARY TO  
43 MEET THE PLAN OBJECTIVES OVER ITS DURATION; A DEMONSTRATION THAT THE  
44 MEDICAL SCHOOL HAS EXISTING OPERATIONAL CLINICAL FACILITIES AND EXPER-  
45 TISE OR EVIDENCE OF BONA FIDE COLLABORATIONS AND PARTNERSHIPS THAT CAN  
46 PROVIDE SUCH FACILITIES AND EXPERTISE SUFFICIENT TO SUCCESSFULLY IMPLE-  
47 MENT THE PLAN; A DEMONSTRATION THAT THE PROJECT WILL HAVE A PROFESSIONAL  
48 MANAGEMENT TEAM WITH EXPERIENCE, EXPERTISE, OR CREDENTIALS IN MANAGE-  
49 MENT, ENTREPRENEURSHIP, BUSINESS DEVELOPMENT, OR OTHER EQUIVALENT AREAS.  
50 THE DEMONSTRATION MAY INCLUDE RECRUITMENT PLANS OR COMMITMENTS FOR HIGH  
51 LEVEL RESEARCH PROFESSIONALS, INCLUDING HOW THE SCHOOL WOULD MAKE USE OF  
52 THE SCIENTIFIC RESEARCH AND DISCOVERY BANK.

53 3. ENTREPRENEURIAL AND RESEARCH COLLABORATIONS: EVIDENCE INCLUDING  
54 WRITTEN PROTOCOLS OF BONA FIDE RELATIONS WITH ONE OR MORE INCUBATORS AND  
55 HOTSPOTS, FOR PROVISION OF ENTREPRENEURIAL SERVICES TO RESEARCHERS, WITH  
56 A START-UP NY TAX-FREE NY PROGRAM AREA TO PROVIDE LOCATION AND SERVICES

1 AS NEEDED FOR SUCH RESEARCHERS AND ACTIVITIES, AND SUBSTANTIVE COLLAB-  
2 ORATIONS WITH PRIVATE ENTITIES FOR TRAINING, COMMERCIALIZATION, FINANC-  
3 ING, OR OTHER ACTIVITIES INTEGRAL TO THE PLAN.

4 4. LEVERAGED AND APPLIED FUNDING: A DEMONSTRATION THAT THE SCHOOL HAS  
5 IN HAND OR WILL SHORTLY OBTAIN AND MAINTAIN DURING THE PLAN PERIOD THE  
6 REQUIRED FUNDING MATCH OF AT LEAST TWO NON-STATE DOLLARS FOR EVERY STATE  
7 DOLLAR PROVIDED PURSUANT TO THIS ARTICLE TO AN APPROVED PLAN. THE PLAN  
8 SHOULD INCLUDE A DEMONSTRATION OF HOW THE SCHOOL WOULD USE TAX CREDITS,  
9 PUBLIC FUNDS, OR OTHER INCENTIVES TO AID DIRECTLY OR INDIRECTLY IN  
10 DEVELOPMENT OF INVESTMENT VEHICLES FOR RESEARCHERS, AND TO ENGAGE IN  
11 ACTIVITIES CRITICAL TO THE COMMERCIALIZATION OF RESEARCH. SUCH FUNDING  
12 AND COLLABORATIONS SHOULD ALSO SHOW HOW THE CENTER HAS OR WILL DEVELOP  
13 LEVERAGED CREATIVE PARTNERSHIPS TO PROVIDE ANGEL, SEED, PRE-SEED, AND  
14 OTHER INVESTMENTS TO HELP EACH STAGE OF PRODUCT DEVELOPMENT, EVIDENCED  
15 BY WRITTEN AGREEMENTS, MEMORANDUMS OF UNDERSTANDING, LETTERS OF INTENT,  
16 OR OTHER ENDORSEMENTS ACCEPTABLE TO THE COMMITTEE.

