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I N S E N A T E

April 4, 2014

Introduced by Sen. GALLIVAN -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT to amend the economic development law, in relation to establishing an economic gardening pilot program within the department of economic development

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

1 Section 1. The economic development law is amended by adding a new
2 article 22 to read as follows:

3 ARTICLE 22

4 GROWNY PROGRAM

5 SECTION 450. GROWNY PILOT PROGRAM.

6 S 450. GROWNY PILOT PROGRAM. 1. (A) THERE IS HEREBY CREATED WITHIN THE
7 DEPARTMENT THE GROWNY PILOT PROGRAM. THE PURPOSE OF THE PILOT PROGRAM IS
8 TO STIMULATE INVESTMENT IN THE STATE ECONOMY BY PROVIDING TECHNICAL
9 ASSISTANCE FOR EXPANDING BUSINESSES IN THE STATE.

10 (B) THE DEPARTMENT IS AUTHORIZED AND DIRECTED TO PROMULGATE ALL NECES-
11 SARY RULES AND REGULATIONS REQUIRED TO IMPLEMENT THE GROWNY PILOT
12 PROGRAM.

13 2. (A) THE DEPARTMENT SHALL CONTRACT WITH REGIONAL NON-PROFIT ECONOMIC
14 DEVELOPMENT ENTITIES TO ADMINISTER THE PILOT PROGRAM UNDER THIS SECTION.
15 THE DEPARTMENT SHALL AWARD COMPETITIVE GRANTS OF UP TO FIVE HUNDRED
16 THOUSAND DOLLARS A YEAR FOR A PERIOD OF UP TO FIVE YEARS TO EACH ENTITY
17 THAT DEMONSTRATES THE ABILITY TO IMPLEMENT THE PILOT PROGRAM IN THEIR
18 REGION, HAS AN OUTREACH PLAN, AND HAS THE ABILITY TO PROVIDE COUNSELING
19 SERVICES, ACCESS TO TECHNOLOGY AND INFORMATION, MARKETING SERVICES AND
20 ADVICE, BUSINESS MANAGEMENT SUPPORT, AND OTHER SIMILAR SERVICES.

21 (B) CONTRACTS WITH SELECTED ECONOMIC DEVELOPMENT ENTITIES SHALL BE FOR
22 A PERIOD OF FIVE YEARS AND SHALL BE REEVALUATED BY THE DEPARTMENT EVERY
23 TWELVE MONTHS TO ENSURE SUCH ENTITIES CONTINUE TO PROVIDE A POSITIVE
24 ECONOMIC BENEFIT TO THE COMMUNITY AND CONFORM TO THE PROGRAM CRITERIA.
25 CONTRACTED ENTITIES SHALL NOT LIMIT SERVICES OFFERED UNDER THIS PROGRAM
26 TO MEMBERS OF SUCH ENTITY AND SHALL SEEK TO PROVIDE ECONOMIC GARDENING

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

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1 SERVICES TO EVERY ELIGIBLE BUSINESS THAT MEETS THE CRITERIA OF THE
2 PROGRAM.

3 (C) CONTRACTED ENTITIES SHALL COORDINATE THEIR EFFORTS WITH THE LOCAL
4 NEW YORK STATE SMALL BUSINESS DEVELOPMENT CENTER OR OTHER LEAD ECONOMIC
5 DEVELOPMENT ORGANIZATIONS IN COUNTIES AND CITIES WITHIN THE REGION OF
6 THE CONTRACTED ENTITY AND SHALL ESTABLISH A REFERRAL SYSTEM AND LINKAGES
7 TO EXISTING AREA SMALL BUSINESS ASSISTANCE PROGRAMS AND FINANCING SOURC-
8 ES.

9 3. A CONTRACTED ENTITY ADMINISTERING THE PILOT PROGRAM SHALL PROVIDE
10 TECHNICAL ASSISTANCE FOR ELIGIBLE BUSINESSES WHICH INCLUDES, BUT IS NOT
11 LIMITED TO:

12 (A) ACCESS TO AFFORDABLE INFORMATION SERVICES AND CONSULTING SERVICES,
13 INCLUDING INFORMATION ON MARKETS, CUSTOMERS, AND COMPETITORS, BUSINESS
14 DATABASES, GEOGRAPHIC INFORMATION SYSTEMS, INTERNET AND SOCIAL MEDIA
15 STRATEGIES, BUSINESS TO BUSINESS REFERRALS, AND SEARCH ENGINE OPTIMIZA-
16 TION;

17 (B) DEVELOPMENT OF BUSINESS CONNECTIONS, INCLUDING INTERACTION AND
18 EXCHANGE AMONG BUSINESS OWNERS AND RESOURCE PROVIDERS, INCLUDING
19 COLLEGES AND UNIVERSITIES, TRADE ASSOCIATIONS, THINK TANKS, ACADEMIC
20 INSTITUTIONS, BUSINESS ROUNDTABLES, FINANCIAL SERVICE AND WORKFORCE
21 DEVELOPMENT PROVIDERS, PEER-TO-PEER LEARNING SESSIONS, AND MENTORING
22 PROGRAMS;

23 (C) ASSISTANCE IN DEVELOPING A LISTING OF SHOVEL READY SITES CURRENTLY
24 AVAILABLE TO THE NEEDS OF THE BUSINESS;

25 (D) ASSISTANCE IN UNDERSTANDING STATE LAWS AND REGULATIONS APPLICABLE
26 TO SUCH BUSINESS;

27 (E) ANY OTHER FORM OF CONSULTATION AND TECHNICAL ASSISTANCE THAT MAY
28 BE PROVIDED TO THE ELIGIBLE BUSINESS TO ASSIST WITH ITS BUSINESS AND
29 MARKETING NEEDS.

