

STATE OF NEW YORK

2172

2025-2026 Regular Sessions

IN SENATE

January 15, 2025

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the New York state urban development corporation act, in relation to creating the New York state innovative energy and environmental technology program

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

1 Section 1. Legislative intent. The legislature hereby finds and
2 declares that the success of innovative energy and environmental tech-
3 nology-oriented businesses with growth potential is essential to the
4 continued economic health and security of New York state. It is further
5 found that the development of new products to assist mature industries
6 undergoing dramatic changes or facing increasing international competi-
7 tion with reducing energy costs and complying with environmental regu-
8 lations, can serve to retain, and even increase, employment. However,
9 commercialization of these products is restrained as numerous small
10 businesses are limited by lack of early stage financing.

11 Therefore, the legislature seeks to provide early stage funds, via a
12 grants program, to stimulate the creation of a substantial number of new
13 businesses and jobs in the energy and environmental sectors of New
14 York's economy.

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

18 § 16-bb. New York state innovative energy and environmental technology
19 program. 1. Definitions. As used in this section, the following words
20 and terms shall have the following meanings:

21 (a) "Innovative energy technologies" shall mean all methods used to
22 produce, distribute, conserve and store energy by methods which have
23 significant potential for commercialization, with emphasis on renewable

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

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1 energy sources including, but not limited to, solar, wind, fuel cells,
2 advanced hydroelectric, and biomass power conversion technologies.

3 (b) "Innovative environmental technologies" shall mean technologies
4 that advance sustainable development by reducing risk, enhancing cost-
5 effectiveness, improving process efficiency, and creating products and
6 processes that are environmentally beneficial or benign and which have
7 significant potential for commercialization. Emerging environmental
8 technologies include, but are not limited to: air, water, and soil
9 pollution control; solid and toxic waste management; site remediation;
10 and environmental monitoring and recycling.

11 (c) "Small businesses" shall mean an independently owned and operated
12 business that meets all of the following conditions: (i) headquartered
13 in the state, and principal business operations located in the state;
14 (ii) employs one hundred or less persons, eighty percent of whom are
15 employed within the state on a full-time basis; and (iii) involved in
16 developing innovative energy and environmental technologies.

17 (d) "Eligible costs" shall mean costs associated with working capital
18 needs, the acquisition or upgrading of equipment, or leasehold improve-
19 ments necessary for commercialization of the product, device, technique,
20 system or process; provided that no other source of funds is available
21 under terms, interest rates, or other conditions that would allow the
22 project to proceed successfully. Eligible costs shall exclude any costs
23 incurred prior to the effective date of this section.

24 2. The corporation is authorized, within available appropriations in
25 the empire state economic development fund established pursuant to
26 section 16-m of this act or from any other funds appropriated for the
27 purpose set out in this section, to award capital grants of up to one
28 hundred thousand dollars to small businesses, for the purpose of encour-
29 aging and supporting innovative energy and environmental technology
30 development and commercialization across the state. Such grants shall be
31 awarded on a competitive basis to small business applicants responding
32 to requests for proposals issued by the corporation.

33 3. Grants and contracts made by the corporation pursuant to this
34 section shall be subject to the following:

35 (a) grants shall not exceed one hundred fifty thousand dollars per
36 year;

37 (b) the corporation may not enter into more than one grant per year to
38 a small business; and

39 (c) grants provided by the corporation may only be used for eligible
40 costs.

41 4. Applications for grants authorized under this section shall
42 describe the product, device, technique, system or process which is to
43 be developed, including:

44 (a) a market assessment;

45 (b) an explanation of its technical value;

46 (c) measurable outcomes resulting from its manufacture and sale,
47 including the estimated number of jobs to be created and retained and
48 the salary levels of such jobs;

49 (d) an estimated timeline for bringing it to market, with proposed
50 starting and completion dates and benchmarks; and

51 (e) a budget for its development and marketing that describes how the
52 grant will be used, why the grant from the corporation is essential and
53 cannot be obtained from other sources, and sources and amounts of other
54 funds to be used in its development, marketing and distribution.

55 5. The corporation shall, in consultation with the New York state
56 energy research and development authority and the department of environ-

1 mental conservation, develop criteria to be used in evaluating grant
2 applications. Such criteria shall include, but not be limited to:

3 (a) economic impact as measured by such variables as potential reven-
4 ue, job creation, effect on the local economy, global competitiveness,
5 and, purchases from in-state suppliers;

6 (b) ability of the applicant to leverage other funds;

7 (c) financial commitment of the applicant;

8 (d) technical feasibility;

9 (e) likelihood that the economic benefits will be manifest within a
10 six- to twelve-month period, but at most within three years; and

11 (f) likelihood of the product, device, technique, system or process to
12 result in improvements to public health, quality of life, the environ-
13 ment, human or business performance or economic productivity.

14 6. The corporation shall, on or before September first, two thousand
15 twenty-five and annually thereafter, submit a report to the governor,
16 the temporary president of the senate and the senate minority leader,
17 the speaker of the assembly, and the minority leader of the assembly,
18 the chairpersons of the senate finance committee and the assembly ways
19 and means committee, and to any other member of the legislature request-
20 ing such reports on the effectiveness and accomplishments of the New
21 York state innovative energy and environmental technology grants
22 program. Such report shall include for each grant awarded, the name and
23 location of the recipient, a description of the product, device, tech-
24 nique, system or process being commercialized, the amount and use of the
25 grant, the total project cost, the impact of the project on the recipi-
26 ent's business, the number of jobs created or retained, and such other
27 information as the corporation shall deem appropriate.

28 7. Nothing in this section shall require the corporation to disclose
29 any matters involving confidential intellectual property or work prod-
30 uct, whether patentable or not, including any formula, plan, pattern,
31 process, tool, mechanism, compound, procedure, production data or compi-
32 lation of information, which is not patented, but which is known only to
33 certain individuals who are using it to fabricate, produce or compound
34 an article of trade or service having commercial value and which gives
35 its user an opportunity to obtain a business advantage over competitors
36 who do not know it or use it.

37 § 3. This act shall take effect immediately.