17 5. ADDITIONAL PLANS AND PROGRAMS: OTHER PLANS AND PROGRAMS INTEGRAL TO  
18 THE SUCCESSFUL EXECUTION OF THE PROJECT, INCLUDING BUT NOT LIMITED TO  
19 PATENT AND INTELLECTUAL PROPERTY PLANS, TRAINING AND EDUCATIONAL  
20 PROGRAMS, AND EDUCATIONAL INTEGRATION WITH RESEARCH AND CLINICAL ACTIV-  
21 ITIES.

22 6. COMMUNITY SUPPORT: A DEMONSTRATION OF COMMUNITY SUPPORT FROM BUSI-  
23 NESS AND GOVERNMENT LEADERS AND ORGANIZATIONS.

24 7. BEST PRACTICES: A DEMONSTRATION THAT THE MEDICAL SCHOOL HAS OR WILL  
25 ADOPT BEST PRACTICES AND USE OF MULTI-YEAR METRICS FOR PERFORMANCE, AND  
26 THAT IT WILL REPORT DATA AS REQUESTED OR REQUIRED TO THE DEPARTMENT AND  
27 THE STATE INITIATIVE COMMITTEE.

28 8. PERFORMANCE METRICS: ANTICIPATED ANNUAL AND CUMULATIVE OUTCOMES OF  
29 THE PROJECT IN TERMS OF JOBS, INVESTMENT, AND ECONOMIC AND OTHER ACTIV-  
30 ITY, STATED IN A SPECIFIC AND MEASURABLE WAY THAT IS ACHIEVABLE AND  
31 REALISTIC WITHIN THE PROJECT TIME FRAME AND THAT CAN BE QUANTIFIED AND  
32 COMPARED TO OTHER DATA FOR ANALYSIS.

33 9. ADVISORY COUNCIL: AN INDEPENDENT ADVISORY COUNCIL THAT INCLUDES ONE  
34 OR MORE EXECUTIVE OFFICERS OF FIRMS THAT HAVE BEEN CREATED FROM RESEARCH  
35 AT THE SCHOOL, AND INDIVIDUALS WITH EXPERTISE IN AREAS APPROPRIATE TO  
36 THE SPECIFIC DEVELOPMENTAL SECTOR OR CONCENTRATION OF CLIENTS, OR TO  
37 BIOMEDICAL AND BIOTECHNOLOGICAL RESEARCH AND DEVELOPMENT, AND TO THE  
38 MISSION AND GOAL OF THE PROJECT.

39 S 446. REVIEW AND APPROVAL OF APPLICATIONS. REVIEW OF APPLICATIONS  
40 SHALL TAKE PLACE IN TWO STAGES, FIRST BY THE PEER REVIEW COMMITTEE AND  
41 THEN BY THE STATE INITIATIVE COMMITTEE WHICH SHALL HAVE SOLE POWER TO  
42 APPROVE AN APPLICATION, AS FOLLOWS:

43 1. THE COMMISSIONER SHALL REVIEW APPLICATIONS AND PLANS RECEIVED FOR  
44 COMPLETENESS, AND THEN FORWARD THEM TO THE PEER REVIEW COMMITTEE, AND TO  
45 THE STATE INITIATIVE COMMITTEE FOR ITS REVIEW AND FINAL DETERMINATION  
46 ONLY AFTER REVIEW BY THE PEER REVIEW COMMITTEE. NO PLANS SHALL BE  
47 APPROVED BY THE STATE INITIATIVE COMMITTEE UNTIL REVIEWED BY THE PEER  
48 REVIEW COMMITTEE. NO PLANS SHALL BE FORWARDED BY THE COMMISSIONER TO  
49 EITHER COMMITTEE THAT REQUIRE THAT FUNDS MADE AVAILABLE PURSUANT TO THIS  
50 ARTICLE SHALL BE DIRECTLY OR INDIRECTLY UTILIZED FOR RESEARCH INVOLVING  
51 HUMAN REPRODUCTIVE CLONING.

