S T A T E O F N E W Y O R K

4828

2015-2016 Regular Sessions

I N S E N A T E

April 20, 2015

Introduced by Sen. RANZENHOFER -- (at request of the Empire State Development) -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the New York state urban development corporation act, in relation to the small business revolving loan fund program

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

Section 1. Section 16-t of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new subdivision 17 to read as follows:

17. AS PROVIDED IN THIS SUBDIVISION, THE CORPORATION IS AUTHORIZED TO REALLOCATE TO THE PROGRAM FUNDS FROM THE REGIONAL REVOLVING LOAN TRUST FUND, MINORITY AND WOMEN REVOLVING LOAN TRUST FUND, MICRO ENTERPRISE REVOLVING LOAN TRUST FUND AND COMMERCIAL DISTRICT REVOLVING LOAN TRUST FUND, PROVIDED, HOWEVER, NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBDIVISION, THE CORPORATION SHALL ENSURE THAT OF THE TOTAL FUNDS ALLOCATED FROM THE REVOLVING LOAN TRUST FUNDS TO THE SMALL BUSINESS REVOLVING LOAN FUND, AT LEAST 50% OF THOSE FUNDS MUST BE UTILIZED FOR LOANS TO MINORITY BUSINESS ENTERPRISES, AS DEFINED IN SUBDIVISION THREE OF SECTION TWO HUNDRED TEN OF THE ECONOMIC DEVELOPMENT LAW, AND WOMAN-OWNED BUSINESS ENTERPRISES, AS DEFINED IN SUBDIVISION FIVE OF SECTION TWO HUNDRED TEN OF THE ECONOMIC DEVELOPMENT LAW. FOR PROGRAM LOANS MADE WITH SUCH REALLOCATED FUNDS: (A) LOANS PROVIDED WITH FUNDS REALLOCATED FROM THE MINORITY AND WOMEN REVOLVING LOAN TRUST FUND SHALL BE TO MINORITY BUSINESS ENTERPRISES, AS DEFINED IN SUBDIVISION THREE OF SECTION TWO HUNDRED TEN OF THE ECONOMIC DEVELOPMENT LAW, AND WOMEN-OWNED BUSINESS ENTERPRISES, AS DEFINED IN SUBDIVISION FIVE OF SECTION TWO HUNDRED TEN OF THE ECONOMIC DEVELOPMENT LAW; (B) LOANS PROVIDED WITH FUNDS REALLOCATED FROM THE MICRO ENTERPRISE REVOLVING LOAN TRUST FUND SHALL BE MICROLOANS EQUAL TO OR LESS THAN SEVEN THOUSAND DOLLARS TO MINORITY

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

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BUSINESS ENTERPRISES, AS DEFINED IN SUBDIVISION THREE OF SECTION TWO HUNDRED TEN OF THE ECONOMIC DEVELOPMENT LAW, AND WOMEN-OWNED BUSINESS ENTERPRISES, AS DEFINED IN SUBDIVISION FIVE OF SECTION TWO HUNDRED TEN OF THE ECONOMIC DEVELOPMENT LAW; (C) LOANS PROVIDED WITH FUNDS REALLOCATED FROM THE COMMERCIAL DISTRICT REVOLVING LOAN TRUST FUND SHALL BE TO RETAIL BUSINESS WITHIN A COMMERCIAL DISTRICT; (D) TO THE EXTENT FEASIBLE, THE CORPORATION SHALL APPLY THE REALLOCATED FUNDS FROM THE REGIONAL REVOLVING LOAN TRUST FUND SO THAT PROGRAM ELIGIBLE BORROWERS IN ALL REGIONS OF THE STATE SHALL HAVE ACCESS TO LOANS FUNDED WITH SUCH REALLOCATED FUNDS; (E) THE CORPORATION MAY AUTHORIZE A LENDING ORGANIZATION TO FUND UP TO ONE HUNDRED PERCENT OF THE PRINCIPAL AMOUNT OF EACH LOAN WITH REALLOCATED FUNDS; (F) LENDING ORGANIZATIONS PARTICIPATING IN THE REGIONAL REVOLVING LOAN TRUST FUND, MINORITY AND WOMEN REVOLVING LOAN TRUST FUND, MICRO ENTERPRISE REVOLVING LOAN TRUST FUND AND COMMERCIAL DISTRICT REVOLVING LOAN TRUST FUND, OR THE PROGRAM MAY RECEIVE SUCH REALLOCATED FUNDS WITHOUT PARTICIPATING IN A NEW COMPETITIVE SOLICITATION; AND (G) SUBJECT TO THE PROVISIONS OF THIS SUBDIVISION, ALL OTHER PROVISIONS OF THIS SECTION WILL APPLY WITH RESPECT TO THE REALLOCATED FUNDS.

S 2. This act shall take effect immediately.