

6025

2015-2016 Regular Sessions

I N   S E N A T E

August 3, 2015

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Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT to amend the executive law, the state finance law, the arts and cultural affairs law, the economic development law, the environmental conservation law, the public authorities law, the general municipal law, the banking law, the facilities development corporation act, the New York state medical care facilities finance agency act and the New York state urban development corporation act, in relation to promoting veteran owned business enterprises

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

1     Section 1. Short title. This act shall be known and may be cited as  
2     the "veteran owned business enterprise act".  
3     S 2. The article heading of article 15-A of the executive law, as  
4     added by chapter 261 of the laws of 1988, is amended to read as follows:  
5     PARTICIPATION BY MINORITY GROUP MEMBERS, VETERANS AND WOMEN WITH  
6     RESPECT TO STATE CONTRACTS  
7     S 3. Subdivisions 1 and 9 of section 310 of the executive law, as  
8     added by chapter 261 of the laws of 1988, are amended and a new subdivi-  
9     sion 24 is added to read as follows:  
10    1. "Certified business" shall mean a business verified as a minority,  
11    HONORABLY DISCHARGED VETERAN or women-owned business enterprise pursuant  
12    to section three hundred fourteen of this article. FOR PURPOSES OF THIS  
13    SECTION "VETERAN DISCHARGED OR RELEASED UNDER CONDITIONS OTHER THAN  
14    DISHONORABLE" SHALL MEAN THOSE CONDITIONS DEFINED BY TITLE 38 CODE OF  
15    FEDERAL REGULATIONS SECTION 3.12.  
16    9. "Utilization plan" shall mean a plan prepared by a contractor and  
17    submitted in connection with a proposed state contract. The utilization  
18    plan shall identify certified minority, HONORABLY DISCHARGED VETERAN or  
19    women-owned business enterprises, if known, that have committed to  
20    perform work in connection with the proposed state contract as well as

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

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1 any such enterprises, if known, which the contractor intends to use in  
2 connection with the contractor's performance of the proposed state  
3 contract. The plan shall specifically contain a list, including the  
4 name, address and telephone number, of each certified enterprise with  
5 which the contractor intends to subcontract.

6 24. "HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISE" SHALL  
7 MEAN A BUSINESS ENTERPRISE, INCLUDING A SOLE PROPRIETORSHIP, PARTNERSHIP  
8 OR CORPORATION THAT IS:

9 (A) AT LEAST FIFTY-ONE PERCENT OWNED BY ONE OR MORE UNITED STATES  
10 CITIZENS OR PERMANENT RESIDENT ALIENS WHO ARE HONORABLY DISCHARGED  
11 VETERANS;

12 (B) AN ENTERPRISE IN WHICH THE OWNERSHIP INTEREST OF SUCH HONORABLY  
13 DISCHARGED VETERANS IS REAL, SUBSTANTIAL AND CONTINUING;

14 (C) AN ENTERPRISE IN WHICH SUCH HONORABLY DISCHARGED VETERAN'S OWNER-  
15 SHIP HAS AND EXERCISES THE AUTHORITY TO CONTROL INDEPENDENTLY THE  
16 DAY-TO-DAY BUSINESS DECISIONS OF THE ENTERPRISE;

17 (D) AN ENTERPRISE AUTHORIZED TO DO BUSINESS IN THIS STATE AND INDE-  
18 PENDENTLY OWNED AND OPERATED.

19 (E) HONORABLY DISCHARGED VETERAN SHALL MEAN A PERSON WHO SERVED IN THE  
20 ACTIVE MILITARY, NAVAL, OR AIR SERVICE DURING A PERIOD OF WAR AS DEFINED  
21 IN PARAGRAPH (F) OF THIS SUBDIVISION, OR WHO WAS A RECIPIENT OF THE  
22 ARMED FORCES EXPEDITIONARY MEDAL, NAVY EXPEDITIONARY MEDAL, MARINE CORPS  
23 EXPEDITIONARY MEDAL, OR GLOBAL WAR ON TERRORISM EXPEDITIONARY MEDAL, AND  
24 WHO WAS DISCHARGED OR RELEASED THEREFROM UNDER OTHER THAN DISHONORABLE  
25 CONDITIONS, AS DOCUMENTED ACCORDING TO RULES AND REGULATIONS OF THE  
26 DIVISION OF MILITARY AND NAVAL AFFAIRS.

27 (F) FOR THE PURPOSES OF THIS ARTICLE, SERVICE DURING TIME OF WAR IS  
28 DEFINED BY SECTION 3.2 OF TITLE 38 OF THE CODE OF FEDERAL REGULATIONS.

29 S 4. Subdivision 1 and paragraphs (a), (d), (e) and (f) of subdivision  
30 3 of section 311 of the executive law, subdivision 1 and paragraphs (d)  
31 and (e) of subdivision 3 as amended by chapter 55 of the laws of 1992  
32 and paragraphs (a) and (f) of subdivision 3 as added by chapter 261 of  
33 the laws of 1988, are amended to read as follows:

34 1. The head of the division of minority and women's business develop-  
35 ment shall be the director who shall be appointed by the governor and  
36 hold office at the pleasure of the commissioner. It shall be the duty of  
37 the director of the division of minority and women's business develop-  
38 ment to assist the governor in the formulation and implementation of  
39 laws and policies relating to minority, HONORABLY DISCHARGED VETERAN and  
40 women-owned business enterprises.

41 (a) to encourage and assist contracting agencies in their efforts to  
42 increase participation by minority, HONORABLY DISCHARGED VETERAN and  
43 women-owned business enterprises on state contracts and subcontracts so  
44 as to facilitate the award of a fair share of such contracts to them;

45 (d) to review periodically the practices and procedures of each  
46 contracting agency with respect to compliance with the provisions of  
47 this article, and to require them to file periodic reports with the  
48 division of minority and women's business development as to the level of  
49 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
50 prises participation in the awarding of agency contracts for goods and  
51 services;

52 (e) on January first of each year report to the governor and the  
53 chairpersons of the senate finance and assembly ways and means commit-  
54 tees on the level of minority, HONORABLY DISCHARGED VETERAN and women-  
55 owned business enterprises participating in each agency's contracts for  
56 goods and services and on activities of the office and effort by each

contracting agency to promote employment of minority group members, HONORABLY DISCHARGED VETERANS and women, and to promote and increase participation by certified businesses with respect to state contracts and subcontracts so as to facilitate the award of a fair share of state contracts to such businesses. The comptroller shall assist the division in collecting information on the participation of certified business for each contracting agency. Such report may recommend new activities and programs to effectuate the purposes of this article;

(f) to prepare and update periodically a directory of certified minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises which shall, wherever practicable, be divided into categories of labor, services, supplies, equipment, materials and recognized construction trades and which shall indicate areas or locations of the state where such enterprises are available to perform services;

S 5. Section 313 of the executive law, as amended by chapter 175 of the laws of 2010, is amended to read as follows:

S 313. Opportunities for minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises. 1. Goals and requirements for agencies and contractors. Each agency shall structure procurement procedures for contracts made directly or indirectly to minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises, in accordance with the findings of the two thousand ten disparity study, consistent with the purposes of this article, to attempt to achieve the following results with regard to total annual statewide procurement:

(a) construction industry for certified minority-owned business enterprises: fourteen and thirty-four hundredths percent;

(b) construction industry for certified women-owned business enterprises: eight and forty-one hundredths percent;

(c) construction related professional services industry for certified minority-owned business enterprises: thirteen and twenty-one hundredths percent;

(d) construction related professional services industry for certified women-owned business enterprises: eleven and thirty-two hundredths percent;

(e) non-construction related services industry for certified minority-owned business enterprises: nineteen and sixty hundredths percent;

(f) non-construction related services industry for certified women-owned business enterprises: seventeen and forty-four hundredths percent;

(g) commodities industry for certified minority-owned business enterprises: sixteen and eleven hundredths percent;

(h) commodities industry for certified women-owned business enterprises: ten and ninety-three hundredths percent;

(i) overall agency total dollar value of procurement for certified minority-owned business enterprises: sixteen and fifty-three hundredths percent;

(j) overall agency total dollar value of procurement for certified women-owned business enterprises: twelve and thirty-nine hundredths percent; and

(k) overall agency total dollar value of procurement for certified minority, women-owned business enterprises: twenty-eight and ninety-two hundredths percent.

1-a. The director shall ensure that each state agency has been provided with a copy of the two thousand ten disparity study.

1-b. Each agency shall develop and adopt agency-specific goals based on the findings of the two thousand ten disparity study.

1     2. The director shall promulgate rules and regulations pursuant to the  
2 goals established in subdivision one of this section that provide meas-  
3 ures and procedures to ensure that certified minority, HONORABLY  
4 DISCHARGED VETERAN and women-owned businesses shall be given the oppor-  
5 tunity for maximum feasible participation in the performance of state  
6 contracts and to assist in the agency's identification of those state  
7 contracts for which minority, HONORABLY DISCHARGED VETERAN and women-  
8 owned certified businesses may best bid to actively and affirmatively  
9 promote and assist their participation in the performance of state  
10 contracts so as to facilitate the agency's achievement of the maximum  
11 feasible portion of the goals for state contracts to such businesses.

12     2-a. The director shall promulgate rules and regulations that will  
13 accomplish the following:

14     (a) provide for the certification and decertification of minority,  
15 HONORABLY DISCHARGED VETERAN and women-owned business enterprises for  
16 all agencies through a single process that meets applicable require-  
17 ments;

18     (b) require that each contract solicitation document accompanying each  
19 solicitation set forth the expected degree of minority, HONORABLY  
20 DISCHARGED VETERAN and women-owned business enterprise participation  
21 based, in part, on:

22     (i) the potential subcontract opportunities available in the prime  
23 procurement contract; and

24     (ii) the availability, as contained within the study, of certified  
25 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
26 prises to respond competitively to the potential subcontract opportu-  
27 nities;

28     (c) require that each agency provide a current list of certified  
29 minority business enterprises to each prospective contractor;

30     (d) allow a contractor that is a certified minority-owned, HONORABLY  
31 DISCHARGED VETERAN-OWNED or women-owned business enterprise to use the  
32 work it performs to meet requirements for use of certified minority-  
33 owned, HONORABLY DISCHARGED VETERAN-OWNED or women-owned business enter-  
34 prises as subcontractors;

35     (e) provide for joint ventures, which a bidder may count toward meet-  
36 ing its minority, HONORABLY DISCHARGED VETERAN and women-owned business  
37 enterprise participation;

38     (f) consistent with subdivision six of this section, provide for  
39 circumstances under which an agency may waive obligations of the  
40 contractor relating to minority, HONORABLY DISCHARGED VETERAN and  
41 women-owned business enterprise participation;

42     (g) require that an agency verify that minority, HONORABLY DISCHARGED  
43 VETERAN and women-owned business enterprises listed in a successful bid  
44 are actually participating to the extent listed in the project for which  
45 the bid was submitted;

46     (h) provide for the collection of statistical data by each agency  
47 concerning actual minority, HONORABLY DISCHARGED VETERAN and women-owned  
48 business enterprise participation; and

49     (i) require each agency to consult the most current disparity study  
50 when calculating agency-wide and contract specific participation goals  
51 pursuant to this article.