52 2. THE MEMBERS OF THE PEER REVIEW COMMITTEE SHALL BE SELECTED BY THE  
53 CHAIR AND THE CO-CHAIR OF THE STATE INITIATIVE COMMITTEE USING GUIDE-  
54 LINES APPROVED BY SUCH COMMITTEE, WHICH SHALL INCLUDE REQUIREMENTS  
55 CONCERNING EXPERTISE AND AVOIDANCE OF CONFLICT OF INTEREST. IF NECESSARY

1 AND DEEMED APPROPRIATE BY THE STATE INITIATIVE COMMITTEE, PLANS MAY BE  
2 SUBMITTED BLIND TO THE PEER REVIEW PANEL.

3 3. THE PEER REVIEW COMMITTEE SHALL REVIEW AND SCORE PLANS BASED ON THE  
4 FOLLOWING CRITERIA:

5 (A) SCIENTIFIC AND TECHNICAL MERIT;

6 (B) THE LEVEL OF SCIENTIFIC KNOWLEDGE, TECHNICAL CAPABILITY, AND/OR  
7 CLINICAL PRACTICE AND OTHER NECESSARY PLAN COMPONENTS THAT WOULD BE  
8 REQUIRED TO BE HOUSED AT THE MEDICAL SCHOOL, INCLUDING IMPROVEMENTS THAT  
9 MAY BE ANTICIPATED BASED ON THE PLAN;

10 (C) THE SUITABILITY OF PRINCIPAL INVESTIGATORS, COLLABORATORS, AND  
11 OTHER RESEARCHERS TO THE PROJECT, INCLUDING THE EXPERIENCE AND TRAINING  
12 OF STAFF AND COLLABORATORS;

13 (D) THE ONGOING RECORD OF ACCOMPLISHMENTS AND INTEGRATED EXPERTISE AT  
14 THE SCHOOL OR AS PROPOSED IN THE PLAN, INCLUDING LEADERSHIP APPROACH,  
15 GOVERNANCE AND ORGANIZATIONAL STRUCTURE;

16 (E) PLANS FOR PROTECTION OF HUMAN SUBJECTS;

17 (F) THE SCIENTIFIC ENVIRONMENT IN WHICH THE WORK WILL BE DONE;

18 (G) APPROPRIATENESS OF INSTITUTIONAL SUPPORT, EQUIPMENT, AND OTHER  
19 PHYSICAL RESOURCES; AND

20 (H) SUCH OTHER INFORMATION AS THE STATE INITIATIVE COMMITTEE SHALL  
21 REQUIRE.

22 4. AN APPLICATION RECEIVING A LOW SCORE BY THE PEER REVIEW COMMITTEE  
23 BASED ON THE CRITERIA IN SUBDIVISION THREE OF THIS SECTION, OR WHICH  
24 LACKS SIGNIFICANT AND SUBSTANTIAL MERIT, OR WHICH PRESENTS IN THE VIEW  
25 OF THE PEER REVIEW COMMITTEE SERIOUS ETHICAL PROBLEMS IN THE PROTECTION  
26 OF HUMAN SUBJECTS FROM RESEARCH RISKS, OR OTHER SERIOUS ETHICAL PROB-  
27 LEMS, SHALL BE DESIGNATED NOT RECOMMENDED FOR FURTHER CONSIDERATION  
28 (NRFC). SUCH PLANS SHALL BE RETURNED TO THE COMMISSIONER AND BY THE  
29 COMMISSIONER TO THE STATE INITIATIVE COMMITTEE WITH WRITTEN RECOMMENDA-  
30 TIONS FOR CHANGE. THE STATE INITIATIVE COMMITTEE SHALL REVIEW SUCH  
31 RECOMMENDATIONS, AND MAY ADD TO THEM, PRIOR TO RETURNING THEM TO THE  
32 APPLICANTS.

