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

2155

2013-2014 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 9, 2013

Introduced by M. of A. CROUCH, KOLB, FINCH -- read once and referred to the Committee on Small Business

AN ACT to amend the economic development law, in relation to directing the department of economic development to study the attrition of small retail businesses from the state and create a pilot program to help maintain the existence of small businesses within the state and to train and counsel small business owners and potential small business owners; and making an appropriation therefor

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

Section 1. Legislative findings. The legislature finds that the number of small businesses located within the boundaries of the state is decreasing at a rapid pace. In today's market place, the small business owner struggles to compete with the large corporate chain stores. The legislature further finds that the existence of these small businesses within the state is crucial toward the strengthening of the state's economy. Therefore, it is imperative that steps be taken to help ensure the future existence and stability of these small businesses.

S 2. The department of economic development is hereby directed to conduct a comprehensive study relating to the ability to retain small retail businesses within the state and is further directed to make recommendations in accordance with its findings. Such study shall include, but not be limited to:

1. The economic feasibility to grant money to communities to establish small retail business retention and development plans.

2. The possibility of subsidizing, either in whole or in part, retail entrepreneur education programs for small business owners throughout the state.

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

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3. The use of tax credits, both income and property, for small retail business owners to lessen their financial burden and to help them compete with the highly funded corporation.

4. The possibility of implementing legislation guaranteeing loans to small retail business owners at a low, fixed interest rate.

5. The economic feasibility to grant money to small retail business owners for the upgrade of certain equipment.

6. The ability to create a small business incentive program. Such program would:

a. require small retail business owners participating in the program to commit to a five year program consisting of entrepreneur education classes, management training, and consultations with financial advisors.

b. be devised so as to create incentives for banking institutions to participate in the growth and production of new and existing small retail businesses.

S 3. A report of the findings of such study, recommendations, and any proposed legislation necessary to implement such recommendations shall be filed with the governor, the temporary president of the senate, and the speaker of the assembly within one year after the effective date of this act.

S 4. The economic development law is amended by adding a new section 139 to read as follows:

S 139. SMALL BUSINESS OWNER AND POTENTIAL SMALL BUSINESS OWNER TRAINING PILOT PROGRAM. 1. THE COMMISSIONER IS HEREBY AUTHORIZED AND DIRECTED TO ESTABLISH A SMALL BUSINESS OWNER AND POTENTIAL SMALL BUSINESS OWNER TRAINING PROGRAM WITHIN NEW YORK STATE. THE PURPOSE OF THE PILOT PROGRAM IS TO PREVENT THE DEMISE OF SMALL RETAIL BUSINESSES WITHIN THE STATE. THIS PILOT PROGRAM SEEKS TO PROMOTE THE GROWTH OF SMALL RETAIL BUSINESSES BY ENCOURAGING STATE AND LOCAL CHAMBERS OF COMMERCE AND OTHER LOCAL BUSINESS PROMOTING ENTITIES TO CREATE SMALL RETAIL BUSINESS TRAINING AND COUNSEL TO PROSPECTIVE BUSINESS OWNERS.

THE COMMISSIONER SHALL PROMULGATE REGULATIONS AND REQUIREMENTS FOR THE ESTABLISHMENT OF A SMALL BUSINESS OWNER AND POTENTIAL SMALL BUSINESS OWNER TRAINING PROGRAM. A CHAMBER OF COMMERCE OR ANY OTHER LOCAL BUSINESS PROMOTING ENTITY INTERESTED IN PARTICIPATING IN THIS PILOT PROGRAM SHALL SUBMIT A PROPOSAL FOR APPROVAL BY THE COMMISSIONER WHICH DESCRIBES:

A. THE SPECIFIC SMALL BUSINESS POPULATION TO BE SERVED;

B. THE MANNER IN WHICH SUCH SMALL BUSINESSES WILL BE IDENTIFIED;

C. THE SPECIFIC SMALL RETAIL BUSINESS TRAINING AND COUNSEL TO BUSINESS OWNERS AND PROSPECTIVE BUSINESS OWNERS TO BE PROVIDED;

D. THE MANNER IN WHICH SUCH SMALL RETAIL BUSINESS TRAINING AND COUNSEL TO BUSINESS OWNERS AND PROSPECTIVE BUSINESS OWNERS SHALL BE PROVIDED;

E. ALL ASSOCIATED COSTS;

F. THE EXPECTED BENEFITS OF THE TRAINING PROGRAM;

G. THE METHOD TO BE UTILIZED TO MEASURE THE EFFECTIVENESS OF THE TRAINING PROGRAM; AND

H. SUCH OTHER INFORMATION AS THE COMMISSIONER MAY DEEM NECESSARY TO ASSURE THE SUCCESS OF THE SMALL BUSINESS OWNER AND POTENTIAL SMALL BUSINESS OWNER TRAINING PILOT PROGRAM.

2. APPROVAL AND TERMS OF SPONSORS AND SMALL BUSINESS OWNER AND POTENTIAL SMALL BUSINESS OWNER PROGRAMS. THE WRITTEN APPROVAL OF A SPONSOR'S APPLICATION BY THE COMMISSIONER SHALL CONSTITUTE AUTHORIZATION TO A SPONSOR TO COMMENCE A SMALL BUSINESS OWNER AND POTENTIAL SMALL BUSINESS OWNER PROGRAM.

SUCH AUTHORIZATION SHALL BE IN EFFECT FOR THREE YEARS, ABSENT REVOCATION OR EXTENSION BY THE COMMISSIONER.

3. REPORTING AND EVALUATION OF THE PROGRAM. ON OR BEFORE EACH ONE YEAR ANNIVERSARY OF THE PILOT PROGRAM'S INCEPTION, THE COMMISSIONER SHALL SUBMIT A REPORT TO THE GOVERNOR AND THE LEGISLATURE CONCERNING THE PROGRAMS ESTABLISHED IN THIS SECTION AND SHALL PROVIDE AN EVALUATION AS TO THE EFFECTIVENESS OF THE PILOT PROGRAM IN MEETING THE PURPOSES FOR WHICH IT WAS ESTABLISHED. SUCH REPORT SHALL ALSO RECOMMEND WHETHER THE PILOT PROGRAM SHOULD BE EXPANDED TO ADDITIONAL LOCATIONS IN THE STATE AND SHALL ESTIMATE THE FINANCIAL COST OF ANY SUCH EXPANSION.

S 5. The sum of two hundred ten thousand dollars ($210,000), or so much thereof as may be necessary, is hereby appropriated to the department of economic development from any moneys in the state treasury in the general fund not otherwise appropriated for services and expenses; including the expenses of the department of economic development, for the purposes of carrying out the provisions of this act. Such sum shall be payable on the audit and warrant of the state comptroller on vouchers certified or approved by the commissioner of economic development, or his duly designated representative in the manner provided by law. Not more than fifteen percent of the monies hereby appropriated may be expended for the costs of the department of economic development.

S 6. This act shall take effect immediately.