52     3. Solely for the purpose of providing the opportunity for meaningful  
53 participation by certified businesses in the performance of state  
54 contracts as provided in this section, state contracts shall include  
55 leases of real property by a state agency to a lessee where: the terms  
56 of such leases provide for the construction, demolition, replacement,

1 major repair or renovation of real property and improvements thereon by  
2 such lessee; and the cost of such construction, demolition, replacement,  
3 major repair or renovation of real property and improvements thereon  
4 shall exceed the sum of one hundred thousand dollars. Reports to the  
5 director pursuant to section three hundred fifteen of this article shall  
6 include activities with respect to all such state contracts. Contracting  
7 agencies shall include or require to be included with respect to state  
8 contracts for the acquisition, construction, demolition, replacement,  
9 major repair or renovation of real property and improvements thereon,  
10 such provisions as may be necessary to effectuate the provisions of this  
11 section in every bid specification and state contract, including, but  
12 not limited to: (a) provisions requiring contractors to make a good  
13 faith effort to solicit active participation by enterprises identified  
14 in the directory of certified businesses provided to the contracting  
15 agency by the office; (b) requiring the parties to agree as a condition  
16 of entering into such contract, to be bound by the provisions of section  
17 three hundred sixteen of this article; and (c) requiring the contractor  
18 to include the provisions set forth in paragraphs (a) and (b) of this  
19 subdivision in every subcontract in a manner that the provisions will be  
20 binding upon each subcontractor as to work in connection with such  
21 contract. Provided, however, that no such provisions shall be binding  
22 upon contractors or subcontractors in the performance of work or the  
23 provision of services that are unrelated, separate or distinct from the  
24 state contract as expressed by its terms, and nothing in this section  
25 shall authorize the director or any contracting agency to impose any  
26 requirement on a contractor or subcontractor except with respect to a  
27 state contract.

28 4. In the implementation of this section, the contracting agency shall  
29 (a) consult the findings contained within the disparity study evidencing  
30 relevant industry specific availability of certified businesses;

31 (b) implement a program that will enable the agency to evaluate each  
32 contract to determine the appropriateness of the goal pursuant to subdi-  
33 vision one of this section;

34 (c) consider where practicable, the severability of construction  
35 projects and other bundled contracts; and

36 (d) consider compliance with the requirements of any federal law  
37 concerning opportunities for minority, HONORABLY DISCHARGED VETERAN and  
38 women-owned business enterprises which effectuates the purpose of this  
39 section. The contracting agency shall determine whether the imposition  
40 of the requirements of any such law duplicate or conflict with the  
41 provisions hereof and if such duplication or conflict exists, the  
42 contracting agency shall waive the applicability of this section to the  
43 extent of such duplication or conflict.

44 5. (a) Contracting agencies shall administer the rules and regulations  
45 promulgated by the director in a good faith effort to meet the maximum  
46 feasible portion of the agency's goals adopted pursuant to this article  
47 and the regulations of the director. Such rules and regulations: shall  
48 require a contractor to submit a utilization plan after bids are opened,  
49 when bids are required, but prior to the award of a state contract;  
50 shall require the contracting agency to review the utilization plan  
51 submitted by the contractor and to post the utilization plan and any  
52 waivers of compliance issued pursuant to subdivision six of this section  
53 on the website of the contracting agency within a reasonable period of  
54 time as established by the director; shall require the contracting agen-  
55 cy to notify the contractor in writing within a period of time specified  
56 by the director as to any deficiencies contained in the contractor's

1 utilization plan; shall require remedy thereof within a period of time  
2 specified by the director; shall require the contractor to submit peri-  
3 odic compliance reports relating to the operation and implementation of  
4 any utilization plan; shall not allow any automatic waivers but shall  
5 allow a contractor to apply for a partial or total waiver of the minori-  
6 ty, HONORABLY DISCHARGED VETERAN and women-owned business enterprise  
7 participation requirements pursuant to subdivisions six and seven of  
8 this section; shall allow a contractor to file a complaint with the  
9 director pursuant to subdivision eight of this section in the event a  
10 contracting agency has failed or refused to issue a waiver of the minor-  
11 ity, HONORABLY DISCHARGED VETERAN and women-owned business enterprise  
12 participation requirements or has denied such request for a waiver; and  
13 shall allow a contracting agency to file a complaint with the director  
14 pursuant to subdivision nine of this section in the event a contractor  
15 is failing or has failed to comply with the minority, HONORABLY  
16 DISCHARGED VETERAN and women-owned business enterprise participation  
17 requirements set forth in the state contract where no waiver has been  
18 granted.

19 (b) The rules and regulations promulgated pursuant to this subdivision  
20 regarding a utilization plan shall provide that where enterprises have  
21 been identified within a utilization plan, a contractor shall attempt,  
22 in good faith, to utilize such enterprise at least to the extent indi-  
23 cated. A contracting agency may require a contractor to indicate, within  
24 a utilization plan, what measures and procedures he or she intends to  
25 take to comply with the provisions of this article, but may not require,  
26 as a condition of award of, or compliance with, a contract that a  
27 contractor utilize a particular enterprise in performance of the  
28 contract.

29 (c) Without limiting other grounds for the disqualification of bids or  
30 proposals on the basis of non-responsibility, a contracting agency may  
31 disqualify the bid or proposal of a contractor as being non-responsible  
32 for failure to remedy notified deficiencies contained in the contrac-  
33 tor's utilization plan within a period of time specified in regulations  
34 promulgated by the director after receiving notification of such defi-  
35 ciencies from the contracting agency. Where failure to remedy any noti-  
36 fied deficiency in the utilization plan is a ground for disqualifica-  
37 tion, that issue and all other grounds for disqualification shall be  
38 stated in writing by the contracting agency. Where the contracting agen-  
39 cy states that a failure to remedy any notified deficiency in the utili-  
40 zation plan is a ground for disqualification the contractor shall be  
41 entitled to an administrative hearing, on a record, involving all  
42 grounds stated by the contracting agency. Such hearing shall be  
43 conducted by the appropriate authority of the contracting agency to  
44 review the determination of disqualification. A final administrative  
45 determination made following such hearing shall be reviewable in a  
46 proceeding commenced under article seventy-eight of the civil practice  
47 law and rules, provided that such proceeding is commenced within thirty  
48 days of the notice given by certified mail return receipt requested  
49 rendering such final administrative determination. Such proceeding shall  
50 be commenced in the supreme court, appellate division, third department  
51 and such proceeding shall be preferred over all other civil causes  
52 except election causes, and shall be heard and determined in preference  
53 to all other civil business pending therein, except election matters,  
54 irrespective of position on the calendar. Appeals taken to the court of  
55 appeals of the state of New York shall be subject to the same prefer-  
56 ence.

1 6. Where it appears that a contractor cannot, after a good faith  
2 effort, comply with the minority, HONORABLY DISCHARGED VETERAN and  
3 women-owned business enterprise participation requirements set forth in  
4 a particular state contract, a contractor may file a written application  
5 with the contracting agency requesting a partial or total waiver of such  
6 requirements setting forth the reasons for such contractor's inability  
7 to meet any or all of the participation requirements together with an  
8 explanation of the efforts undertaken by the contractor to obtain the  
9 required minority, HONORABLY DISCHARGED VETERAN and women-owned business  
10 enterprise participation. In implementing the provisions of this  
11 section, the contracting agency shall consider the number and types of  
12 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
13 prises located in the region in which the state contract is to be  
14 performed, the total dollar value of the state contract, the scope of  
15 work to be performed and the project size and term. If, based on such  
16 considerations, the contracting agency determines there is not a reason-  
17 able availability of contractors on the list of certified business to  
18 furnish services for the project, it shall issue a waiver of compliance  
19 to the contractor. In making such determination, the contracting agency  
20 shall first consider the availability of other business enterprises  
21 located in the region and shall thereafter consider the financial abili-  
22 ty of minority, HONORABLY DISCHARGED VETERAN and women-owned businesses  
23 located outside the region in which the contract is to be performed to  
24 perform the state contract.

25 7. For purposes of determining a contractor's good faith effort to  
26 comply with the requirements of this section or to be entitled to a  
27 waiver therefrom the contracting agency shall consider:

28 (a) whether the contractor has advertised in general circulation  
29 media, trade association publications, and minority-focus, VETERAN-FOCUS  
30 and women-focus media and, in such event, (i) whether or not certified  
31 minority, HONORABLY DISCHARGED VETERAN or women-owned businesses which  
32 have been solicited by the contractor exhibited interest in submitting  
33 proposals for a particular project by attending a pre-bid conference;  
34 and

35 (ii) whether certified businesses which have been solicited by the  
36 contractor have responded in a timely fashion to the contractor's solici-  
37 tations for timely competitive bid quotations prior to the contracting  
38 agency's bid date; and

39 (b) whether there has been written notification to appropriate certi-  
40 fied businesses that appear in the directory of certified businesses  
41 prepared pursuant to paragraph (f) of subdivision three of section three  
42 hundred eleven of this article; and

43 (c) whether the contractor can reasonably structure the amount of work  
44 to be performed under subcontracts in order to increase the likelihood  
45 of participation by certified businesses.

46 8. In the event that a contracting agency fails or refuses to issue a  
47 waiver to a contractor as requested within twenty days after having made  
48 application therefor pursuant to subdivision six of this section or if  
49 the contracting agency denies such application, in whole or in part, the  
50 contractor may file a complaint with the director pursuant to section  
51 three hundred sixteen of this article setting forth the facts and  
52 circumstances giving rise to the contractor's complaint together with a  
53 demand for relief. The contractor shall serve a copy of such complaint  
54 upon the contracting agency by personal service or by certified mail,  
55 return receipt requested. The contracting agency shall be afforded an  
56 opportunity to respond to such complaint in writing.

1 9. If, after the review of a contractor's minority, HONORABLY  
2 DISCHARGED VETERAN and women owned business utilization plan or review  
3 of a periodic compliance report and after such contractor has been  
4 afforded an opportunity to respond to a notice of deficiency issued by  
5 the contracting agency in connection therewith, it appears that a  
6 contractor is failing or refusing to comply with the minority, HONORABLY  
7 DISCHARGED VETERAN and women-owned business participation requirements  
8 as set forth in the state contract and where no waiver from such  
9 requirements has been granted, the contracting agency may file a written  
10 complaint with the director pursuant to section three hundred sixteen of  
11 this article setting forth the facts and circumstances giving rise to  
12 the contracting agency's complaint together with a demand for relief.  
13 The contracting agency shall serve a copy of such complaint upon the  
14 contractor by personal service or by certified mail, return receipt  
15 requested. The contractor shall be afforded an opportunity to respond to  
16 such complaint in writing.

17 S 6. Section 317 of the executive law, as added by chapter 261 of the  
18 laws of 1988, is amended to read as follows:

19 S 317. Superseding effect of article with respect to state law. The  
20 provisions of this article shall supersede any other provision of state  
21 law, which expressly implements or mandates an equal employment opportu-  
22 nity program or a program for securing participation by minority, HONOR-  
23 ABLY DISCHARGED VETERAN and women-owned business enterprises, concerning  
24 action to be taken by any party to a state contract, to which the  
25 provisions of this article apply; provided, however, that the provisions  
26 of any state law, not as hereinabove superseded, which expressly imple-  
27 ment or mandate such programs shall remain unimpaired by the provisions  
28 of this article, except that the provisions of any such law shall be  
29 construed as if the provisions of subdivisions five, six, seven and  
30 eight of section three hundred thirteen and section three hundred  
31 sixteen of this article were fully set forth therein and made applicable  
32 only to complaints of violations under such provisions of law occurring  
33 on or after September first, nineteen hundred eighty-eight; provided,  
34 further, that nothing contained in this article shall be construed to  
35 limit, impair, or otherwise restrict any state agency's authority or  
36 discretionary power in effect prior to the enactment of this article to  
37 establish or continue, by rule, regulation or resolution, an equal  
38 opportunity program or a program for securing participation of minority,  
39 HONORABLY DISCHARGED VETERAN and women-owned business enterprises with  
40 regard to banking relationships, the issuance of insurance policies or  
41 contracts for the sale of bonds, notes or other securities; and,  
42 provided further, that nothing contained in the immediately preceding  
43 proviso shall be construed to create, impair, alter, limit, modify,  
44 enlarge, abrogate or restrict any agency's authority or discretionary  
45 power with respect to an equal opportunity program or a program for  
46 securing participation of minority, HONORABLY DISCHARGED VETERAN and  
47 women-owned enterprises.

48 S 7. Section 136-b of the state finance law, as added by chapter 261  
49 of the laws of 1988, is amended to read as follows:

50 S 136-b. Selection of underwriters by state agencies. Whenever a state  
51 agency, as defined in article fifteen-A of the executive law, sells its  
52 bonds, notes or other securities at a private sale, in selecting one or  
53 more underwriters to purchase such securities the state agency shall  
54 consider, among other things, the participation of firms certified  
55 pursuant to such article as minority, HONORABLY DISCHARGED VETERAN or  
56 women-owned firms and the ability of other firms under consideration to



1 work with minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
2 ness enterprises so as to promote and assist participation by such  
3 enterprises.