33 5. THE STATE INITIATIVE COMMITTEE WILL REVIEW ALL ASPECTS OF THE  
34 APPLICATIONS AND PLANS SUBMITTED TO IT AND RECOMMEND CHANGES AND DETER-  
35 MINE FUNDING LEVELS AND SOURCES TO BE INCLUDED IN THE UNIFIED CONTRACT  
36 IF THE APPLICATION IS APPROVED. THE COMMITTEE WILL TAKE INTO CONSIDER-  
37 ATION THE REVIEW OF THE PEER REVIEW COMMITTEE, AND SHALL NOT APPROVE A  
38 PLAN DESIGNATED BY THE PEER REVIEW COMMITTEE AS NOT RECOMMENDED FOR  
39 FURTHER CONSIDERATION (NRFC), BUT MAY ADD ITS OWN COMMENTS PRIOR TO  
40 RETURNING IT TO THE APPLICANT MEDICAL SCHOOL.

41 6. THE STATE INITIATIVE COMMITTEE SHALL REVIEW AND SCORE PLANS BASED  
42 ON THE CATEGORIES REQUIRED IN THE APPLICATION PURSUANT TO SECTION FOUR  
43 HUNDRED FORTY-FIVE OF THIS ARTICLE, AND INCLUDING THE FOLLOWING:

44 (A) THE ANTICIPATED EFFECTIVENESS OF THE PLAN AS EVIDENCED BY THE  
45 EXISTENCE OF AVAILABLE RESOURCES DEDICATED TO THE PLAN AND THE COMMIT-  
46 MENT OF THE MEDICAL SCHOOL;

47 (B) THE ABILITY OF THE APPLICANT TO UNDERTAKE AND COMPLETE THE PLAN,  
48 THE FEASIBILITY OF MEETING THE METRICS AND GOALS PROVIDED FOR DETERMIN-  
49 ING THE SUCCESS OF THE PLAN, THE DURABILITY AND REACH OF THE COLLAB-  
50 ORATIONS AND RELATIONSHIPS WITH INCUBATORS AND HOTSPOTS, AND WITH START-  
51 UP-NY PROJECTS, AND WITH PRIVATE AND OTHER PUBLIC COLLABORATORS;

52 (C) THE ABILITY OF THE APPLICANT TO PROVIDE THE NECESSARY DATA FOR AN  
53 EFFECTIVE EVALUATION OF THE PROJECT; AND

54 (D) SUCH OTHER OBJECTIVE AND MEASURABLE CRITERIA AS SHALL BE DETER-  
55 MINED BY THE COMMITTEE.

1 7. PLANS DESIGNATED AS NOT RECOMMENDED FOR FURTHER CONSIDERATION  
2 (NRFC) BY THE PEER REVIEW COMMITTEE OR THE STATE INITIATIVE COMMITTEE  
3 SHALL BE RETURNED TO THE APPLICANT WITH RECOMMENDATIONS FOR AMENDMENT  
4 AND MAY BE RESUBMITTED IN THE FOLLOWING YEAR.

5 8. INsofar AS PRACTICABLE, IN APPROVING APPLICATIONS, THE COMMITTEE  
6 SHALL SEEK TO PROVIDE A GEOGRAPHICALLY BALANCED DISTRIBUTION OF NEW YORK  
7 STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTRE-  
8 PRENEURSHIP INITIATIVE CENTERS AMONG THE REGIONS OF THE STATE.

9 9. NOT MORE THAN FORTY PERCENT OF FUNDS APPROPRIATED PURSUANT TO THIS  
10 ARTICLE SHALL BE USED FOR ANY SINGLE PROJECT.

