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

3205--A

2013-2014 Regular Sessions

I N S E N A T E

January 31, 2013

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business -- recommitted to the Committee on Commerce, Economic Development and Small Business in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the economic development law, in relation to establishing the "minimum standards for subsidized jobs act"

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

Section 1. Short title. This act shall be known and may be cited as the "minimum standards for subsidized jobs act".

S 2. Findings and purpose. The legislature hereby finds and declares that every year, the state of New York awards increasingly large amounts of dollars in economic development subsidies to for-profit businesses. When government invests in economic development, it makes no economic sense to support the creation or promotion of jobs that do not give workers the chance to earn a decent living. When state-subsidized jobs provide low wages and poor benefits, they increase the need for government services, including public assistance for food, housing, health care, and childcare.

The purpose of this act is to improve the effectiveness of economic development expenditures, take pressure off state social services programs, and improve the public health and welfare by ensuring that major state subsidies are used to support at least minimum living standards for working families.

S 3. The economic development law is amended by adding a new article 22 to read as follows:

ARTICLE 22

MINIMUM STANDARDS FOR SUBSIDIZED JOBS ACT

SECTION 450. DEFINITIONS.

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

LBD06818-02-4

451. MINIMUM STANDARDS FOR WAGES AND BENEFITS.
452. ENFORCEMENT.

S 450. DEFINITIONS. FOR PURPOSES OF THIS ARTICLE:

1. "ECONOMIC DEVELOPMENT SUBSIDY" MEANS ANY EXPENDITURE OF PUBLIC FUNDS WITH A VALUE OF AT LEAST ONE HUNDRED THOUSAND DOLLARS, FOR THE PURPOSE OF STIMULATING ECONOMIC DEVELOPMENT WITHIN THE STATE, INCLUDING BUT NOT LIMITED TO BONDS, GRANTS, LOANS, LOAN GUARANTEES, ENTERPRISE ZONES, EMPOWERMENT ZONES, TAX INCREMENT FINANCING, GRANTS, FEE WAIVERS, LAND PRICE SUBSIDIES, MATCHING FUNDS, TAX ABATEMENTS, TAX EXEMPTIONS, AND TAX CREDITS.

2. "COMMISSIONER" MEANS THE COMMISSIONER OF LABOR, OR THE COMMISSIONER'S DESIGNEE OR DESIGNEES.

S 451. MINIMUM STANDARDS FOR WAGES AND BENEFITS. 1. NO PERSON, ASSOCIATION, CORPORATION OR OTHER ENTITY SHALL BE ELIGIBLE TO RECEIVE ANY ECONOMIC DEVELOPMENT SUBSIDY UNLESS THAT ENTITY:

(A) PAYS EACH OF ITS EMPLOYEES IN THE STATE A MINIMUM WAGE THAT IS AT LEAST ONE DOLLAR PER HOUR HIGHER THAN THE STATE MINIMUM WAGE PROVIDED IN ARTICLE NINETEEN OF THE LABOR LAW;

(B) OFFERS TO EACH OF ITS EMPLOYEES IN THE STATE WHO WORK AT LEAST THIRTY-FIVE HOURS PER WEEK A HEALTH INSURANCE BENEFITS PLAN FOR WHICH THE EMPLOYER PAYS AT LEAST EIGHTY PERCENT OF THE MONTHLY PREMIUM, AND THE COVERAGE PAYS AT LEAST EIGHTY PERCENT OF THE COSTS OF PHYSICIAN OFFICE VISITS, EMERGENCY CARE, SURGERY, AND PRESCRIPTIONS WITH AN ANNUAL DEDUCTIBLE OF NO MORE THAN ONE THOUSAND DOLLARS; AND

(C) OFFERS TO AT LEAST TWENTY PERCENT OF ITS WORKERS IN THE STATE A WORKER TRAINING PROGRAM THAT MEETS MINIMUM STANDARDS ISSUED BY THE COMMISSIONER.

2. THIS SECTION DOES NOT APPLY TO:

(A) A NOT-FOR-PROFIT ENTITY THAT IS EXEMPT FROM TAXATION UNDER THE INTERNAL REVENUE CODE; OR

(B) AN INTERN OR TRAINEE WHO IS UNDER TWENTY-ONE YEARS OF AGE AND WHO IS EMPLOYED FOR A PERIOD NOT LONGER THAN THREE MONTHS.

3. IF THE COMMISSIONER DETERMINES THAT APPLICATION OF THIS SECTION WOULD CONFLICT WITH A FEDERAL PROGRAM REQUIREMENT, THE COMMISSIONER, AFTER NOTICE AND PUBLIC HEARING, MAY GRANT A WAIVER FROM THE REQUIREMENTS OF THIS SECTION.

S 452. ENFORCEMENT. 1. THE COMMISSIONER SHALL PROMULGATE SUCH REGULATIONS AS ARE NECESSARY TO IMPLEMENT AND ADMINISTER COMPLIANCE OF THIS SECTION.

2. NO PERSON, ASSOCIATION, CORPORATION OR OTHER ENTITY SHALL DISCHARGE, DEMOTE, HARASS OR OTHERWISE TAKE ADVERSE ACTIONS AGAINST ANY INDIVIDUAL BECAUSE SUCH INDIVIDUAL SEEKS THE ENFORCEMENT OF THIS SECTION, OR TESTIFIES, ASSISTS OR PARTICIPATES IN ANY MANNER IN AN INVESTIGATION, HEARING OR OTHER PROCEEDING TO ENFORCE THE PROVISIONS OF THIS SECTION.

3. NO ENTITY SHALL PAY AN EMPLOYEE THROUGH A THIRD PARTY, OR TREAT AN EMPLOYEE AS A SUBCONTRACTOR OR INDEPENDENT CONTRACTOR, TO AVOID THE REQUIREMENTS OF THIS SECTION.

S 4. This act shall take effect on the first of July next succeeding the date on which it shall have become a law and shall apply to any economic development subsidy awarded or renewed on or after such date; provided, however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized and directed to be made and completed on or before such date.