4 S 8. Paragraphs (b) and (d) of subdivision 2 of section 139-i of the  
5 state finance law, as amended by chapter 531 of the laws of 1993, are  
6 amended to read as follows:

7 (b) include in all bid documents provided to potential bidders a  
8 statement that information concerning the availability of New York state  
9 subcontractors and suppliers is available from the New York state  
10 department of economic development, which shall include the directory of  
11 certified minority and women-owned businesses, and it is the policy of  
12 New York state to encourage the use of New York state subcontractors and  
13 suppliers, and to promote the participation of minority, HONORABLY  
14 DISCHARGED VETERAN and women-owned businesses, where possible, in the  
15 procurement of goods and services.

16 (d) adopt policies to promote the participation by New York state  
17 business enterprises and New York state residents in procurement  
18 contracts, with the cooperation of the department of economic develop-  
19 ment and the community services division of the department of labor  
20 including, but not limited to, providing through cooperative efforts  
21 with contractors for the notification of New York state business enter-  
22 prises of opportunities to participate as subcontractors and suppliers  
23 on procurement contracts in an amount estimated to be equal to or great-  
24 er than one million dollars and for the notification of New York state  
25 residents of employment opportunities arising in New York state out of  
26 procurement contracts in an amount estimated to be equal to or greater  
27 than one million dollars; and promulgating procedures which will assure  
28 compliance by contractors with such notification. Once awarded the  
29 contract, such contractors shall document their efforts to encourage the  
30 participation of New York state business enterprises as suppliers and  
31 subcontractors on procurement contracts equal to or greater than one  
32 million dollars. Documented efforts by a successful contractor shall  
33 consist of and be limited to showing that such contractor has [(a)] (I)  
34 solicited bids, in a timely and adequate manner, from New York state  
35 business enterprises including certified minority, HONORABLY DISCHARGED  
36 VETERAN and women-owned business, or [(b)] (II) contacted the New York  
37 state department of economic development to obtain listings of New York  
38 state business enterprises, or [(c)] (III) placed notices for subcon-  
39 tractors and suppliers in newspapers, journals and other trade publica-  
40 tions distributed in New York state, or [(d)] (IV) participated in  
41 bidder outreach conferences. If the contractor determines that New York  
42 state business enterprises are not available to participate on the  
43 contract as subcontractors or suppliers, the contractor shall provide a  
44 statement indicating the method by which such determination was made. If  
45 the contractor does not intend to use subcontractors on the contract,  
46 the contractor shall provide a statement verifying such intent. Such  
47 contractors shall also provide notification to New York state residents  
48 of employment opportunities through listing any such positions with the  
49 community services division, or providing for such notification in such  
50 manner as is consistent with existing collective bargaining contracts or  
51 agreements. On or before the effective date of this section, each state  
52 agency or department shall submit such policies to the division of the  
53 budget and copies thereof to the department of audit and control, the  
54 department of economic development, the senate finance committee and the  
55 assembly ways and means committee.

1 S 9. Subdivision 5, paragraph (e) of subdivision 11, paragraph (e) of  
2 subdivision 12 and paragraph (a) of subdivision 16 of section 213 of the  
3 state finance law, subdivision 5, paragraph (e) of subdivision 11 and  
4 paragraph (e) of subdivision 12 as added by chapter 705 of the laws of  
5 1993 and paragraph (a) of subdivision 16 as amended by section 2 of part  
6 HH of chapter 59 of the laws of 2013, are amended to read as follows:

7 5. "Certified [minority-] MINORITY, HONORABLY DISCHARGED VETERAN or  
8 women-owned business" means any [minority-] MINORITY, HONORABLY  
9 DISCHARGED VETERAN or women-owned business enterprise as defined in  
10 section three hundred ten of the executive law and certified pursuant to  
11 section three hundred fourteen of the executive law.

12 (e) any certified [minority-] MINORITY, HONORABLY DISCHARGED VETERAN  
13 or women-owned business seeking financing necessary to carry out a  
14 procurement contract with an agency or authority or other entity of the  
15 state or federal government; or

16 (e) for certified [minority-] MINORITY, HONORABLY DISCHARGED VETERAN  
17 and women-owned businesses, projects to provide financing necessary to  
18 carry out a procurement contract with an agency or authority or other  
19 entity of the state or federal government.

20 (a) for a linked deposit made in connection with a linked loan to a  
21 certified business in an empire zone or to an eligible business located  
22 in a highly distressed area or to an eligible business that is defined  
23 in paragraph (b-1) of subdivision eleven of this section that is located  
24 in a renewal community or defined in paragraph (b-2) of such subdivision  
25 that is located in an empowerment zone or defined in paragraph (b-3) of  
26 such subdivision that is located in an enterprise community, or a quali-  
27 fying technology or innovation business as defined in paragraph (g) of  
28 subdivision eleven of this section, respectively for eligible projects  
29 defined in paragraph (c) of subdivision twelve of this section or a  
30 certified [minority-] MINORITY, HONORABLY DISCHARGED VETERAN or women-  
31 owned business enterprise for an eligible project defined in paragraph  
32 (e) of subdivision twelve of this section or to a defense industry  
33 manufacturer for a project defined in paragraph (d) of subdivision  
34 twelve of this section, a fixed rate of interest which is three hundred  
35 basis points below the lender's posted four year certificate of deposit  
36 rate or, if the lender does not offer a four year certificate of depos-  
37 it, is three hundred basis points below the average statewide rate for  
38 four year certificates of deposit as determined by the commissioner of  
39 economic development;

40 S 10. Subdivision 1 of section 218 of the state finance law, as  
41 amended by section 1 of part U of chapter 58 of the laws of 2012, is  
42 amended to read as follows:

43 1. Linked loans made to certified businesses in empire zones or to  
44 eligible businesses in highly distressed areas or to eligible businesses  
45 that are defined in paragraph (b-1) of subdivision eleven of section two  
46 hundred thirteen of this article that are located in a renewal community  
47 or defined in paragraph (b-2) of such subdivision that are located in an  
48 empowerment zone or defined in paragraph (b-3) of such subdivision that  
49 are located in an enterprise community, respectively for eligible  
50 projects defined in paragraph (c) of subdivision twelve of section two  
51 hundred thirteen of this article or to [minority-] MINORITY, HONORABLY  
52 DISCHARGED VETERAN or women-owned business enterprises for an eligible  
53 project defined in paragraph (e) of subdivision twelve of section two  
54 hundred thirteen of this article or to a defense industry manufacturer  
55 for a project defined in paragraph (d) of subdivision twelve of section  
56 two hundred thirteen of this article or to an eligible business pursuant

1 to paragraph (a) of subdivision eleven of section two hundred thirteen  
2 of this article that produces products defined in subdivision two of  
3 section three hundred one of the agriculture and markets law for an  
4 eligible project as defined in paragraph (b) of subdivision twelve of  
5 section two hundred thirteen of this article shall bear interest at a  
6 fixed rate equal to three percentage points below the fixed interest  
7 rate the lender would have charged for the loan in the absence of a  
8 linked deposit based on its usual credit considerations. All other  
9 linked loans shall bear interest at a fixed rate equal to two percentage  
10 points below the fixed interest rate the lender would have charged for  
11 the loan in the absence of a linked deposit based on its usual credit  
12 considerations. Lenders shall certify to the commissioner of economic  
13 development that the rate to be charged on a linked loan is two percent-  
14 age points or three percentage points, as the case may be, below the  
15 interest rate the lender would have charged for the loan in the absence  
16 of a linked deposit.

17 S 11. Paragraph (c) of subdivision 12 of section 3.07 of the arts and  
18 cultural affairs law, as amended by chapter 255 of the laws of 1988, is  
19 amended to read as follows:

20 (c) (i) In the performance of projects pursuant to this section,  
21 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
22 prises shall be given the opportunity for meaningful participation. For  
23 purposes hereof, minority business enterprise shall mean any business  
24 enterprise which is at least fifty-one per centum owned by, or in the  
25 case of a publicly owned business, at least fifty-one per centum of the  
26 stock or other voting interest is owned by citizens or permanent resi-  
27 dent aliens who are Black, Hispanic, Asian, American Indian, Pacific  
28 Islander, or Alaskan native, and such ownership interest is real,  
29 substantial and continuing and has the authority to independently  
30 control the day to day business decisions of the entity for at least one  
31 year; HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISE SHALL MEAN  
32 THE SAME AS PROVIDED IN SUBDIVISION TWENTY-FOUR OF SECTION THREE HUNDRED  
33 TEN OF THE EXECUTIVE LAW; and women-owned business enterprise shall mean  
34 any business enterprise which is at least fifty-one per centum owned by,  
35 or in the case of a publicly owned business, at least fifty-one per  
36 centum of the stock to other voting interests of which is owned by citi-  
37 zens or permanent resident aliens who are women, and such ownership  
38 interest is real, substantial and continuing and has the authority to  
39 independently control the day to day business decisions of the entity  
40 for at least one year.

41 The provisions of this subdivision shall not be construed to limit the  
42 ability of any minority business enterprise to bid on any contract.

43 (ii) In order to implement the requirements and objectives of this  
44 section, the council shall request, as appropriate, the assistance of  
45 other state agencies to monitor the contractors' compliance with  
46 provisions hereof, provide assistance in obtaining competing qualified  
47 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
48 prises to perform contracts proposed to be awarded, and take other  
49 appropriate measures to improve the access of minority, HONORABLY  
50 DISCHARGED VETERAN and women-owned business enterprises to these  
51 contracts.

52 S 12. Subdivision 2 of section 115 of the economic development law, as  
53 added by chapter 55 of the laws of 1992, is amended to read as follows:

54 2. "Technical assistance" shall mean assistance and services designed  
55 to improve the efficiency, effectiveness and viability of a minority,  
56 HONORABLY DISCHARGED VETERAN or women-owned business enterprise, includ-

ing, but not limited to, management assistance, problem solving, the development of business and marketing plans, market analysis, financial planning, regulatory compliance, safety and security measures, export assistance, procurement assistance, application assistance, state program assistance, referral to private and public financing sources, contracting assistance, and other forms of assistance which the commissioner deems necessary and appropriate.

