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I N A S S E M B L Y

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Introduced by M. of A. LUPARDO, MAGNARELLI, DelMONTE, GABRYSZAK, ALESSI
-- read once and referred to the Committee on Economic Development,
Job Creation, Commerce and Industry

AN ACT to amend the public authorities law, in relation to the estab-
lishment of the centers of excellence program

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

1 Section 1. The public authorities law is amended by adding a new
2 section 3153-a to read as follows:

3 S 3153-A. CENTERS OF EXCELLENCE PROGRAM. THE CENTERS OF EXCELLENCE
4 PROGRAM IS HEREBY ESTABLISHED FOR THE PURPOSE OF FOSTERING COLLABORATION
5 BETWEEN THE ACADEMIC RESEARCH COMMUNITY AND THE BUSINESS SECTOR TO
6 DEVELOP AND COMMERCIALIZE NEW PRODUCTS AND TECHNOLOGIES, TO PROMOTE
7 CRITICAL PRIVATE SECTOR INVESTMENT IN EMERGING HIGH TECHNOLOGY FIELDS IN
8 NEW YORK STATE, AND TO CREATE AND EXPAND TECHNOLOGY-RELATED BUSINESSES
9 AND EMPLOYMENT.

10 1. SUCH CENTERS ARE DESIGNATED TO OPERATE, PURSUANT TO SECTION THREE
11 OF PART T OF CHAPTER EIGHTY-FOUR OF THE LAWS OF TWO THOUSAND TWO, IN THE
12 AREAS OF BIOINFORMATICS AND LIFE SCIENCES, ENVIRONMENTAL AND ENERGY
13 SYSTEMS, NANO-ELECTRONICS, INFOTONICS TECHNOLOGY, SMALL SCALE SYSTEMS
14 INTEGRATION AND PACKAGING, WIRELESS AND INFORMATION TECHNOLOGY AND OTHER
15 AREAS IDENTIFIED BY THE FOUNDATION AS HAVING SIGNIFICANT POTENTIAL FOR
16 ECONOMIC GROWTH IN NEW YORK, OR IN WHICH THE APPLICATION OF NEW TECHNOL-
17 OGIES COULD SIGNIFICANTLY ENHANCE THE PRODUCTIVITY AND STABILITY OF NEW
18 YORK BUSINESSES.

19 2. AS A CONDITION OF RECEIPT OF SUPPORT AUTHORIZED PURSUANT TO THIS
20 SECTION, EACH CENTER SHALL ANNUALLY SUBMIT TO THE FOUNDATION A PLAN FOR
21 COMMERCIALIZING PRODUCTS OR PROCESSES BASED ON INNOVATIONS DEVELOPED AT
22 CENTER FACILITIES, AND SPECIFICALLY SUCH CENTER'S STRATEGY FOR COMMER-
23 CIALIZING SUCH PRODUCTS OR PROCESSES WITHIN NEW YORK STATE.

24 3. (A) FROM SUCH FUNDS AS MAY BE APPROPRIATED FOR THIS PURPOSE BY THE
25 LEGISLATURE, THE FOUNDATION MAY PROVIDE FINANCIAL SUPPORT, THROUGH
26 CONTRACTS OR OTHER MEANS, IN ORDER TO ENHANCE AND ACCELERATE CENTER
27 OPERATIONS IN JOINT UNIVERSITY/INDUSTRY RESEARCH AND DEVELOPMENT, PROD-

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

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1 UCT COMMERCIALIZATION, AND WORKFORCE TRAINING. FUNDS RECEIVED PURSUANT
2 TO THIS SUBDIVISION MAY BE USED FOR THE EMPLOYMENT OF FACULTY AND STAFF,
3 PROVISION OF GRADUATE FELLOWSHIPS, OR OTHER OPERATING EXPENSES APPROVED
4 BY THE FOUNDATION BOARD.

5 (B) FUNDS SHALL BE MATCHED ON A ONE TO ONE BASIS BY THE INSTITUTION
6 RECEIVING THE FUNDS AND COLLABORATIVE PARTNERS IN THE FORM OF CASH OR
7 IN-KIND PERSONNEL, EQUIPMENT OR MATERIAL DONATIONS.

8 4. (A) THE EXECUTIVE DIRECTOR SHALL, ON OR BEFORE FEBRUARY FIRST, TWO
9 THOUSAND ELEVEN AND EVERY YEAR THEREAFTER, SUBMIT TO THE GOVERNOR, THE
10 MAJORITY LEADER OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY A REPORT
11 ON THE OPERATIONS AND ACCOMPLISHMENTS OF THE CENTERS OF EXCELLENCE.

