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

8487

I N A S S E M B L Y

January 17, 2014

Introduced by M. of A. PEOPLES-STOKES -- read once and referred to the Committee on Labor

AN ACT to amend the labor law, in relation to the NY youth works tax incentive program

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

Section 1. Section 25-a of the labor law, as added by section 1 of part D of chapter 56 of the laws of 2011, subdivision (b) as amended by section 1 and subdivisions (a) and subdivision (d) as amended by section 2 of part DD of chapter 59 of the laws of 2013 and subdivision (c) as amended by chapter 536 of the laws of 2013, is amended to read as follows:

S 25-a. Power to administer the New York youth works tax credit program. (a) The commissioner is authorized to establish and administer the New York youth works tax credit program to provide tax incentives to employers for employing at risk youth in part-time and full-time positions. There will be five distinct pools of tax incentives. Program one will cover tax incentives allocated for two thousand twelve [and], two thousand thirteen, AND TWO THOUSAND FOURTEEN. Program two will cover tax incentives allocated in two thousand fourteen to be used in two thousand fourteen and fifteen. Program three will cover tax incentives allocated in two thousand fifteen to be used in two thousand fifteen and sixteen. Program four will cover tax incentives allocated in two thousand sixteen to be used in two thousand sixteen and seventeen. Program five will cover tax incentives allocated in two thousand seventeen to be used in two thousand seventeen and eighteen. The commissioner is authorized to allocate up to twenty-five million dollars of tax credits under program one, six million dollars of tax credits under program two, six million dollars of tax credits under program three, and six million dollars of tax credits under program four, and six million dollars of tax credits under program five.

(b) Definitions. (1) The term "qualified employer" means an employer that has been certified by the commissioner to participate in the New

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

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York youth works tax credit program and that employs one or more qualified employees.

(2) The term "qualified employee" means an individual:

(i) who is between the age of sixteen and twenty-four;

(ii) who resides in a city OR TOWN with a population of [fifty-five] FIFTY thousand or more [or a town with a population of four hundred eighty thousand or more];

(iii) who is low-income or at-risk, as those terms are defined by the commissioner;

(iv) who is unemployed prior to being hired by the qualified employer; and

(v) who will be working for the qualified employer in a full-time or part-time position that pays wages that are equivalent to the wages paid for similar jobs, with appropriate adjustments for experience and training, and for which no other employee has been terminated, or where the employer has not otherwise reduced its workforce by involuntary terminations with the intention of filling the vacancy by creating a new hire.

(c) A qualified employer shall be entitled to a tax credit equal to (1) five hundred dollars per month for up to six months for each qualified employee the employer employs in a full-time job or two hundred fifty dollars per month for up to six months for each qualified employee the employer employs in a part-time job of at least twenty hours per week or ten hours per week when the qualified employee is enrolled in high school full-time, and (2) one thousand dollars for each qualified employee who is employed for at least an additional six months by the qualified employer in a full-time job or five hundred dollars for each qualified employee who is employed for at least an additional six months by the qualified employer in a part-time job of at least twenty hours per week or ten hours per week when the qualified employee is enrolled in high school full-time. The tax credits shall be claimed by the qualified employer as specified in subdivision forty-four of section two hundred ten and subsection (tt) of section six hundred six of the tax law.

(d) To participate in the New York youth works tax credit program, an employer must submit an application (in a form prescribed by the commissioner) to the commissioner after January first, two thousand twelve but no later than November thirtieth, two thousand [twelve] FOURTEEN for program one, after January first, two thousand fourteen but no later than November thirtieth, two thousand fourteen for program two, after January first, two thousand fifteen but no later than November thirtieth, two thousand fifteen for program three, after January first, two thousand sixteen but no later than November thirtieth, two thousand sixteen for program four, and after January first, two thousand seventeen but no later than November thirtieth, two thousand seventeen for program five. The qualified employees must start their employment on or after January first, two thousand twelve but no later than December thirty-first, two thousand [twelve] FOURTEEN for program one, on or after January first, two thousand fourteen but no later than December thirty-first, two thousand fourteen for program two, on or after January first, two thousand fifteen but no later than December thirty-first, two thousand fifteen for program three, on or after January first, two thousand sixteen but no later than December thirty-first, two thousand sixteen for program four, and on or after January first, two thousand seventeen but no later than December thirty-first, two thousand seventeen for program five. The commissioner shall establish guidelines and

criteria that specify requirements for employers to participate in the program including criteria for certifying qualified employees. Any regulations that the commissioner determines are necessary may be adopted on an emergency basis notwithstanding anything to the contrary in section two hundred two of the state administrative procedure act. Such requirements may include the types of industries that the employers are engaged in. The commissioner may give preference to employers that are engaged in demand occupations or industries, or in regional growth sectors, including those identified by the regional economic development councils, such as clean energy, healthcare, advanced manufacturing and conservation. In addition, the commissioner shall give preference to employers who offer advancement and employee benefit packages to the qualified individuals.

(e) If, after reviewing the application submitted by an employer, the commissioner determines that such employer is eligible to participate in the New York youth works tax credit program, the commissioner shall issue the employer a certificate of eligibility that establishes the employer as a qualified employer. The certificate of eligibility shall specify the maximum amount of New York youth works tax credit that the employer will be allowed to claim.

S 2. This act shall take effect immediately.