S 13. Section 118 of the economic development law, as added by chapter 55 of the laws of 1992 and subdivision 7 as further amended by section 15 of part GG of chapter 63 of the laws of 2000, is amended to read as follows:

S 118. Power and duties. In addition to the power and duties conferred by section one hundred sixteen of this article, the division shall have the additional power and duty to:

1. Coordinate with all state agencies performing functions affecting the operations of minority business enterprises, HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISES and women-owned business enterprises, as such terms are defined in section two hundred ten of this chapter;

2. Receive complaints and inquiries of operators of minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises and refer them to the appropriate federal, state or local agency for appropriate action on such complaints;

3. Solicit recommendations from the operators of minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises for improving existing state programs and refer such recommendations to the governor, the legislature and appropriate state agencies or authorities;

4. Advise and make recommendations to the commissioner and the legislature on matters affecting the minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises of the state and promote and encourage the protection of the legitimate interests of minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises within the state;

5. Conduct investigations, research, studies and analyses of matters affecting the interests of minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises;

6. Study the implementation of the laws affecting minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises and recommend to the commissioner new laws and amendments of laws for the benefit of minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises; and review pending legislation affecting minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises and report its findings to the commissioner;

7. Provide technical assistance and information to minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises in the state on economic development programs administered by the department, including, but not limited to: (a) the empire zones program, established pursuant to article eighteen-B of the general municipal law, (b) the industrial effectiveness program, established pursuant to article seven of this chapter, (c) the economic development skills training program, established pursuant to article eight of this chapter, and (d) the entrepreneurial assistance program, established pursuant to article nine of this chapter;

8. Provide technical assistance and information to minority, HONORABLY DISCHARGED VETERAN and women-owned business enterprises in the state on economic development programs administered by agencies other than the department, including, but not limited to programs administered by the

1 urban development corporation, the job development authority and the  
2 science and technology foundation;

3 9. Be responsible for conducting minority, HONORABLY DISCHARGED VETER-  
4 AN and women-owned business enterprise assistance programs and for coor-  
5 dinating the activities of all other state agencies acting within the  
6 scope of this section; and

7 10. Carry out the activities to implement the minority, HONORABLY  
8 DISCHARGED VETERAN and women-owned business enterprise assistance  
9 programs, to the extent practicable, within amounts appropriated there-  
10 for by[;]:

11 (a) collecting and maintaining information identifying certified  
12 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
13 prises within New York state;

14 (b) collecting, maintaining, and providing information to potential  
15 users identifying existing contracting and procurement opportunities  
16 within and outside New York state;

17 (c) maintaining, providing and marketing a compilation of existing  
18 programs providing assistance for minority, HONORABLY DISCHARGED VETERAN  
19 and women-owned business enterprises;

20 (d) identifying special needs and problems facing minority, HONORABLY  
21 DISCHARGED VETERAN and women-owned business enterprises within New York  
22 state;

23 (e) contacting institutions, organizations and commercial enterprises  
24 that are potential consumers of minority, HONORABLY DISCHARGED VETERAN  
25 and women-owned business products and services; urging their expanded  
26 consumption of such goods and services;

27 (f) facilitating the establishment of minority, HONORABLY DISCHARGED  
28 VETERAN and women-owned business enterprises; and

29 (g) providing information concerning local and regional opportunities  
30 for minority, HONORABLY DISCHARGED VETERAN and women-owned business  
31 enterprises.

32 S 14. Section 210 of the economic development law is amended by  
33 adding a new subdivision 7 to read as follows:

34 7. "HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISE" MEANS THE  
35 SAME AS DEFINED IN SUBDIVISION TWENTY-FOUR OF SECTION THREE HUNDRED TEN  
36 OF THE EXECUTIVE LAW.

37 S 15. Paragraphs (b) and (i) of subdivision 1 of section 231 of the  
38 economic development law, as amended by chapter 352 of the laws of 2009,  
39 are amended to read as follows:

40 (b) to provide outreach to businesses, with attention to small and  
41 medium-sized businesses, including minority, HONORABLY DISCHARGED VETER-  
42 AN and women-owned business enterprises, for financial and technical  
43 assistance offered by state economic development agencies, authorities,  
44 or other economic entities;

45 (i) to provide information and assistance in the certification of  
46 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
47 prises;

48 S 16. Section 52-0113 of the environmental conservation law, as added  
49 by chapter 512 of the laws of 1986, is amended to read as follows:

50 S 52-0113. Minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
51 ness enterprise program.

52 1. a. In the performance of projects pursuant to this article  
53 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
54 prises shall be given the opportunity for meaningful participation. The  
55 department or the office shall establish measures and procedures to  
56 secure meaningful participation and identify those contracts and items

1 of work for which minority, HONORABLY DISCHARGED VETERAN and women-owned  
2 business enterprises may best bid to actively and affirmatively promote  
3 and assist their participation in the projects, so as to facilitate the  
4 award of a fair share of contracts to such enterprises; provided, howev-  
5 er, that nothing in this article shall be construed to limit the ability  
6 of the department or office to assure that qualified minority, HONORABLY  
7 DISCHARGED VETERAN and women-owned business enterprises may participate  
8 in the program.

9 For purposes [hereof] OF THIS ARTICLE, minority business enterprise  
10 shall mean any business enterprise which is at least fifty-one per  
11 centum owned by, or in the case of a publicly owned business, at least  
12 fifty-one per centum of the stock of which is owned by citizens or  
13 permanent resident aliens who are Black, Hispanic, Asian or American  
14 Indian, Pacific Islander or Alaskan natives and such ownership interest  
15 is real, substantial and continuing and have the authority to independ-  
16 ently control the day to day business decisions of the entity for at  
17 least one year; HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISE  
18 SHALL MEAN THE SAME AS DEFINED IN SUBDIVISION TWENTY-FOUR OF SECTION  
19 THREE HUNDRED TEN OF THE EXECUTIVE LAW; and women-owned business enter-  
20 prise shall mean any business enterprise which is at least fifty-one per  
21 centum owned by, or in the case of a publicly owned business, at least  
22 fifty-one per centum of the stock of which is owned by citizens or  
23 permanent resident aliens who are women, and such ownership interest is  
24 real, substantial and continuing and have the authority to independently  
25 control the day to day business decisions of the entity for at least one  
26 year. The provisions of this paragraph shall not be construed to limit  
27 the ability of any minority, HONORABLY DISCHARGED VETERAN or women-owned  
28 business enterprise to bid on any contract.

29 b. In the implementation of this section, the department or the office  
30 shall consider compliance by any contractor with the requirements of any  
31 federal, state, or local law concerning minority, HONORABLY DISCHARGED  
32 VETERAN and women-owned business enterprises, which may effectuate the  
33 requirements of this section. If the department or the office determines  
34 that by virtue of the imposition of the requirements of any such law, in  
35 respect to capital project contracts, the provisions thereof duplicate  
36 or conflict with such law, the department may waive the applicability of  
37 this section to the extent of such duplication or conflict.

38 c. Nothing in this section shall be deemed to require that overall  
39 state and federal requirements for participation of minority, HONORABLY  
40 DISCHARGED VETERAN and women-owned business enterprises in programs  
41 authorized under this article be applied without regard to local circum-  
42 stances to all projects or in all communities.

43 2. In order to implement the requirements and objectives of this  
44 section, the department and the office shall establish procedures to  
45 monitor the contractors' compliance with provisions hereof, provide  
46 assistance in obtaining competing qualified minority, HONORABLY  
47 DISCHARGED VETERAN and women-owned business enterprises to perform  
48 contracts proposed to be awarded, and take other appropriate measures to  
49 improve the access of minority, HONORABLY DISCHARGED VETERAN and women-  
50 owned business enterprises to these contracts.

51 S 17. Subparagraph (i) of paragraph (b), the opening paragraph of  
52 paragraph (c), paragraphs (i) and (j) and subparagraphs (ii) and (iii)  
53 of paragraph (n) of subdivision 3 of section 2879 of the public authori-  
54 ties law, subparagraph (i) of paragraph (b) as amended, paragraphs (i)  
55 and (j) as added, and subparagraphs (ii) and (iii) of paragraph (n) as  
56 relettered by chapter 174 of the laws of 2010 and paragraph (c) as

1 amended by chapter 564 of the laws of 1988, are amended and a new para-  
2 graph (e-1) is added to read as follows:

3 (i) for the selection of such contractors on a competitive basis, and  
4 provisions relating to the circumstances under which the board may by  
5 resolution waive competition, including, notwithstanding any other  
6 provision of law requiring competition, the purchase of goods or  
7 services from small business concerns or those certified as minority,  
8 HONORABLY DISCHARGED VETERAN or women-owned business enterprises, or  
9 goods or technology that are recycled or remanufactured, in an amount  
10 not to exceed two hundred thousand dollars without a formal competitive  
11 process;

12 An identification of those areas or types of contracts for which  
13 minority, HONORABLY DISCHARGED VETERAN or women-owned business enter-  
14 prises may best bid so as to promote and assist participation by such  
15 enterprises and facilitate a fair share of the awarding of contracts to  
16 such enterprises. For the purposes of this section, a minority business  
17 enterprise means any business enterprise, including a sole proprietor-  
18 ship, partnership or corporation that is:

19 (i) The establishment of appropriate goals for participation by minor-  
20 ity, HONORABLY DISCHARGED VETERAN or women-owned business enterprises in  
21 procurement contracts awarded by the corporation and for the utilization  
22 of minority, HONORABLY DISCHARGED VETERAN and women-owned enterprises as  
23 subcontractors and suppliers by entities having procurement contracts  
24 with the corporation. Statewide numerical participation target goals  
25 shall be established by each authority based on the findings of the two  
26 thousand ten disparity study.

27 (j) Requirements to conduct procurements in a manner that will enable  
28 the corporation to achieve the maximum feasible portion of the goals  
29 established pursuant to paragraph (i) of this subdivision and that elim-  
30 inates barriers to participation by minority, HONORABLY DISCHARGED  
31 VETERAN and women-owned business enterprises in the corporation's  
32 procurements. Such procurement requirements shall include the following:

33 (A) Measures and procedures to ensure that certified businesses shall  
34 be given the opportunity for maximum feasible participation in the  
35 performance of state contracts and to assist in the corporation's iden-  
36 tification of those state contracts for which certified businesses may  
37 best bid to actively and affirmatively promote and assist their partic-  
38 ipation in the performance of state contracts so as to facilitate the  
39 corporation's achievement of the maximum feasible portion of the goals  
40 for state contracts to such businesses;

41 (B) Provisions designating the division of minority, HONORABLY  
42 DISCHARGED VETERAN and women-owned business development to certify and  
43 decertify minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
44 ness enterprises for all corporations through a single process that  
45 meets applicable state and federal requirements;

46 (C) A requirement that each contract solicitation document accompany-  
47 ing each solicitation set forth the expected degree of minority, HONOR-  
48 ABLY DISCHARGED VETERAN and women-owned business enterprise partic-  
49 ipation based, in part, on:

50 I. the potential subcontract opportunities available in the prime  
51 procurement contract; and

52 II. the availability of certified minority, HONORABLY DISCHARGED  
53 VETERAN and women-owned business enterprises to respond competitively to  
54 the potential subcontract opportunities;

55 (D) A requirement that each corporation provide a current list of  
56 certified minority business enterprises to each prospective contractor;

1 (E) Provisions relating to joint ventures, under which a bidder may  
2 count toward meeting its minority business enterprise participation  
3 goal, the minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
4 ness enterprise portion of the joint venture;

5 (F) Provisions under which the corporation may waive obligations of  
6 the contractor relating to minority, HONORABLY DISCHARGED VETERAN and  
7 women-owned business enterprise participation after a showing of good  
8 faith efforts to comply with the requirements of this act pursuant to  
9 the waiver provisions contained in subdivision six of section three  
10 hundred thirteen of the executive law;

11 (G) A requirement that the corporation verify that minority, HONORABLY  
12 DISCHARGED VETERAN and women-owned business enterprises listed in a  
13 successful bid are actually participating to the extent listed in the  
14 project for which the bid was submitted;

15 (H) In the implementation of this section, the contracting corporation  
16 shall:

17 I. consider, where practicable, the severability of construction  
18 projects and other bundled contracts;

19 II. implement a program that will enable the corporation to evaluate  
20 each contract to determine the appropriateness of the goal pursuant to  
21 paragraph (i) of this subdivision;

22 III. consider compliance with the requirements of any federal law  
23 concerning opportunities for minority, HONORABLY DISCHARGED VETERAN and  
24 women-owned business enterprises which effectuates the purpose of this  
25 section; and

26 IV. consult the most recent disparity study pursuant to article  
27 fifteen-A of the executive law.

28 (ii) with the cooperation of the department of economic development  
29 and through cooperative efforts with contractors, providing for the  
30 notification of New York state business enterprises of opportunities to  
31 participate as subcontractors and suppliers on procurement contracts let  
32 by the corporation in an amount estimated to be equal to or greater than  
33 one million dollars and promulgating procedures which will assure  
34 compliance by contractors with such notification. Once awarded the  
35 contract such contractors shall document their efforts to encourage the  
36 participation of New York state business enterprises as suppliers and  
37 subcontractors on procurement contracts equal to or greater than one  
38 million dollars. Documented efforts by a successful contractor shall  
39 consist of and be limited to showing that such contractor has (a) solic-  
40 ited bids, in a timely and adequate manner, from New York state business  
41 enterprises including certified minority, HONORABLY DISCHARGED VETERAN  
42 and women-owned business, or (b) contacted the New York state department  
43 of economic development to obtain listings of New York state business  
44 enterprises, or (c) placed notices for subcontractors and suppliers in  
45 newspapers, journals and other trade publications distributed in New  
46 York state, or (d) participated in bidder outreach conferences. If the  
47 contractor determines that New York state business enterprises are not  
48 available to participate on the contract as subcontractors or suppliers,  
49 the contractor shall provide a statement indicating the method by which  
50 such determination was made. If the contractor does not intend to use  
51 subcontractors on the contract, the contractor shall provide a statement  
52 verifying such intent; and

53 (iii) except for procurement contracts for which the corporation would  
54 be expending funds received from another state, the corporation shall  
55 include in all bid documents provided to potential bidders a statement  
56 that information concerning the availability of New York state subcon-



tractors and suppliers is available from the New York state department of economic development, which shall include the directory of certified minority, HONORABLY DISCHARGED VETERAN and women-owned businesses, and it is the policy of New York state to encourage the use of New York state subcontractors and suppliers, and to promote the participation of minority, HONORABLY DISCHARGED VETERAN and women-owned businesses where possible, in the procurement of goods and services; and

(E-1) FOR PURPOSES OF THIS SECTION, "HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISE" MEANS THE SAME AS DEFINED IN SUBDIVISION TWENTY-FOUR OF SECTION THREE HUNDRED TEN OF THE EXECUTIVE LAW.

