

1248

2013-2014 Regular Sessions

I N   S E N A T E

(PREFILED)

January 9, 2013

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Introduced by Sens. PERKINS, ESPAILLAT -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the New York state urban development corporation act, in relation to creating niche market assistance projects to promote economic development

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

1     Section 1. Statement of legislative intent. Small manufacturing enter-  
2     prises are responsible for an estimated twenty-eight to forty percent of  
3     employment in the manufacturing sector. They tend to be more effective  
4     at job creation and job replacement, more innovative in the development  
5     of products and process improvements, more flexible, and thus more  
6     competitive, in terms of the ability to produce small quantities. All of  
7     these factors help to explain the shift to smaller and average sized  
8     plants and the national trend toward more of the total production of  
9     goods coming from small manufacturers.  
10    Small manufacturing enterprises, often owned by minorities and new  
11    immigrants, have been growing. Leading this expansion in New York are  
12    specialty and ethnic food manufacturers, which have grown by more than  
13    eight percent over the past year. Other evidence suggests that there is  
14    similar growth in construction; specialty apparel for niche markets and  
15    other design-based manufacturing industries such as luxury consumer  
16    goods like jewelry; medical instruments; suppliers to service indus-  
17    tries; and companies serving local markets, such as makers of food  
18    products or suppliers of construction materials.  
19    Often, small manufacturers can not only survive, but grow, if they can  
20    identify and develop niche markets - targeted markets composed of indi-  
21    viduals and businesses that have similar interests and needs, which can  
22    be readily identified, and that can be easily targeted and reached, or a

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

LBD03583-01-3

1 group of potential customers who share common characteristics making  
2 them especially receptive to the company's product, service, or opportu-  
3 nity.

4 S 2. Section 1 of chapter 174 of the laws of 1968, constituting the  
5 New York state urban development corporation act, is amended by adding a  
6 new section 16-v to read as follows:

7 S 16-V. NICHE MARKET ASSISTANCE PROJECTS. 1. THE CORPORATION IS HEREBY  
8 AUTHORIZED TO PROVIDE ASSISTANCE TO NICHE MARKET ASSISTANCE PROJECTS  
9 DESIGNED TO ENCOURAGE AND ASSIST SMALL AND MEDIUM-SIZED MANUFACTURING OR  
10 FOOD PROCESSING BUSINESSES WITH FEWER THAN TWO HUNDRED FIFTY EMPLOYEES  
11 TO IDENTIFY AND DEVELOP NICHE MARKETS FOR THEIR PRODUCTS.

12 2. FOR THE PURPOSES OF THIS SECTION, "NICHE MARKET" SHALL MEAN A  
13 TARGETED MARKET COMPOSED OF INDIVIDUALS AND BUSINESSES THAT HAVE SIMILAR  
14 INTERESTS AND NEEDS, WHICH CAN BE READILY IDENTIFIED AND REACHED, OR  
15 GROUP OF POTENTIAL CUSTOMERS WHO SHARE COMMON CHARACTERISTICS MAKING  
16 THEM ESPECIALLY RECEPTIVE TO THE COMPANY'S PRODUCT, SERVICE OR OPPORTU-  
17 NITY.

18 3. THE CORPORATION SHALL ACTIVELY SEEK TO IDENTIFY ENTITIES AND  
19 DISSEMINATE INFORMATION TO SUCH ENTITIES WHICH MAY BE ELIGIBLE TO  
20 RECEIVE ASSISTANCE PURSUANT TO THIS SECTION AND SHALL MAKE AWARDS,  
21 SUBJECT TO AVAILABLE APPROPRIATIONS, FOR NICHE MARKETING ASSISTANCE  
22 PROJECTS ON A COMPETITIVE BASIS TO SUCH ENTITIES.

23 (A) ENTITIES ELIGIBLE TO APPLY FOR FUNDING FOR A NICHE MARKET ASSIST-  
24 ANCE PROJECT SHALL INCLUDE NOT-FOR-PROFIT CORPORATIONS, LOCAL DEVELOP-  
25 MENT CORPORATIONS, TRADE ASSOCIATIONS, EDUCATIONAL INSTITUTIONS, TECH-  
26 NOLOGY DEVELOPMENT CORPORATIONS ESTABLISHED PURSUANT TO SECTION 3102-D  
27 OF THE PUBLIC AUTHORITIES LAW WHICH OPERATE MANUFACTURING EXTENSION  
28 PROGRAMS, AND OTHER NOT-FOR-PROFIT ORGANIZATIONS WHICH PROMOTE ECONOMIC  
29 DEVELOPMENT.

30 (B) APPLICANTS SHALL BE REQUIRED TO DEMONSTRATE:

31 (I) THEIR ABILITY TO PROVIDE THE SERVICES PROPOSED;

32 (II) THE POTENTIAL FOR MANUFACTURING OR FOOD PROCESSING INDUSTRIES IN  
33 THEIR AREA OF SERVICE TO DEVELOP NICHE MARKETS;

34 (III) THE POSSIBILITY THAT THE SERVICES TO BE FUNDED WOULD BECOME  
35 SELF-SUSTAINING;

36 (IV) THE PARTICIPATION OF LOCAL AND REGIONAL ECONOMIC DEVELOPMENT  
37 ORGANIZATIONS; AND

38 (V) TO PROVIDE A PROGRAM BUDGET, INCLUDING MATCHING FUNDS, IN-KIND AND  
39 OTHERWISE, TO BE PROVIDED BY THE APPLICANT.

40 (C) A PROJECT ELIGIBLE TO BE A NICHE MARKET ASSISTANCE PROJECT MAY  
41 INCLUDE, BUT NOT BE LIMITED TO, RESEARCH, MARKET ANALYSIS, MARKETING  
42 ASSISTANCE, AND IDENTIFYING SOURCES OF FINANCIAL ASSISTANCE TO ENTER  
43 INTO NEW MARKETS.

44 4. NO SINGLE GRANT FOR A NICHE MARKET ASSISTANCE PROJECT SHALL EXCEED  
45 TWO HUNDRED THOUSAND DOLLARS.

46 S 3. This act shall take effect immediately.