

STATE OF NEW YORK

9258

IN ASSEMBLY

February 9, 2022

Introduced by M. of A. KELLES -- read once and referred to the Committee on Small Business

AN ACT to amend the economic development law, in relation to establishing a matching grant program for certain small businesses receiving funding under the federal small business innovation research program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The economic development law is amended by adding a new
2 section 138-a to read as follows:

3 § 138-a. Small business innovation research grant program. 1. The
4 commissioner, in consultation with the division for small-business,
5 shall establish a grant program to provide funds to small businesses who
6 have been awarded phase one or phase two grants under the federal small
7 business innovation research program. Such grants shall be awarded based
8 on a company's potential for commercialization and job growth.

9 2. The grant program established pursuant to this section shall be
10 staged over a period of three years. The funding amounts for such grant
11 program shall be as follows:

12 (a) For small businesses that have been awarded phase one funding
13 under the federal small business innovation research program, the amount
14 shall be one hundred thousand dollars in year one, two hundred thousand
15 dollars in year two, and five hundred thousand dollars in year three.

16 (b) For small businesses that have been awarded phase two funding
17 under the federal small business innovation research program, the amount
18 shall be one hundred thousand dollars in year one, two hundred thousand
19 dollars in year two, and five hundred thousand dollars in year three.

20 3. (a) In the first year of the program, twenty small businesses shall
21 be awarded grants of one hundred thousand dollars.

22 (b) In the second year of the program, ten small businesses shall be
23 chosen from the companies that were awarded a grant in the first year,
24 to receive grants in the amount of two hundred thousand dollars.

25 (c) In the third year of the program, four small businesses shall be
26 chosen from the companies that were awarded a grant in the second year,

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

LBD14539-01-2

1 to receive grants or equity, depending on the situation, in the amount
2 of five hundred thousand dollars.

3 4. Such funds awarded pursuant to this section shall be used to expe-
4 dite commercialization and generally used to cover expenses not allowed
5 under the federal small business innovation research program, including
6 but not limited to patents and marketing studies in sales efforts.

7 5. The commissioner, in consultation with the division of small-busi-
8 ness, shall establish the form and manner in which applications for
9 grant awards shall be submitted and shall establish guidelines for the
10 grant program. The department shall review each application for compli-
11 ance with the eligibility criteria and other requirements set forth in
12 the program guidelines established by the commissioner. The department
13 may approve or reject each application or may return an application for
14 modifications, if necessary.

15 § 2. This act shall take effect one year after it shall have become a
16 law. Effective immediately, the addition, amendment and/or repeal of any
17 rule or regulation necessary for the implementation of this act on its
18 effective date are authorized to be made and completed on or before such
19 effective date.