30 4. (A) THIS PROGRAM SHALL BE TARGETED AT EMERGING GROWTH BUSINESSES,
31 KNOWN AS SECOND STAGE COMPANIES. TO BE ELIGIBLE FOR ASSISTANCE UNDER THE
32 PILOT PROGRAM, A BUSINESS MUST BE A FOR-PROFIT, PRIVATELY HELD BUSINESS
33 THAT EMPLOYS AT LEAST FIVE PERSONS, BUT NOT MORE THAN NINETY-NINE
34 PERSONS, HAS MAINTAINED ITS PRINCIPAL PLACE OF BUSINESS IN THE STATE FOR
35 AT LEAST THE PREVIOUS TWO YEARS, AND GENERATES AT LEAST SEVEN HUNDRED
36 FIFTY THOUSAND DOLLARS, BUT NOT MORE THAN FIFTY MILLION DOLLARS, IN
37 ANNUAL REVENUE. THE COMMISSIONER SHALL HAVE THE AUTHORITY TO MAKE
38 EXCEPTIONS TO THESE PROVISIONS AT HIS OR HER SOLE DISCRETION.

39 (B) A CONTRACTED ENTITY ADMINISTERING THE PILOT PROGRAM, IN SELECTING
40 THE ELIGIBLE BUSINESSES TO RECEIVE ASSISTANCE, SHALL ACTIVELY REACH OUT
41 TO BUSINESSES IN MORE THAN ONE INDUSTRY CLUSTER AND, TO THE MAXIMUM
42 EXTENT PRACTICABLE, SHALL CHOOSE BUSINESSES THAT ARE GEOGRAPHICALLY
43 DISTRIBUTED THROUGHOUT THE REGION WITH THE GREATEST POTENTIAL FOR JOB
44 GROWTH.

45 5. (A) A BUSINESS RECEIVING ASSISTANCE UNDER THE PILOT PROGRAM MUST
46 ENTER INTO AN AGREEMENT WITH THE CONTRACTED ENTITY ADMINISTERING THE
47 PROGRAM TO ESTABLISH THE BUSINESS' COMMITMENT TO PARTICIPATION IN THE
48 PILOT PROGRAM. THE ARRANGEMENT MUST REQUIRE, AT A MINIMUM, THAT THE
49 BUSINESS:

50 (I) ATTEND A MINIMUM NUMBER OF MEETINGS BETWEEN THE BUSINESS AND THE
51 CONTRACTED ENTITY ADMINISTERING THE PILOT PROGRAM. SUCH MEETINGS SHALL
52 BE HELD AT THE CONVENIENCE OF THE BUSINESS;

53 (II) REPORT INVESTMENT, REVENUE, AND JOB CREATION AND RETENTION DATA
54 IN THE MANNER PRESCRIBED BY THE CONTRACTED ENTITY ADMINISTERING THE
55 PILOT PROGRAM; AND

1 (III) PROVIDE NON-PROPRIETARY FINANCIAL DATA IN THE MANNER PRESCRIBED
2 BY THE CONTRACTED ENTITY ADMINISTERING THE PROGRAM.

3 (B) THE REGIONAL NON-PROFIT ECONOMIC DEVELOPMENT ENTITY OR THE
4 CONTRACTED ENTITY ADMINISTERING THE PILOT PROGRAM SHALL REPORT THE
5 INFORMATION TO THE DEPARTMENT ON AN ANNUAL BASIS.

6 6. A CONTRACTED ENTITY ADMINISTERING THE PILOT PROGRAM IS AUTHORIZED
7 TO PROMOTE THE GENERAL BUSINESS INTERESTS OR INDUSTRIAL INTERESTS OF THE
8 STATE.

9 7. THE DEPARTMENT SHALL REVIEW THE PROGRESS OF THE CONTRACTED ENTITY
10 ADMINISTERING THE PILOT PROGRAM AT LEAST ONCE EVERY TWELVE MONTHS AND
11 SHALL DETERMINE WHETHER THE CONTRACTED ENTITY IS MEETING ITS CONTRACTUAL
12 OBLIGATIONS FOR ADMINISTERING THE PILOT PROGRAM. THE DEPARTMENT MAY
13 TERMINATE AND REBID A CONTRACT IF THE CONTRACTED ENTITY DOES NOT MEET
14 ITS CONTRACTUAL OBLIGATIONS.

15 8. BY MARCH THIRTY-FIRST, TWO THOUSAND FIFTEEN AND ANNUALLY THEREAFT-
16 ER, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE GOVERNOR, THE TEMPORARY
17 PRESIDENT OF THE SENATE, THE SPEAKER OF THE ASSEMBLY, THE MINORITY LEAD-
18 ER OF THE SENATE AND THE MINORITY LEADER OF THE ASSEMBLY WHICH DESCRIBES
19 IN DETAIL THE PROGRESS OF THE GROWNNY PILOT PROGRAM. THE REPORT SHALL
20 INCLUDE, BUT IS NOT LIMITED TO, THE NUMBER OF BUSINESSES RECEIVING
21 ASSISTANCE, THE NUMBER OF FULL-TIME EQUIVALENT JOBS CREATED OR RETAINED
22 AS A RESULT OF THE ASSISTANCE, IF ANY, AND THE AGGREGATE AMOUNT OF WAGES
23 PAID TO SUCH EMPLOYEES.

24 S 2. This act shall take effect immediately.