S 18. Section 957 of the general municipal law is amended by adding a new subdivision (u) to read as follows:

(U) "HONORABLY DISCHARGED VETERAN OWNED BUSINESS ENTERPRISE" SHALL MEAN THE SAME AS DEFINED IN SUBDIVISION TWENTY-FOUR OF SECTION THREE HUNDRED TEN OF THE EXECUTIVE LAW.

S 19. Subdivisions (g) and (t) of section 959 of the general municipal law, as amended by section 3 of part S-1 of chapter 57 of the laws of 2009, are amended to read as follows:

(g) Coordinate, with the local empire zone administrative board and state agencies and authorities, the provision of business development programs and services for each empire zone in order to stimulate the creation and development of new small businesses, including new small minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprises, and may request and shall receive from any department, division, board, bureau, commission, agency or public authority of the state such assistance as may be necessary;

(t) Coordinate with the urban development corporation the creation of a special category of assistance for zones within the regional economic development partnership program, which will make available economic development assistance grants for zone programs and activities, including, but not limited to, planning, service coordination, and local institutional capacity building for human resource development necessary for economic revitalization; planning and development of small business incubators; job placement and preparedness programs for zones residents; education and training programs for zone businesses; child care programs and projects supportive of business development; technical assistance for minority, HONORABLY DISCHARGED VETERAN and women-owned business development; training for zone officials; business and tourism development and marketing programs; and other innovative programs and activities in support of economic and community development within the zones;

S 20. Paragraph (x) of subdivision (b) of section 961 of the general municipal law, as added by chapter 708 of the laws of 1993, is amended to read as follows:

(x) identify financial commitments the applicant will make to the zone for activities, including, but not limited to, marketing of the zone for business development, human resource services for zone residents and businesses, and services for small [and], minority, HONORABLY DISCHARGED VETERAN and women-owned businesses;

S 21. Subdivision (j) of section 962 of the general municipal law, as amended by chapter 624 of the laws of 1990 and as further amended by section 15 of part GG of chapter 63 of the laws of 2000, is amended to read as follows:

(j) a description of activities designed to ensure the meaningful participation of minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprises in empire zone development activities;

1 S 22. Paragraphs (iii) and (xii) of subdivision (a) of section 963 of  
2 the general municipal law, as amended by chapter 708 of the laws of  
3 1993, as further amended by section 15 of part GG of chapter 63 of the  
4 laws of 2000 and as relettered by section 7 of part S-1 of chapter 57 of  
5 the laws of 2009, are amended to read as follows:

6 (iii) undertake efforts to ensure meaningful participation by minori-  
7 ty-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business  
8 enterprises in empire zone activities;

9 (xii) provide within the zone, or contract with a new or existing  
10 community-based local development corporation or entity to provide,  
11 strategic economic development planning for the zone, marketing and  
12 promotion of the zone, assistance to companies in applying for available  
13 benefits, preparation of applications for financing assistance and other  
14 technical assistance services; coordination of the delivery of state and  
15 local programs within the zones; and operation of such other economic  
16 development assistance programs in furtherance of the empire zone devel-  
17 opment plan as may be appropriate. Provided, however, within the amount  
18 appropriated therefor and allocated by the director of the budget, the  
19 commissioner, through annual administrative contracts, shall, to the  
20 maximum extent feasible, make equally available financial support,  
21 through contracts or other means, to assist with the administrative  
22 expenses of the local zone administrative bodies or community-based  
23 development organizations. No funds shall be made available for this  
24 purpose unless the amount to be provided has been matched by private or  
25 governmental sources, other than state sources, in amounts at least  
26 equalling that to be provided by the state. Such matching funds shall be  
27 earmarked and used exclusively for the local administration of the zone  
28 program or for activities of the zone program. At least fifty percent of  
29 such matching funds shall be in cash, provided that the commissioner may  
30 waive this requirement for communities with populations of twenty-five  
31 thousand or less, and provided, further, that any amounts appropriated  
32 for minority, HONORABLY DISCHARGED VETERAN and women-owned business  
33 development within the zones shall be distributed by the commissioner  
34 pursuant to a competitive proposal solicitation process.

35 S 23. Subdivision (c) of section 964 of the general municipal law, as  
36 amended by chapter 708 of the laws of 1993 and as further amended by  
37 section 15 of part GG of chapter 63 of the laws of 2000, is amended to  
38 read as follows:

39 (c) Each empire zone capital corporation shall, to the maximum extent  
40 feasible, undertake measures and procedures to ensure meaningful partic-  
41 ipation by minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and  
42 women-owned business enterprises in the activities and investments of  
43 such corporation. Each such corporation shall additionally, to the maxi-  
44 mum extent feasible, undertake measures and procedures to ensure mean-  
45 ingful participation by locally owned business enterprises in the activ-  
46 ities and investments of such corporation.

47 S 24. Subparagraph 7 of paragraph f of subdivision 3 of section 970-r  
48 of the general municipal law, as amended by section 1 of part F of chap-  
49 ter 577 of the laws of 2004, is amended to read as follows:

50 (7) the financial commitments the applicant will make to the brown-  
51 field opportunity area for activities including, but not limited to,  
52 marketing of the area for business development, human resource services  
53 for residents and businesses in the brownfield opportunity area, and  
54 services for small [and], minority, HONORABLY DISCHARGED VETERAN and  
55 women-owned businesses.

1 S 25. Subdivision 33 of section 454 of the banking law, as amended by  
2 chapter 679 of the laws of 2003, is amended to read as follows:

3 33. Notwithstanding any other provision of this article to the contra-  
4 ry, to participate in the [minority -] MINORITY, HONORABLY DISCHARGED  
5 VETERAN and women-owned business development and lending program, as  
6 established in section 16-c of section 1 of chapter 174 of the laws of  
7 1968, constituting the urban development corporation act, to the extent  
8 that such program allows participation by credit unions.

9 S 26. Section 9-b of section 1 of chapter 359 of the laws of 1968,  
10 constituting the facilities development corporation act, as added by  
11 chapter 58 of the laws of 1987, is amended to read as follows:

12 S 9-b. Minority, HONORABLY DISCHARGED VETERAN and women-owned business  
13 enterprise program. 1. (a) Minority, HONORABLY DISCHARGED VETERAN and  
14 women-owned business enterprises shall be given the opportunity for  
15 meaningful participation in all contracts executed by the corporation  
16 pursuant to the provisions of this act other than contracts the cost of  
17 which is borne solely by a municipality or municipalities. The corpo-  
18 ration shall establish measures and procedures to secure meaningful  
19 participation and identify those contracts and items of work for which  
20 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
21 prises may best bid to actively and affirmatively promote and assist  
22 their participation in the projects, so as to facilitate the award of a  
23 fair share of contracts to such enterprises; provided, however, that  
24 nothing in this act shall be construed to limit the ability of the  
25 corporation to assure that qualified minority, HONORABLY DISCHARGED  
26 VETERAN and women-owned business enterprises may participate in the  
27 program. For purposes hereof, minority business enterprise shall mean  
28 any business enterprise which is at least fifty-one per centum owned by,  
29 or in the case of a publicly owned business, at least fifty-one per  
30 centum of the stock of which is owned by citizens or permanent resident  
31 aliens who are Black, Hispanic, Asian or American Indian, Pacific Islan-  
32 der or Alaskan natives and such ownership interest is real, substantial  
33 and continuing and have the authority to independently control the day  
34 to day business decisions of the entity for at least one year; HONORABLY  
35 DISCHARGED VETERAN BUSINESS ENTERPRISE SHALL MEAN THE SAME AS DEFINED IN  
36 SUBDIVISION 24 OF SECTION 310 OF THE EXECUTIVE LAW; and women-owned  
37 business enterprise shall mean any business enterprise which is at least  
38 fifty-one per centum owned by, or in the case of a publicly owned busi-  
39 ness, at least fifty-one per centum of the stock of which is owned by  
40 citizens or permanent resident aliens who are women, and such ownership  
41 interest is real, substantial and continuing and have the authority to  
42 independently control the day to day business decisions of the entity  
43 for at least one year.

44 The provisions of this paragraph shall not be construed to limit the  
45 ability of any minority, HONORABLY DISCHARGED VETERAN or women-owned  
46 business enterprise to bid on any contract.

47 (b) In the implementation of this section, the corporation shall  
48 consider compliance by any contractor with the requirements of any  
49 federal, state, or local law concerning minority, HONORABLY DISCHARGED  
50 VETERAN and women-owned business enterprises, which may effectuate the  
51 requirements of this section. If the corporation determines that by  
52 virtue of the imposition of the requirements of any such law, in respect  
53 to contracts, the provisions thereof duplicate or conflict with this  
54 section, the corporation may waive the applicability of this section to  
55 the extent of such duplication or conflict.

1 (c) Nothing in this section shall be deemed to require that overall  
2 state and federal requirements for participation of minority, HONORABLY  
3 DISCHARGED VETERAN and women-owned business enterprises in programs  
4 authorized under this act be applied without regard to local circum-  
5 stances to all projects or in all communities.

6 2. In order to implement the requirements and objectives of this  
7 section, the corporation shall establish procedures to monitor the  
8 contractors' compliance with provisions hereof, provide assistance in  
9 obtaining competing qualified minority, HONORABLY DISCHARGED VETERAN and  
10 women-owned business enterprises to perform contracts proposed to be  
11 awarded, and take other appropriate measures to improve the access of  
12 minority, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
13 prises to these contracts.

14 S 27. Section 16-b of section 1 of chapter 392 of the laws of 1973,  
15 constituting the New York state medical care facilities finance agency  
16 act, as added by chapter 58 of the laws of 1987, is amended to read as  
17 follows:

18 S 16-b. Minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
19 ness enterprise program. 1. a. In the performance of projects pursuant  
20 to this act minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
21 ness enterprises shall be given the opportunity for meaningful partic-  
22 ipation. The agency shall establish measures and procedures to secure  
23 meaningful participation and identify those contracts and items of work  
24 for which minority, HONORABLY DISCHARGED VETERAN and women-owned busi-  
25 ness enterprises may best bid to actively and affirmatively promote and  
26 assist their participation in the projects, so as to facilitate the  
27 award of a fair share of contracts to such enterprises; provided, howev-  
28 er, that nothing in this act shall be construed to limit the ability of  
29 the agency to assure that qualified minority, HONORABLY DISCHARGED  
30 VETERAN and women-owned business enterprises may participate in the  
31 program. For purposes hereof, minority business enterprise shall mean  
32 any business enterprise which is at least fifty-one per centum owned by,  
33 or in the case of a publicly owned business, at least fifty-one per  
34 centum of the stock of which is owned by citizens or permanent resident  
35 aliens who are Black, Hispanic, Asian or American Indian, Pacific Islan-  
36 der or Alaskan natives and such ownership interest is real, substantial  
37 and continuing and have the authority to independently control the day  
38 to day business decisions of the entity for at least one year; HONORABLY  
39 DISCHARGED VETERAN BUSINESS ENTERPRISE SHALL MEAN THE SAME AS DEFINED IN  
40 SUBDIVISION 24 OF SECTION 310 OF THE EXECUTIVE LAW; and women-owned  
41 business enterprise shall mean any business enterprise which is at least  
42 fifty-one per centum owned by, or in the case of a publicly owned busi-  
43 ness, at least fifty-one per centum of the stock of which is owned by  
44 citizens or permanent resident aliens who are women, and such ownership  
45 interest is real, substantial and continuing and have the authority to  
46 independently control the day to day business decisions of the entity  
47 for at least one year.

