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I N A S S E M B L Y

April 29, 2014

Introduced by M. of A. SCHIMMINGER -- (at request of the Empire State Development) -- read once and referred to the Committee on Economic Development

AN ACT to amend the economic development law, in relation to the excelsior jobs program and eligible business entities

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

1 Section 1. Subdivisions 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17,
2 18 and 19 of section 352 of the economic development law are renumbered
3 subdivisions 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19 and 20 and
4 a new subdivision 6 is added to read as follows:
5 6. "CORPORATE HEADQUARTERS" MEANS A PLACE WHERE THE EXECUTIVES AND
6 SENIOR MANAGERS OF A COMPANY OR BUSINESS UNIT DIRECT, CONTROL AND COOR-
7 DINATE THE OPERATIONS OF THE COMPANY OR BUSINESS UNIT AS A WHOLE ON A
8 DAY-TO-DAY BASIS. IT IS THE PART OF A CORPORATE STRUCTURE THAT COMMONLY
9 DEALS WITH IMPORTANT TASKS SUCH AS STRATEGIC PLANNING, CORPORATE COMMU-
10 NICATIONS, TAXES, LAW, MARKETING, FINANCE, HUMAN RESOURCES, AND INFORMA-
11 TION TECHNOLOGY. THESE TASKS INCLUDE ALL CORPORATE FUNCTIONS NECESSARY
12 TO STEER THE FIRM BY DEFINING AND ESTABLISHING CORPORATE POLICY.
13 S 2. Subdivision 15 of section 352 of the economic development law, as
14 added by section 1 of part MM of chapter 59 of the laws of 2010 and as
15 renumbered by section one of this act, is amended to read as follows:
16 15. "Regionally significant project" means (a) a manufacturer creating
17 at least fifty net new jobs in the state and making significant capital
18 investment in the state; (b) a business creating at least twenty net new
19 jobs in agriculture in the state and making significant capital invest-
20 ment in the state, (c) a financial services firm, distribution center,
21 [or] back office operation OR CORPORATE HEADQUARTERS creating at least
22 three hundred net new jobs in the state and making significant capital
23 investment in the state, or (d) a scientific research and development
24 firm creating at least twenty net new jobs in the state, and making
25 significant capital investment in the state. Other businesses creating
26 three hundred or more net new jobs in the state and making significant
27 capital investment in the state may be considered eligible as a

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

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1 regionally significant project by the commissioner as well. The commis-
2 sioner shall promulgate regulations pursuant to section three hundred
3 fifty-six of this article to determine what constitutes significant
4 capital investment for each of the project categories indicated in this
5 subdivision and what additional criteria a business must meet to be
6 eligible as a regionally significant project, including, but not limited
7 to, whether a business exports a substantial portion of its products or
8 services outside of the state or outside of a metropolitan statistical
9 area or county within the state.

10 S 3. Paragraphs (g) and (h) of subdivision 1, and subdivisions 3 and 4
11 of section 353 of the economic development law, paragraphs (g) and (h)
12 of subdivision 1 as amended by section 2 of part G of chapter 61 of the
13 laws of 2011 and subdivisions 3 and 4 as amended by section 1 of part C
14 of chapter 68 of the laws of 2013, are amended to read as follows:

15 (g) in a distribution center; [or]

16 (h) IN A CORPORATE HEADQUARTERS; OR

17 (I) in an industry with significant potential for private-sector
18 economic growth and development in this state as established by the
19 commissioner in regulations promulgated pursuant to this article. In
20 promulgating such regulations the commissioner shall include job and
21 investment criteria.

22 3. For the purposes of this article, in order to participate in the
23 excelsior jobs program, a business entity operating predominantly in
24 manufacturing must create at least ten net new jobs; a business entity
25 operating predominately in agriculture must create at least five net new
26 jobs; a business entity operating predominantly as a financial service
27 data center or financial services customer back office operation must
28 create at least fifty net new jobs; a business entity operating predomi-
29 nantly in scientific research and development must create at least five
30 net new jobs; a business entity operating predominantly in software
31 development must create at least five net new jobs; a business entity
32 creating or expanding back office operations must create at least fifty
33 net new jobs; A BUSINESS ENTITY OPERATING AS A CORPORATE HEADQUARTERS
34 MUST CREATE AT LEAST ONE HUNDRED NET NEW JOBS; or a business entity
35 operating predominantly as a distribution center in the state must
36 create at least seventy-five net new jobs, notwithstanding subdivision
37 five of this section; or a business entity must be a regionally signif-
38 icant project as defined in this article; or

39 4. A business entity operating predominantly in one of the industries
40 referenced in paragraphs (a) through [(h)] (I) of subdivision one of
41 this section but which does not meet the job requirements of subdivision
42 three of this section must have at least twenty-five full-time job
43 equivalents unless such business is a business entity operating predomi-
44 nantly in manufacturing then it must have at least ten full-time job
45 equivalents and must demonstrate that its benefit-cost ratio is at least
46 ten to one.

47 S 4. This act shall take effect immediately.