11 10. AS SOON AS PRACTICABLE AFTER APPROVING AN APPLICATION THE COMMIT-  
12 TEE SHALL NOTIFY THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER  
13 OF THE ASSEMBLY OF ITS APPROVAL. SUCH NOTIFICATION SHALL IDENTIFY THE  
14 RECIPIENT AND STATE THE PROPOSED LOCATION, THE ESTIMATED PROJECT FUNDING  
15 AND AWARD AND A BRIEF DESCRIPTION OF THE PROJECT.

16 S 447. WAIVER IN CERTAIN CASES. TO PROMOTE INNOVATIVE APPROACHES AND  
17 MAXIMIZE EFFECTIVE USE OF PUBLIC MONIES AND THE LIKELIHOOD OF SUCCESS IN  
18 OPERATION OF APPROVED NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL  
19 TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE CENTERS, AND  
20 NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSIONER OR DIRECTOR  
21 OF ANY STATE AGENCY THAT IS A MEMBER OF THE STATE INITIATIVE COMMITTEE  
22 MAY WAIVE, UPON APPLICATION BY SUCH CENTER AND SUBJECT TO THE APPROVAL  
23 OF THE STATE INITIATIVE COMMITTEE AND THE DIRECTOR OF THE BUDGET, ANY OF  
24 SUCH AGENCY'S REGULATORY REQUIREMENTS THAT MAY IMPEDE THE SUCCESSFUL  
25 IMPLEMENTATION OF A PROJECT UNDERTAKEN PURSUANT TO THE APPROVED PLAN BY  
26 THE CENTER, PROVIDED THAT SUCH WAIVER IS CONSISTENT WITH APPLICABLE  
27 STATE AND FEDERAL STATUTES AND WILL NOT IMPAIR THE GENERAL HEALTH OR  
28 WELFARE OF THE PEOPLE RECEIVING SERVICES UNDER SUCH PROJECT OR OTHERS.  
29 SUCH COMMISSIONER OR DIRECTOR SHALL BE AUTHORIZED, IN CONSULTATION WITH  
30 THE DIRECTOR OF THE BUDGET, TO IMPOSE APPROPRIATE ALTERNATIVE STANDARDS  
31 IN PLACE OF ANY WAIVED REQUIREMENTS.

32 S 448. OPERATION AND REDESIGNATION OF NEW YORK STATE BIOMEDICAL AND  
33 BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE  
34 CENTERS. IN ADDITION TO ANY OTHER REQUIREMENTS OF THIS ARTICLE, A CENTER  
35 WILL AGREE TO MEET ALL REQUIREMENTS CONCERNING EXECUTION AND IMPLEMENTA-  
36 TION OF AN APPROVED PLAN FOR ITS PROJECT, TO MAINTAIN BEST PRACTICES,  
37 AND TO REPORT DATA AS REQUESTED OR REQUIRED TO THE DEPARTMENT AND/OR THE  
38 STATE INITIATIVE COMMITTEE USING APPROPRIATE CONFIDENTIALITY PROTOCOLS  
39 IN THE CASE OF BUSINESS OR TRADE SECRETS. SUCH DATA WILL INCLUDE A  
40 DEMONSTRATION OF THE SUCCESS IN MEETING PROJECT PLAN GOALS, INCLUDING  
41 YEAR BY YEAR COMPARISON OF RESEARCH ACTIVITY AND COMMERCIALIZATION THER-  
42 EOF, FIRM FINANCING AND EQUITY CAPITAL RAISED, PROVIDED OR LEVERAGED  
43 FROM ALL SOURCES, PERSONNEL EMPLOYED ON THE PROJECT, AND JOBS CREATED BY  
44 AND THROUGH THE PROJECT. THE DEPARTMENT SHALL DESIGN SIMPLIFIED FORMS TO  
45 AID IN THE SUBMISSION OF SUCH DATA, WHICH MAY BE SUBMITTED ELECTRON-  
46 ICALLY.