48 The provisions of this paragraph shall not be construed to limit the  
49 ability of any minority, HONORABLY DISCHARGED VETERAN or women-owned  
50 business enterprise to bid on any contract.

51 b. In the implementation of this section, the agency shall consider  
52 compliance by any contractor with the requirements of any federal,  
53 state, or local law concerning minority, HONORABLY DISCHARGED VETERAN  
54 and women-owned business enterprises, which may effectuate the require-  
55 ments of this section. If the department or the office determines that  
56 by virtue of the imposition of the requirements of any such law, in

1 respect to contracts, the provisions thereof duplicate or conflict with  
2 this act, the agency may waive the applicability of this section to the  
3 extent of such duplication or conflict.

4 c. Nothing in this section shall be deemed to require that overall  
5 state and federal requirements for participation of minority, HONORABLY  
6 DISCHARGED VETERAN and women-owned business enterprises in programs  
7 authorized under this act be applied without regard to local circum-  
8 stances to all projects or in all communities.

9 2. In order to implement the requirements and objectives of this  
10 section, the agency shall establish procedures to monitor the contrac-  
11 tors' compliance with provisions hereof, provide assistance in obtaining  
12 competing qualified minority, HONORABLY DISCHARGED VETERAN and women-  
13 owned business enterprises to perform contracts proposed to be awarded,  
14 and take other appropriate measures to improve the access of minority,  
15 HONORABLY DISCHARGED VETERAN and women-owned business enterprises to  
16 these contracts.

17 S 28. Paragraph (c) of subdivision 10 of section 16-a of section 1 of  
18 chapter 174 of the laws of 1968, constituting the New York state urban  
19 development corporation act, as amended by chapter 477 of the laws of  
20 2002, is amended to read as follows:

21 (c) of minority, HONORABLY DISCHARGED VETERAN or women-owned enter-  
22 prises or enterprises owned by dislocated workers, such workers as  
23 defined in the Workforce Investment Act (P.L. 105-220); and

24 S 29. Section 16-c of section 1 of chapter 174 of the laws of 1968,  
25 constituting the New York state urban development corporation act, as  
26 added by chapter 169 of the laws of 1994, subdivision 1 as amended by  
27 section 1 of part AA of chapter 55 of the laws of 2014, subparagraphs  
28 (i) and (ii) of paragraph (a) of subdivision 2 as further amended by  
29 section 15 of part GG of chapter 63 of the laws of 2000, is amended to  
30 read as follows:

31 S 16-c. [Minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-  
32 owned business development and lending program.

33 (1) [Minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned  
34 business development and lending program. (a) There is hereby created a  
35 [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned busi-  
36 ness development and lending program for the purpose of providing finan-  
37 cial and technical assistance to minority, HONORABLY DISCHARGED VETERAN  
38 and women-entrepreneurs.

39 (b) For the purposes of this section the following words or terms  
40 shall mean as follows:

41 (i) "minority-owned business enterprise" or "minority-owned business"  
42 shall mean the same as "minority business enterprise" as defined in  
43 subdivision [three] 3 of section [two hundred ten] 210 of the economic  
44 development law.

45 (ii) "women-owned business enterprise" or "women-owned business" shall  
46 mean the same as "women-owned business enterprise" as defined in subdi-  
47 vision [five] 5 of section [two hundred ten] 210 of the economic devel-  
48 opment law.

49 (iii) "HONORABLY DISCHARGED VETERAN BUSINESS ENTERPRISE" SHALL MEAN  
50 THE SAME AS DEFINED IN SUBDIVISION 24 OF SECTION 310 OF THE EXECUTIVE  
51 LAW.

52 (IV) "incubator" shall mean a facility providing low-cost space, tech-  
53 nical assistance and support services, including, but not limited to,  
54 central services shared by tenants of the facility, to [minority-]  
55 MINORITY, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
56 prises.

1 (c) Assistance shall not be provided under this section for:  
2 (i) the purchase or rehabilitation of real property for speculative  
3 purposes;  
4 (ii) payment of any tax or employee benefit arrearage;  
5 (iii) residential construction, renovation or development  
6 construction, except for assistance to minority, HONORABLY DISCHARGED  
7 VETERAN and women contractors under subdivision four of this section;  
8 (iv) educational institutions and proprietary education firms, except  
9 licensed child care facilities;  
10 (v) hospitals or residential health care facilities;  
11 (vi) overnight lodging facilities;  
12 (vii) refinancing of debt or equity invested in an enterprise or  
13 project.  
14 (d) The corporation is authorized to:  
15 (i) establish programs in conjunction with locally, and community  
16 based entities to decentralize lending for small loans and loans to  
17 start up [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-  
18 owned businesses;  
19 (ii) establish a comprehensive program for minority, HONORABLY  
20 DISCHARGED VETERAN and women contractors, which may include assistance  
21 through loans, bonding assistance and technical assistance;  
22 (iii) establish a program to provide loans to established [minority-]  
23 MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses and  
24 for [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned  
25 businesses, including loans to such businesses seeking to acquire or  
26 expand a franchise;  
27 (iv) provide loan guarantees to financial institutions and make linked  
28 deposits into federally and state chartered credit unions for the  
29 purpose of encouraging private financial institutions to make loans to  
30 [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned busi-  
31 nesses;  
32 (v) establish a program to create incubators to assist small and high  
33 risk [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned  
34 businesses to grow and prosper;  
35 (vi) promote equity investment in [minority-] MINORITY, HONORABLY  
36 DISCHARGED VETERAN and women-owned businesses;  
37 (vii) establish a comprehensive technical assistance program in coop-  
38 eration with the department of economic development to assist [minori-  
39 ty-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses  
40 and potential minority, HONORABLY DISCHARGED VETERAN and women-entre-  
41 preneurs; and  
42 (viii) notwithstanding any provision of law to the contrary, establish  
43 a [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned  
44 business investment fund to provide critical financial support to foster  
45 the development of new and emerging ideas and products of  
46 [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned busi-  
47 ness enterprises as well as to promote the long-term financial perform-  
48 ance and success of early stage enterprises that are [minority-] MINORI-  
49 TY, HONORABLY DISCHARGED VETERAN and women-owned start-ups. The  
50 selection of an eligible applicant and beneficiary companies for the  
51 [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned busi-  
52 ness investment fund shall be selected by the process established pursu-  
53 ant to subdivisions [two] 2 through [four] 4 of section [sixteen-u] 16-U  
54 of this act. [Minority-] MINORITY, HONORABLY DISCHARGED VETERAN or  
55 women-owned business enterprises who participate in such [minority-]  
56 MINORITY, HONORABLY DISCHARGED VETERAN and women-owned business invest-

ment fund under this subdivision shall not be precluded from qualifying for any other assistance, grant or loan made available from the state.

(2) Minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund. For the purpose of establishing programs in conjunction with locally and community based entities to decentralize lending for small loans and loans to start up [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses, the corporation shall establish minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund accounts and related administrative expenses trust fund accounts.

(a) Each minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account shall be administered by one or more of the following types of entities that provide services to community businesses and have as one of their primary purposes the provision of services and assistance to [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses:

(i) empire zone capital corporations established pursuant to section [nine hundred sixty-four] 964 of the general municipal law;

(ii) community-based local development corporations or industrial development agencies that serve a municipality in which an empire zone has been established pursuant to article [eighteen-B] 18-B of the general municipal law and have as their primary purpose assistance to [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses located or to be located in such empire zone; or

(iii) local and community development corporations, industrial development agencies, or other not-for-profit entities, representative of the community.

(b) To be eligible to administer a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account, the entity must also: (i) have staff with sufficient expertise to analyze applications for financial assistance, to regularly monitor financial assistance to clients, and to provide management or technical assistance to clients; and (ii) have established a loan committee composed of six or more persons experienced in business management, commercial lending or in the operation of a for-profit business, at least one-half of whom shall be experienced in commercial lending, at least one-third of whom shall be minority persons and at least one-third of whom shall be women. Such loan committee shall review every application, determine the feasibility of the proposed project and the likelihood of repayment of the requested financing and shall recommend to the governing body of the entity such action on the application as the loan committee deems appropriate. The corporation shall identify entities eligible to administer minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund accounts through a competitive statewide request for proposal process.

(c) Any entity selected to administer a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account shall be eligible to draw funds from the account as needed to provide the following types of financial assistance to [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses upon certification to and acceptance by the corporation that such assistance complies with rules and regulations promulgated by the corporation: (i) working capital loans, provided that the amount of the loan does not exceed thirty-five thousand dollars and the term of the loan does not exceed five years; and (ii) loans for the acquisition and/or improvement of real property and for the acquisition of machinery and equipment provided that the amount of the loan does not exceed fifty thousand dollars and the term of the loan does not exceed the useful life of the equipment or property.

(d) (i) Notwithstanding any provision of law to the contrary, the corporation may establish an administrative expenses trust fund account for the benefit of each entity selected to administer a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account. The initial deposit of funds to an administrative expenses trust fund account shall be an amount determined by the corporation but shall not exceed twenty-five thousand dollars.

(ii) An entity selected to administer a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account may use the funds in the administrative expenses trust fund account for costs incurred by it in the start up and administration of the financial assistance program authorized pursuant to this subdivision.

(iii) The corporation shall deposit into each administrative expenses trust fund account:

(A) all income earned from the moneys on deposit in the corresponding minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account during the first year of the entity's administration of said account; and

(B) beginning with its second year in administering a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account, said amounts may be used for costs incurred by the entity in administering the minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account; and

(C) repayments of interest on loans made from the corresponding minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account.

(iv) Funds from the administrative expenses trust fund account may be used for costs incurred at any time by an administering entity in its administration of a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account pursuant to this section.

(v) Funds deposited in an administrative expenses trust fund account shall be disbursed by the corporation to the entity that administers the corresponding minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account on a periodic basis and shall be expended by the entity in accordance with an annual budget and any updates of same, approved by the corporation.

(e) Any entity selected to administer a minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account shall pay to the corporation for deposit any repayments received in connection with financial assistance provided from its account. Payments consisting of the repayment of the principal amount of a loan shall be deposited by the corporation into the minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account from which the loan was made. The interest earned by the corporation from the investment of moneys in each minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account during and after the second year of a selected entity's administration of said account shall be deposited by the corporation into the corresponding minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund account and used to provide the financial assistance to [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses as authorized pursuant to this section.

(f) The provisions of subdivisions eight, nine, and fourteen through nineteen of section sixteen-a of this act pertaining to the regional revolving loan trust fund shall also be applicable to the minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund, provided that: where the term "regional corporation" appears therein it



1 shall be interpreted to mean an entity selected to administer a  
2 minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust  
3 fund account, and "regional revolving [loans] LOAN trust fund" shall  
4 mean a minority, HONORABLY DISCHARGED VETERAN and women revolving loan  
5 trust fund, and where the term "this section" appears therein it shall  
6 mean this section sixteen-c.

7 (g) The corporation may provide funds from an appropriation for the  
8 [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned busi-  
9 ness development and lending program to any entity selected to adminis-  
10 ter a minority, HONORABLY DISCHARGED VETERAN and women revolving loan  
11 trust fund for the purposes of recapitalizing such account and the enti-  
12 ty's corresponding administrative expenses trust fund account following  
13 an evaluation by the corporation of the entity's administration and use  
14 of such accounts.