12 (B) THE ANNUAL REPORT SHALL PROVIDE, BUT NOT BE LIMITED TO, THE
13 FOLLOWING INFORMATION FOR EACH CALENDAR YEAR:

14 (I) THE PURPOSES FOR WHICH CENTER FACILITIES, EQUIPMENT, PERSONNEL AND
15 FEATURES WERE UTILIZED, INCLUDING A DESCRIPTION OF EACH PROJECT UNDER-
16 TAKEN AND IDENTIFICATION OF ANY COLLABORATING PUBLIC, PRIVATE, OR
17 NOT-FOR-PROFIT ORGANIZATION OR CORPORATION PARTNERS;

18 (II) A DETAILED OPERATING BUDGET, INCLUDING THE AMOUNT OF STATE FUNDS
19 RECEIVED, AS WELL AS IDENTIFICATION OF EACH SOURCE OF FEDERAL, STATE,
20 LOCAL OR PRIVATE FUNDS, INCLUDING IN-KIND CONTRIBUTIONS AND LICENSING
21 REVENUE;

22 (III) AN ACCOUNTING OF CAPITAL EXPENDITURES, IDENTIFYING THE AMOUNT OF
23 STATE FUNDS UTILIZED, AS WELL AS EACH SOURCE OF FEDERAL, STATE, LOCAL,
24 OR PRIVATE FUNDS, INCLUDING IN-KIND CONTRIBUTIONS OF EQUIPMENT;

25 (IV) A DETAILED DESCRIPTION OF CENTER STAFFING, INCLUDING THE NUMBER
26 OF PERMANENT, FULL-TIME PROFESSIONAL EMPLOYEES AND SUPPORT STAFF; THE
27 NUMBER OF STATE AND PRIVATE UNIVERSITY PERSONNEL, INCLUDING GRADUATE
28 STUDENTS; AND THE NUMBER OF PROFESSIONAL PERSONNEL ASSIGNED TO THE
29 CENTER BY PRIVATE COMPANIES OR ORGANIZATIONS ON A NON-PERMANENT BASIS;

30 (V) A DESCRIPTION OF THE GOVERNANCE STRUCTURE OF THE CENTER INCLUDING
31 THE RESPECTIVE ROLES OF COLLABORATING PARTNERS AND OF ANY CORPORATE
32 ENTITIES RESPONSIBLE FOR THE OPERATION OR FUNDING OF THE CENTER;

33 (VI) IDENTIFICATION OF START-UP AND SMALL BUSINESSES ASSISTED BY THE
34 CENTER, AS WELL AS SPIN-OFFS RESULTING DIRECTLY FROM CENTER ACTIVITIES;

35 (VII) IDENTIFICATION OF SUPPLIER AND CONTRACTOR FIRMS WITH WHOM THE
36 CENTER HAS ENTERED INTO CONTRACTS FOR GOODS AND SERVICES;

37 (VIII) THE CENTER'S PLAN FOR COMMERCIALIZING GENERALLY PRODUCTS OR
38 PROCESSES RESULTING FROM CENTER ACTIVITY, AND SPECIFICALLY SUCH CENTER'S
39 PLAN FOR COMMERCIALIZING SUCH PRODUCTS OR PROCESSES WITHIN NEW YORK
40 STATE;

41 (IX) THE EXTENT TO WHICH THE CENTER HAS ESTABLISHED RELATIONSHIPS WITH
42 EXISTING ANGEL, SEED AND EARLY-STAGE FINANCING SOURCES AND HAS ESTAB-
43 LISHED ITS OWN POOL OF SUCH FUNDS;

44 (X) THE NUMBER OF FULL-TIME PUBLIC, PRIVATE, AND NONPROFIT SECTOR JOBS
45 CREATED AND/OR RETAINED IN THE STATE AS A DIRECT RESULT OF ACTIVITIES
46 UNDERTAKEN WITH STATE FUNDS, INCLUDING CAPITAL FUNDS, AND THE METHODOL-
47 OGY UTILIZED TO DETERMINE SUCH NUMBER;

48 (XI) THE EXTENT TO WHICH THE CENTER PROJECTS HAVE OR WILL LEAD TO AN
49 INCREASE IN THE POOL OF SEED AND VENTURE CAPITAL FOR A SPECIFIC TECHNOL-
50 OGY THAT IS OF IMPORTANCE TO INDUSTRY IN THIS STATE;