47 THE COMMISSIONER ON BEHALF OF THE STATE INITIATIVE COMMITTEE SHALL  
48 EVALUATE AND REPORT ON THE OPERATIONS OF THE CENTER USING METHODS  
49 INCLUDING BUT NOT LIMITED TO SITE VISITS, REPORTS PURSUANT TO SPECIFIED  
50 INFORMATION, AND REVIEW EVALUATIONS. IF THE STATE INITIATIVE COMMITTEE  
51 IS UNSATISFIED WITH THE PROGRESS OF A PROJECT, THE COMMISSIONER SHALL  
52 NOTIFY SUCH CENTER OF THE RESULTS OF THE EVALUATIONS AND ANY FINDINGS OF  
53 DEFICIENCIES IN ITS OPERATIONS AND SHALL COOPERATE WITH SUCH CENTER TO  
54 REMEDY SUCH FINDINGS IN A TIMELY MANNER. SUCH EVALUATIONS SHALL INCLUDE  
55 PEER REVIEW AND SHALL TAKE PLACE NO LESS THAN ONCE EVERY THREE YEARS OR  
56 MORE OFTEN FOR ANY INDIVIDUAL CENTER AT THE DISCRETION OF THE STATE

INITIATIVE COMMITTEE. SUCH PEER REVIEW SHALL RESULT IN A WRITTEN REPORT THAT INCLUDES PROGRAMMATIC AND FISCAL EVALUATION OF THE PROJECT AND RECOMMENDATIONS FOR IMPROVEMENT. MEMBERS OF SUCH PEER REVIEW GROUP SHALL BE CHOSEN IN THE SAME WAY AND HAVE THE SAME QUALIFICATIONS AS MEMBERS OF THE PEER REVIEW COMMITTEE.

FAILURE TO ABIDE BY THE REQUIREMENTS OF THIS SECTION OR TO CURE A DEFAULT AFTER REVIEW AND AGREEMENT WITH THE STATE INITIATIVE COMMITTEE SHALL RESULT IN DISQUALIFICATION AS A NEW YORK STATE BIOMEDICAL AND BIOTECHNOLOGICAL TRANSLATIONAL RESEARCH AND ENTREPRENEURSHIP INITIATIVE CENTER.

A CENTER SHALL BE DEEMED REDESIGNATED UPON APPLICATION EVERY THREE YEARS UNLESS IT SHALL RECEIVE A NEGATIVE EVALUATION FROM THE PEER REVIEW GROUP FOLLOWED BY A DETERMINATION BY THE STATE INITIATIVE COMMITTEE NOT TO REDESIGNATE THE CENTER BASED ON SUCH EVALUATION AND FAILURE TO REMEDY DEFECTS OR A DETERMINATION BY THE COMMITTEE THAT SUCH DEFECTS ARE OF SUCH A NATURE OR ARE OF SUCH EXTENT THAT THEY CANNOT BE REMEDIED.