15 (h) Notwithstanding any provision of law to the contrary, the corpo-  
16 ration shall establish a minority, HONORABLY DISCHARGED VETERAN and  
17 women revolving loan trust fund to pay into such fund any moneys made  
18 available to the corporation for such fund from any source, including  
19 moneys appropriated by the state and any income earned by, or increment  
20 to, the account due to the investment thereof, or any repayment of  
21 moneys advanced from the fund. The corporation shall not commingle the  
22 moneys of such fund with any moneys held in trust by the corporation,  
23 except for investment purposes.

24 (3) Micro-loan program. (a) For the purposes of this subdivision  
25 "micro-loan" shall mean a loan of under seven thousand five hundred  
26 dollars.

27 (b) The corporation shall, pursuant to requests for proposals, enter  
28 into agreements for other types of locally, community or regionally  
29 administered loan programs than those set forth in subdivision two of  
30 this section, including micro-loan programs to be administered by local  
31 development corporations, local industrial development organizations,  
32 municipalities and not-for-profit organizations, to provide micro-loans  
33 to small and high risk [minority-] MINORITY, HONORABLY DISCHARGED VETER-  
34 AN and women-owned businesses located within their respective service  
35 areas, provided that loan review committees are established by such  
36 administering entity, including women, HONORABLY DISCHARGED VETERAN and  
37 minority persons experienced in business management, business develop-  
38 ment, commercial lending, entrepreneurship, or in the operation of a  
39 for-profit business.

40 (c) Agreements entered into pursuant to paragraph (b) of this subdivi-  
41 sion shall be governed by paragraphs (d) through (h) of subdivision two  
42 of this section, and minority, HONORABLY DISCHARGED VETERAN and women  
43 revolving loan trust fund accounts and administrative expenses trust  
44 fund accounts shall be established in a similar fashion for entities  
45 selected to administer micro-loan funds pursuant to this subdivision.

46 (4) Minority, HONORABLY DISCHARGED VETERAN and women contracting  
47 program. For the purpose of establishing a comprehensive program to  
48 assist minority, HONORABLY DISCHARGED VETERAN and women contractors, the  
49 corporation may provide loans, loan guarantees, technical assistance and  
50 bonding assistance, the corporation may enter into cooperative agree-  
51 ments with cities, counties, municipalities, authorities, agencies,  
52 federally and state chartered credit unions in New York state and feder-  
53 ally insured banking organizations and financial institutions for such  
54 purposes.

55 (a) To be eligible for a contractor loan, the borrower must have  
56 either (i) a construction contract with, or a contract to provide goods

1 or services to, a governmental entity or authority, (ii) a subcontract  
2 on a government-sponsored construction contract, (iii) a contract or  
3 subcontract on a [government sponsored] GOVERNMENT-SPONSORED residential  
4 project, or (iv) a contract or subcontract on a construction project  
5 previously approved by the corporation pursuant to section ten of this  
6 act.

7 (b) The corporation shall provide technical assistance specifically  
8 oriented to minority, HONORABLY DISCHARGED VETERAN and women-owned  
9 government contractors as part of its comprehensive technical assistance  
10 program.

11 (c) The corporation is authorized to provide assistance through the  
12 creation of, or assistance to, a minority, HONORABLY DISCHARGED VETERAN  
13 and women bonding guarantee program to enable minority, HONORABLY  
14 DISCHARGED VETERAN and women contractors and subcontractors to meet  
15 payment or performance bonding requirements.

16 (i) Through such program, assistance in the form of working capital  
17 loans and loan guarantees pursuant to subdivision six of this section  
18 may also be provided to minority, HONORABLY DISCHARGED VETERAN and women  
19 contractors and subcontractors who have secured contracts by participat-  
20 ing in the program.

21 (ii) The corporation shall either establish criteria for the bonding  
22 guarantee program and for any required escrow funds which shall include  
23 detailed provisions for eligibility; or if the corporation is providing  
24 assistance to a program other than one established by the corporation,  
25 review and approve the criteria established for such other program.

26 (5) Direct financial assistance for [minority-] MINORITY, HONORABLY  
27 DISCHARGED VETERAN and women-owned businesses. For the purpose of estab-  
28 lishing a program to provide direct financial assistance to [minority-]  
29 MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses, the  
30 corporation is authorized to provide assistance in the form of:

31 (a) Business development loans and loan guarantees pursuant to subdi-  
32 vision six of this section to eligible enterprises for the acquisition  
33 or improvement of real property, machinery, equipment or working capi-  
34 tal, provided that to be eligible for a business development loan, the  
35 borrowers must have been in business for at least three years and  
36 provided that the loans must be in an amount equal to or in excess of  
37 fifty thousand dollars;

38 (b) Franchise loans to eligible enterprises seeking to acquire or  
39 expand franchises of nationally recognized corporations, provided that  
40 disbursements by the corporation of such loans shall be conditioned on  
41 obtaining such franchises;

42 (c) Equity assistance for eligible minority, HONORABLY DISCHARGED  
43 VETERAN and women-owned enterprises to match equity contributions to  
44 such enterprises by financial institutions and community development  
45 equity capital funds, provided, however, that such assistance shall be  
46 targeted to start-up and early stage enterprises in the manufacturing,  
47 retail and service sectors located in economically distressed areas.

48 (6) Deposits and loan guarantees. For the purpose of encouraging  
49 private financial institutions to make loans to eligible enterprises  
50 pursuant to this section for any of the eligible projects pursuant to  
51 subdivisions four and five of this section, the corporation is author-  
52 ized to:

53 (a) Make linked deposits of funds into federally and state chartered  
54 credit unions in New York state, in order to encourage such organiza-  
55 tions to make small loans to minority, HONORABLY DISCHARGED VETERAN and  
56 women-owned businesses; and

1 (b) Provide loan guarantees to private financial institutions for  
2 loans made to eligible [minority-] MINORITY, HONORABLY DISCHARGED VETER-  
3 AN and women-owned businesses pursuant to this subdivision for eligible  
4 projects, provided that the guarantee shall be at least fifty percent  
5 backed by funds of the corporation. Any such loan guaranteed by the  
6 corporation shall be made to borrowers that are approved by the corpo-  
7 ration and substantially meet the underwriting criteria the credit union  
8 or financial institution customarily applies to similar borrowers for  
9 similar loans supported by similar guarantees, and no guaranteed loan  
10 funds shall be disbursed until the corporation has received, reviewed  
11 and concurred, in writing, with the recommendation of the credit union  
12 or banking or financial institution to make a loan.

13 (7) Minority, HONORABLY DISCHARGED VETERAN and women small business  
14 incubator program.

15 (a) The corporation shall establish a minority and women small busi-  
16 ness incubator program for the purpose of providing financial support  
17 for the creation of incubators to nurture minority, HONORABLY DISCHARGED  
18 VETERAN and women-owned business enterprises with growth potential.

19 (b) Under this subdivision the corporation is authorized to provide  
20 low-interest loans and grants for construction financing and permanent  
21 financing of up to seventy-five percent of project costs up to a maximum  
22 of six hundred fifty thousand dollars per project, provided that the  
23 total amount of grant assistance provided pursuant to this paragraph  
24 shall not exceed twenty percent of an appropriation provided for the  
25 purposes of this section.

26 (c) Incubator projects eligible for such assistance shall involve the  
27 renovation or reconstruction of existing facilities or the acquisition  
28 of equipment, except that construction shall be allowable in cases in  
29 which an applicant can demonstrate to the satisfaction of the corpo-  
30 ration that an existing facility is unavailable in the area to be served  
31 by the new incubator facility.

32 (d) Incubator projects are not eligible to receive loans for the  
33 purpose of covering operating costs or supplying incubator support  
34 services, except that incubators in their first eighteen months of oper-  
35 ation may receive one-time grants not to exceed forty thousand dollars,  
36 which costs may include administrative costs of employing a resident  
37 administrator/advisor to the incubator, provided that the corporation  
38 shall not expend a sum greater than two hundred fifty thousand dollars  
39 in any one state fiscal year, or so much as may be specifically appro-  
40 priated for this purpose.

41 (e) Eligible incubator projects shall be required to demonstrate to  
42 the corporation's satisfaction:

43 (i) public or private support and involvement sufficient to complete  
44 the renovation of existing facilities or the construction of new facili-  
45 ties and the acquisition of equipment;

46 (ii) significant community support for the project;

47 (iii) the existence of prospective tenants for such incubator space;

48 (iv) demand for such incubator space, which may include evidence of  
49 the unavailability of suitable space for prospective tenants at appro-  
50 priate rental or lease costs in the community in which such prospective  
51 tenants are located; and

52 (v) the inability of the project to occur without financial assistance  
53 from the corporation.

54 (f) The corporation shall establish criteria for eligibility for fund-  
55 ing for incubator projects, including but not limited to the following:

1 (i) the project must be designed to provide low-cost space and support  
2 services to incubator tenants, coordination with other sources of  
3 assistance and flexible leasing arrangements for tenants;

4 (ii) the project sponsors must provide a management plan and a busi-  
5 ness plan for operating the incubator satisfactory to the corporation;  
6 and

7 (iii) the project gives preference for incubator space and assistance  
8 to [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned  
9 businesses which currently receive, or have received, assistance from  
10 the corporation pursuant to this section and to incubator projects  
11 proposed to be located in economically distressed areas.

12 (8) [Minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned  
13 business technical assistance program. (a) The corporation shall estab-  
14 lish a comprehensive technical assistance program within the minority,  
15 HONORABLY DISCHARGED VETERAN and women business development office, in  
16 cooperation with the department of economic development's division of  
17 [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-business  
18 development established pursuant to article [four-A] 4-A of the economic  
19 development law, to provide technical assistance to [minority-] MINORI-  
20 TY, HONORABLY DISCHARGED VETERAN and women-owned business enterprises  
21 and to prospective [minority-] MINORITY, HONORABLY DISCHARGED VETERAN  
22 and women-business entrepreneurs through third party service providers,  
23 which assistance shall include, but not be limited to:

24 (i) technical assistance in development and execution of business  
25 plans, including the formation of, acquisition of, management of, or  
26 diversification of a [minority-] MINORITY, HONORABLY DISCHARGED VETERAN  
27 or women-owned business enterprise;

28 (ii) technical assistance with applications for obtaining funds from  
29 public and private financing sources;

30 (iii) technical assistance in the development of a working capital  
31 budget;

32 (iv) referrals to other providers of technical assistance to [minori-  
33 ty-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses  
34 and minority, HONORABLY DISCHARGED VETERAN and women entrepreneurs,  
35 where appropriate, including the entrepreneurial assistance program  
36 established pursuant to article [nine] 9 of the economic development  
37 law; and

38 (v) technical assistance through education programs directed primarily  
39 at women, HONORABLY DISCHARGED VETERAN and minority entrepreneurs.

40 (b) Technical assistance may be provided through direct corporate  
41 support, through grants to or contracts with service providers or  
42 governmental entities, and [minority-] MINORITY, HONORABLY DISCHARGED  
43 VETERAN and women-owned business enterprises and individuals.

44 (9) Priorities. The corporation shall give priority to applications  
45 for assistance pursuant to this section in which the business seeking  
46 such assistance indicates a commitment to first consider persons eligi-  
47 ble to participate in federal job training partnership act (P.L. 97-300)  
48 programs.

49 (10) Non-application of certain provisions. The provisions of section  
50 ten and subdivision two of section sixteen of this act shall not apply  
51 to assistance or projects authorized pursuant to this section.

52 (11) Rules and regulations. The corporation shall, assisted by the  
53 commissioner of economic development and in consultation with the  
54 department of economic development, promulgate rules and regulations in  
55 accordance with the state administrative procedure act. Such rules and  
56 regulations shall be consistent with the program plan required by subdi-

vision [nineteen] 19 of section [one hundred] 100 of the economic development law. No funds shall be disbursed under this program until such rules and regulations have been reviewed and approved by the corporation. All assistance and projects funded under this program shall be funded in accordance with the rules and regulations in effect on the date the completed application for such assistance shall be received by the corporation.