51 (XII) THE ACTUAL OR ANTICIPATED INVENTION, DEVELOPMENT, OR REFINEMENT
52 OF ANY NEW PRODUCTS AND PROCESSES WITH COMMERCIAL APPLICATION OF IMPOR-
53 TANCE TO THE INDUSTRIES IN THE STATE;

54 (XIII) ANY OUTREACH TO SURROUNDING COMMUNITIES TO ENCOURAGE OR ACCOM-
55 MODATE ECONOMIC GROWTH;

1 (XIV) A DESCRIPTION OF ANY RELATIONSHIPS WITH SECONDARY SCHOOLS AND
2 COMMUNITY COLLEGES DESIGNED TO FOSTER STUDENT INTEREST IN SCIENTIFIC AND
3 TECHNICAL CAREERS OR PROVIDE WORKFORCE TRAINING;

4 (XV) THE TERMS OF EACH RESEARCH SPONSORSHIP AGREEMENT, INTELLECTUAL
5 PROPERTY OWNERSHIP AGREEMENT, INTELLECTUAL PROPERTY LICENSE AGREEMENT,
6 OR ANY OTHER AGREEMENTS ENTERED INTO BETWEEN THE STATE FUNDED RESEARCH
7 INSTITUTIONS AND EACH RESEARCH PARTNER IN THE PRECEDING CALENDAR YEAR
8 REGARDING ANY PROVISIONS FOR FINANCIAL RETURN TO THE UNIVERSITY, THE
9 STATE AND TO RESEARCH PARTNERS, INCLUDING, BUT NOT LIMITED TO, THE
10 AMOUNT OF UP-FRONT ROYALTY INCOME TO THE STATE-FUNDED INSTITUTION, ANY
11 MILESTONE PAYMENTS DUE TO THE STATE-FUNDED INSTITUTION, AND THE PERCENT-
12 AGE OF ROYALTIES DUE TO THE STATE-FUNDED INSTITUTION;

13 (XVI) THE NUMBER OF PATENTS AWARDED TO THE COLLEGE, UNIVERSITY OR ANY
14 PRIVATE CORPORATION AS A DIRECT RESULT OF STATE-FUNDED ACTIVITIES; AND

15 (XVII) AWARDS, DESIGNATIONS AND OTHER TANGIBLE EVIDENCE OF RECOGNITION
16 FOR CENTER ACHIEVEMENTS.

17 5. THE EXECUTIVE DIRECTOR SHALL, ON OR BEFORE FEBRUARY FIRST, TWO
18 THOUSAND ELEVEN AND EVERY YEAR THEREAFTER, SUBMIT TO THE GOVERNOR, THE
19 MAJORITY LEADER OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY AN OVERALL
20 STRATEGIC PLAN FOR THE CENTERS OF EXCELLENCE PROGRAM.

21 (A) THE PLAN SHALL INCLUDE THE BROAD FOCUS AND MISSION OF THE CENTER
22 AND THE STRATEGIES USED TO DETERMINE THAT FOCUS INCLUDING BUT NOT LIMIT-
23 ED TO COLLABORATION WITH LOCAL AND REGIONAL ECONOMIC DEVELOPMENT ENTI-
24 TIES TO DETERMINE CURRENT AND EMERGING HIGH-TECH INDUSTRY CLUSTERS.

25 (B) SUCH PLAN SHALL ALSO INCLUDE THE METRICS THAT WILL BE USED TO
26 DETERMINE WHETHER AND TO WHAT DEGREE EACH CENTER IS MAINTAINING ITS
27 FOCUS AND FULFILLING ITS MISSION.

28 (C) THE PLAN SHALL BE ASSESSED BY THE GOVERNING BOARD OF THE CENTER
29 AND REVISED ANNUALLY AS APPROPRIATE. ANY REVISIONS SHALL BE SUBMITTED TO
30 THE EXECUTIVE DIRECTOR FOR APPROVAL.

31 S 2. Subdivision 1 of section 3155 of the public authorities law, as
32 amended by section 9 of part CC of chapter 59 of the laws of 2006, is
33 amended to read as follows:

34 1. The foundation shall submit an annual report, beginning on the
35 first of February, two thousand seven, to the governor, the speaker of
36 the assembly, and the temporary president of the senate on the oper-
37 ations and accomplishments of: (a) each program it administers[,] AND
38 (b) all programs authorized by this article[, and (c) in cooperation
39 with the urban development corporation, the centers of excellence
40 created by section three of part T of chapter eighty-four of the laws of
41 two thousand two].

42 S 3. This act shall take effect immediately.