S 449. SCIENTIFIC RESEARCH AND DISCOVERY BANK PROGRAM. THE SCIENTIFIC RESEARCH AND DISCOVERY BANK PROGRAM IS HEREBY CREATED, WHOSE PURPOSE SHALL BE TO PROVIDE FUNDS TO CENTERS FOR RECRUITMENT AND RETENTION OF SCIENTISTS AND RESEARCHERS NECESSARY TO THE SUCCESSFUL IMPLEMENTATION OF PROJECTS APPROVED PURSUANT TO THIS ARTICLE. MONIES SHALL BE MADE AVAILABLE TO CENTERS FROM FUNDS APPROPRIATED PURSUANT TO THIS ARTICLE, AFTER REVIEW AND UPON APPROVAL BY THE STATE INITIATIVE COMMITTEE PURSUANT TO A PLAN SUBMITTED BY A CENTER. SUCH PLAN MUST DEMONSTRATE TO THE SATISFACTION OF THE COMMITTEE THAT THE CENTER HAS OR WILL HAVE DURING THE PERIOD OF THE GRANT A MATCH OF TWO NON-STATE DOLLARS FOR EVERY STATE DOLLAR PROVIDED PURSUANT TO THIS SUBDIVISION. PLANS MUST SHOW THE TIME-LINE AND USAGE OF FUNDS REQUIRED AND SUCH OTHER INFORMATION AS THE COMMITTEE SHALL REQUIRE, INCLUDING: THE NEED FOR SUCH FUNDS AND THE MANNER IN WHICH SUCH AWARD WOULD ENHANCE THE RESEARCH CAPABILITIES OF THE CENTER NECESSARY TO SUCCESSFUL IMPLEMENTATION OF THE PROJECT PLAN; THE ABILITY OF THE RESEARCHER TO LEVERAGE AND ATTRACT FEDERAL FUNDS, VENTURE CAPITAL AND PRIVATE INDUSTRY FUNDS; AND THE WILLINGNESS OF SUCH RESEARCHER TO PURSUE ENTREPRENEURIAL ENTERPRISES RESULTING IN NEW BUSINESS OR THE EXPANSION OF EXISTING BUSINESS IN THIS STATE. THE COMMITTEE SHALL ESTABLISH A SCHEDULE FOR PAYMENT OF THE AWARD. FUNDS PROVIDED PURSUANT TO THIS SECTION MUST BE APPLIED DIRECTLY TO NECESSARY EXPENSES FOR RECRUITMENT AND RETENTION OF SCIENTISTS AND RESEARCHERS, AND MAY NOT BE USED FOR INDIRECT OR OTHER OVERHEAD COSTS OF THE MEDICAL SCHOOL.

S 450. UNIFIED CONTRACT. THE COMMISSIONER ON BEHALF OF THE STATE INITIATIVE COMMITTEE SHALL ENTER INTO A UNIFIED CONTRACT WITH EACH CENTER. THE PROVISIONS OF SUCH CONTRACT SHALL INCLUDE, BUT NOT BE LIMITED TO: A DESCRIPTION OF PROJECT SERVICES AND ACTIVITIES; THE PLAN; ALLOWABLE PROJECT COSTS; SPECIFIC SOURCES OF FUNDS THAT WILL SUPPORT THE APPROVED COSTS, INCLUDING GOVERNMENTAL AND NON-GOVERNMENTAL FUNDS OR REVENUES THAT ARE PROPOSED TO BE USED IN SUPPORT OF PROJECT COSTS, AND THE ALLOCATION OF COSTS BY FUNDING SOURCE. THE FORM OF SUCH UNIFIED CONTRACT SHALL BE DEVELOPED IN CONSULTATION WITH THE DIVISION OF THE BUDGET AND THE DEPARTMENT OF AUDIT AND CONTROL. THE COMPTROLLER IS AUTHORIZED PURSUANT TO A CERTIFICATE OF ALLOCATION SUBMITTED BY THE DIVISION OF THE BUDGET TO INTERCHANGE OR TRANSFER FROM APPROPRIATIONS MADE TO THE AGENCIES OF THE COMMITTEE OR ANY OTHER APPROPRIATION, AS APPROPRIATE, SUCH AMOUNTS AS MAY BE REQUIRED TO FULFILL THE OBLIGATIONS OF THE STATE PURSUANT TO SUCH UNIFIED CONTRACTS FOR PAYMENT OF SUCH OBLIGATIONS. THE DIVISION OF THE BUDGET SHALL PROVIDE THE CHAIRMEN OF THE SENATE FINANCE COMMITTEE AND THE ASSEMBLY WAYS AND MEANS COMMITTEE

1 WITH QUARTERLY REPORTS OF ALL INTERCHANGES AND TRANSFERS WHICH OCCUR  
2 PURSUANT TO THIS SUBDIVISION.

3 1. ALLOWABLE COSTS FOR A PROJECT SHALL INCLUDE, BUT NOT BE LIMITED TO  
4 COSTS REASONABLY INCURRED FOR:

5 (A) PREPARATION OF THE PLAN;