(12) Minority, HONORABLY DISCHARGED VETERAN and women business development and lending account. Notwithstanding any provision of law to the contrary, the corporation shall establish within the treasury of the corporation a minority, HONORABLY DISCHARGED VETERAN and women business development and lending account, and shall pay into such account any moneys which may be made available to the corporation for this purpose from any source including, but not limited to, moneys appropriated by the state and any repayment of principal and interest on loans made by the corporation pursuant to the [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned business development and lending program. Funds in the minority, HONORABLY DISCHARGED VETERAN and women business development and lending account, including funds from the repayment of principal and interest on loans made by the corporation, may be used for any form of assistance authorized hereunder. The amounts deposited in the minority, HONORABLY DISCHARGED VETERAN and women business development and lending account may not be interchanged with any other account, but may be commingled with any other account for investment purposes. All loans disbursed by the corporation shall be repaid into the account. The corporation shall enter into a written agreement with the director of the budget for repayment, to the state comptroller to the credit of the capital projects fund, of all moneys in the account after a period of time to be determined by the corporation and the director of the budget. The corporation shall transfer to the minority, HONORABLY DISCHARGED VETERAN and women business development and lending account: all moneys appropriated or reappropriated by New York state for the minority, HONORABLY DISCHARGED VETERAN and women revolving loan trust fund that have not been committed prior to the effective date of the appropriation for the program in the current fiscal year, or become uncommitted subsequent to the effective date of the program's appropriation for the current fiscal year; and all repayments of principal and interest on loans made by the corporation which are currently on deposit in, or payable to, the minority, HONORABLY DISCHARGED VETERAN and women business development and lending account.

(13) Standardization. The corporation shall streamline the review and approval process for projects and wherever possible standardize all relevant attendant documentation and legal documents.

(14) Approval cycle. The corporation shall approve eligible loans or grants on at least a four-month cycle and shall give priority consideration to the comparative degree of economic distress within the areas in which the project is located. Other factors to be considered by the corporation shall include the impact of the project on the employment and economic condition of the community and the financial feasibility of the project.

(15) Repayment. Notwithstanding the provisions of section [forty-a] 40-A of the state finance law and any other general or special law, no written agreement under this program shall require repayment at any time or on any terms inconsistent with the provisions of this act or the New York state project finance agency act; except, however, that the corpo-

ration may make grants to projects using funds appropriated for this purpose and that the repayment provision may not apply to such grants.

(16) Reports. The chairman of the corporation shall submit to the director of the budget, the speaker of the assembly and the temporary president of the senate an evaluation of the effectiveness of the program prepared by an entity independent of the corporation. The corporation shall select the program evaluator through a request for proposal process. Such evaluation shall determine whether the assistance provided has enhanced the economic condition of assisted companies or communities, and shall make recommendation for improvements which would make the program more effective. Such evaluation shall be submitted by September first, nineteen hundred ninety-five and September first every two years thereafter.

S 30. Subparagraphs (viii) and (x) 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, are amended to read as follows:

(viii) export, marketing, procurement and subcontracting assistance to small and medium-sized industrial firms, including [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses, and to flexible manufacturing networks, and programs to assist regional and multi-county business marketing and procurement programs;

(x) business planning, management assistance and counseling, and financial packaging assistance to small and medium-sized industrial firms, including [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses, flexible manufacturing networks, and new enterprises and small businesses, including the establishment of neighborhood-based business service centers designed to deliver comprehensive technical assistance to new and small businesses in specific communities and neighborhoods;

S 31. Clause (B) of subparagraph (i) of paragraph (h) of subdivision 8 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 and as further amended by section 15 of part GG of chapter 63 of the laws of 2000, is amended to read as follows:

(B) community based local development corporations, industrial development agencies, or other not-for-profit entities which serve a municipality in which an empire zone has been established and which, as one of their primary purposes, provide services and assistance to business enterprises located or to be located in such empire zone, including [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses;

S 32. Subparagraph (vi) of paragraph (c) of subdivision 10 of section 16-e 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:

(vi) management and procurement assistance to small business, including [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses;

S 33. Paragraph (d) of subdivision 18 of section 16-e 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:

(d) The participation of [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses;

1 S 34. The opening paragraph, paragraph (a) and the opening paragraph  
2 and subparagraph (iv) of paragraph (b) of subdivision 1 of section 16-f  
3 of section 1 of chapter 174 of the laws of 1968, constituting the New  
4 York state urban development corporation act, as added by chapter 169 of  
5 the laws of 1994, are amended to read as follows:

6 There is hereby created a state bonding guarantee assistance program  
7 to enable small businesses, [and] minority-owned, HONORABLY DISCHARGED  
8 VETERAN-OWNED and women-owned business enterprises, certified as a  
9 minority-owned, HONORABLY DISCHARGED VETERAN-OWNED or women-owned busi-  
10 ness enterprise pursuant to article [fifteen-A] 15-A of the executive  
11 law, to meet payment and/or performance bonding requirements by provid-  
12 ing additional financial backing needed to induce a surety company to  
13 issue a bond for construction projects, including but not limited to,  
14 government sponsored, transportation related construction projects. For  
15 purposes of this section, the term small business shall have the same  
16 meaning as defined in section [one hundred thirty-one] 131 of the  
17 economic development law. Such program shall give preference to minori-  
18 ty-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business  
19 enterprises and shall:

20 (a) Make available funds to surety companies providing bonds to small  
21 businesses [and minority- owned], MINORITY-OWNED, HONORABLY DISCHARGED  
22 VETERAN-OWNED or women-owned business enterprises in an amount equal to  
23 a percentage not to exceed fifty percent of the face value of bonds  
24 issued by the surety.

25 Provide technical assistance in completing bonding applications for  
26 small businesses [and], minority-owned, HONORABLY DISCHARGED  
27 VETERAN-OWNED or women-owned business enterprises seeking to become  
28 eligible for bonding in preparation for bidding on construction  
29 projects, including transportation related projects. The corporation  
30 shall provide and may refer such businesses to the department of econom-  
31 ic development for technical assistance as such businesses may need,  
32 including but not limited to:

33 (iv) assistance from the regional offices of the department of econom-  
34 ic development, pursuant to article [eleven] 11 of the economic develop-  
35 ment law, and the entrepreneurial assistance program, pursuant to arti-  
36 cle [nine] 9 of such law, and any other such program receiving state  
37 funds from this act or the department of economic development or any  
38 other state agency that is intended to provide technical assistance to  
39 small businesses [and], minority-owned, HONORABLY DISCHARGED  
40 VETERAN-OWNED and women-owned small business enterprises.

41 S 35. Paragraph (g) of subdivision 1 of section 16-i of section 1 of  
42 chapter 174 of the laws of 1968, constituting the New York state urban  
43 development corporation act, as amended by chapter 471 of the laws of  
44 2001, is amended to read as follows:

45 (g) Assistance to local or regional organizations to facilitate  
46 financing for small- and medium-sized business, including [minority-]  
47 MINORITY, HONORABLY DISCHARGED VETERAN and women-owned business enter-  
48 prises through flexible financing programs, including, but not limited  
49 to, loan loss reserve and revolving loan programs, working capital  
50 loans, working capital loan guarantees, or other flexible financing  
51 programs that leverage traditional financing;

52 S 36. Subparagraph (i) of paragraph (c) of subdivision 2 of section  
53 16-k of section 1 of chapter 174 of the laws of 1968, constituting the  
54 New York state urban development corporation act, as amended by chapter  
55 103 of the laws of 2011, is amended to read as follows:

(i) provide a plan to the corporation or its agent for the marketing of the capital access program to small businesses, including those in highly distressed areas and to [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned businesses, with appropriate lending objectives identified by the financial institution for such areas and businesses;

S 37. Paragraph (g) of subdivision 1 of section 16-m of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as added by section 1 of part N of chapter 84 of the laws of 2002, is amended to read as follows:

(g) Assistance to local or regional organizations to facilitate financing for small- and medium-sized business, including [minority-] MINORITY, HONORABLY DISCHARGED VETERAN and women-owned business enterprises through flexible financing programs, including, but not limited to, loan loss reserve and revolving loan programs, working capital loans, working capital loan guarantees, or other flexible financing programs that leverage traditional financing;

S 38. Paragraph 1 of subdivision (c) of section 30 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by chapter 732 of the laws of 1990, is amended to read as follows:

(1) In addition to any other requirements imposed by the act or otherwise regarding evaluations of programs administered by the corporation, each evaluation shall include an analysis of the job creation effect of such program, the number of small businesses that received assistance, the number of minority, HONORABLY DISCHARGED VETERAN and women-owned firms that received assistance, the number of projects undertaken in distressed and highly distressed communities, and, if applicable, the repayment experience of borrowers of funds from the corporation.

S 39. Paragraph 2 of subdivision (e) of section 30-a of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as added by section 2 of part M1 of chapter 62 of the laws of 2003, is amended to read as follows:

(2) require projects to be financed out of the empire state economic development fund be approved generally in amounts which are proportional to amounts appropriated for the urban and community development program, and the minority, HONORABLY DISCHARGED VETERAN and women-owned business development and lending program;

S 40. The section heading, the opening paragraph of subdivision 1, the opening paragraph of subdivision 2, paragraph (a) of subdivision 3 and subdivisions 4 and 5 of section 38 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, as amended by chapter 169 of the laws of 1994, are amended to read as follows:

Small business [and], minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprises transportation capital assistance and guaranteed loan program.

To provide financial assistance to small business [and], minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprises engaged in government sponsored, transportation related construction projects, the corporation shall establish a small business [and], minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprise transportation capital assistance revolving loan fund which shall provide loans or loan guarantees to small business [and], minority-owned, HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprises. For purposes of this section:



1 Such loans, or loan guarantees for loans made by federally and state  
2 chartered credit institutions, financial institutions, and federally  
3 insured banking organizations to small business [and], minority-owned,  
4 HONORABLY DISCHARGED VETERAN-OWNED and women-owned business enterprises,  
5 shall be used to:

6 (a) To be eligible for such loans or loan guarantees (i) a minority-  
7 owned, HONORABLY DISCHARGED VETERAN-OWNED or women-owned business enter-  
8 prise must be certified as a minority-owned, HONORABLY DISCHARGED VETER-  
9 AN-OWNED or women-owned business enterprise pursuant to article 15-A of  
10 the executive law; and (ii) a small business or a minority-owned, HONOR-  
11 ABLY DISCHARGED VETERAN-OWNED or women-owned business enterprise shall  
12 have a contract or sub-contract to provide goods or services related to  
13 a government sponsored, transportation related construction project.

14 4. The corporation shall give preference to minority-owned, HONORABLY  
15 DISCHARGED VETERAN-OWNED and women-owned business enterprises in making  
16 such loans and loan guarantees and shall establish such other criteria  
17 as it may deem necessary for this program and for any required amount  
18 that shall be held in reserve for any guarantees made under this  
19 program.

20 5. Notwithstanding any inconsistent provision of law, general, special  
21 or local, including pursuant to capital projects budget appropriations  
22 or reappropriations, where applicable, the corporation is hereby author-  
23 ized to enter into such agreements as may be necessary for the operation  
24 and administration of a small business [and], minority-owned, HONORABLY  
25 DISCHARGED VETERAN-OWNED and women-owned business enterprises transpor-  
26 tation capital assistance and guaranteed loan program.

27 S 41. This act shall take effect immediately; provided, however, that  
28 the amendments to article 15-A of the executive law made by sections two  
29 through six of this act shall not affect the expiration of such article  
30 and shall be deemed to expire therewith; and provided, further that the  
31 amendments to section 136-b of the state finance law made by section  
32 seven of this act shall not affect the expiration of such section and  
33 shall be deemed to expire therewith; and provided further that the  
34 amendments to sections 16-i and 16-m of section 1 of chapter 174 of the  
35 laws of 1968, constituting the New York state urban development corpo-  
36 ration act, made by sections thirty-five and thirty-seven, respectively,  
37 of this act shall not affect the expirations of such sections and shall  
38 be deemed to expire therewith.