6 (B) ACTIVITIES AS APPROVED IN THE PROJECT APPLICATION;

7 (C) EVALUATION OF THE APPROVED PROJECT; AND

8 (D) RENOVATIONS TO EXISTING STRUCTURES AS MAY BE NEEDED IN FURTHERANCE  
9 OF THE PLAN, EXCEPT THAT IN NO CASE SHALL THE STATE SUPPORT OF SUCH  
10 COSTS EXCEED EITHER TWENTY-FIVE PERCENT OF THE AMOUNT TO BE PROVIDED  
11 PURSUANT TO THE CONTRACT OR FIFTY PERCENT OF THE TOTAL RENOVATION COSTS,  
12 WHICHEVER IS LESS.

13 2. FUNDING MADE AVAILABLE THROUGH THE CONTRACT SHALL NOT BE USED TO  
14 SUPPLANT OTHER FUNDS.

15 3. IN ADDITION TO THE FOREGOING REQUIREMENTS, A CENTER SHALL AGREE TO  
16 DEDICATE ALL FUNDS FROM ANY SUPPORT RECEIVED PURSUANT TO THIS ARTICLE,  
17 EXCEPT FOR FUNDS RECEIVED PURSUANT TO PARAGRAPH D OF SUBDIVISION ONE OF  
18 THIS SECTION, TO OPERATIONS OF THE CENTER WITHOUT DEDUCTIONS FOR OVER-  
19 HEAD, INDIRECT COSTS, OR FACILITIES AND ADMINISTRATION CHARGES OF THE  
20 MEDICAL SCHOOL, AND TO LIMIT TO TEN PERCENT OR LESS THE ALLOCATION OF  
21 FUNDS RECEIVED THROUGH THIS ARTICLE TO ADMINISTRATIVE COSTS OF THE  
22 CENTER.

23 S 451. REPORT. THE COMMISSIONER ON BEHALF OF THE COMMITTEE SHALL ISSUE  
24 AN ANNUAL REPORT TO THE PUBLIC, BEGINNING AT THE CONCLUSION OF THE FIRST  
25 FULL CALENDAR YEAR AFTER THIS ARTICLE SHALL HAVE BECOME LAW, WHICH SETS  
26 FORTH THE ACTIVITIES UNDERTAKEN PURSUANT TO THIS ARTICLE, INCLUDING THE  
27 NAMES OF APPROVED PLANS AND THE CENTER SPONSORS, AND THE FOCUS OF  
28 RESEARCH ACTIVITIES IN EACH SUCH PLAN; THE METRICS FOR EACH APPROVED  
29 PLAN; GRANTS AWARDED, GRANTS IN PROGRESS, AND RESEARCH AND ENTREPRENEU-  
30 RIAL ACCOMPLISHMENTS; FINANCING FROM EXTERNAL SOURCES FOR BRINGING  
31 PRODUCTS TO MARKET; THE PROJECTED NUMBER OF JOBS AND COMPANIES TO BE  
32 CREATED PURSUANT TO APPROVED PLANS AND THE ACTUAL NUMBER CREATED; ACTIV-  
33 ITY UNDER THE DISCOVERY BANK CREATED PURSUANT TO THIS ARTICLE; A SUMMARY  
34 OF FUNDING PROVIDED PURSUANT TO THE UNIFIED CONTRACTS EXECUTED PURSUANT  
35 TO THIS ARTICLE; WAIVERS GRANTED PURSUANT TO THE AUTHORITY PROVIDED  
36 UNDER THIS ARTICLE AND ACTIVITY UNDERTAKEN UNDER SUCH WAIVER; AND THE  
37 NUMBER OF AND REASONS WHY PROJECTS WERE DEEMED NOT RECOMMENDED FOR  
38 FURTHER CONSIDERATION.

39 S 3. This act shall take effect on the first of September next  
40 succeeding the date on which it shall have become a law.