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IN SENATE

February 5, 2014

Introduced by Sens. GOLDEN, GALLIVAN, GRIFFO, LAVALLE, RANZENHOFER, ROBACH, VALESKY -- 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 enacting the New York state veteran entrepreneurship, employment, and opportunity act

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

Section 1. This act shall be known and may be cited as the "New York state veteran entrepreneurship, employment, and opportunity act".

S 2. The economic development law is amended by adding a new article 23 to read as follows:

ARTICLE 23

NEW YORK STATE VETERAN ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTERS

SECTION 461. DEFINITIONS.

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- 462. NEW YORK STATE VETERAN ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER PROGRAM; CREATION.
 - 463. COLLABORATION WITH OTHER AGENCIES.
- 12 464. APPLICATION FOR DESIGNATION AS A NEW YORK STATE VETERAN ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER.
 - 465. REVIEW AND APPROVAL OF APPLICATIONS.
 - 466. OPERATION AND RE-DESIGNATION.
 - 467. ANCHOR.
 - 468. REPORT.
 - S 461. DEFINITIONS. AS USED IN THIS ARTICLE:
 - 1. "CENTER" MEANS A NEW YORK STATE VETERAN ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER.
- 21 "NEW YORK STATE INCUBATORS" "NEW YORK AND STATE INNOVATION HOTSPOTS" OR "INCUBATORS" AND "HOTSPOTS" MEANS AND REFERS TO 22 "NEW 23 INCUBATORS" AND "NEW YORK STATE INNOVATION HOTSPOTS" DESIGNATED 24 PURSUANT TO SECTION SIXTEEN-V OF THE URBAN DEVELOPMENT CORPORATION ACT.

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

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3. "PLAN" MEANS THE MULTI-YEAR PLAN THAT ACCOMPANIES THE APPLICATION OF AN INCUBATOR OR HOTSPOT TO BE DESIGNATED AS A VETERAN ENTREPRENEUR-SHIP AND EMPLOYMENT OPPORTUNITY CENTER.

- 4. "STARTUP-NY" PROGRAM MEANS THE START-UP NY PROGRAM AUTHORIZED PURSUANT TO ARTICLE TWENTY-ONE OF THIS CHAPTER, AND "SUNY TAX-FREE AREAS TO REVITALIZE AND TRANSFORM UPSTATE NY PROGRAM" HAS THE SAME MEANING AS IN SUCH ARTICLE TWENTY-ONE.
- 5. "DISABLED VETERAN BUSINESS ENTERPRISE" IS AN INDEPENDENTLY OWNED AND OPERATED BUSINESS ENTERPRISE IN WHICH A DISABLED VETERAN HAS A REAL, SUBSTANTIAL, AND CONTINUING OWNERSHIP OF FIFTY-ONE PER CENT OR GREATER AND HAS AND EXERCISES INDEPENDENT CONTROL OF THE DAY TO DAY DECISIONS OF THE ENTERPRISE, AND IS CERTIFIED AS A DISABILITY-OWNED BUSINESS ENTERPRISE BY A NATIONAL CERTIFICATION ORGANIZATION SATISFACTORY TO THE COMMISSIONER OR AS A DISADVANTAGED BUSINESS ENTERPRISE.
- 6. "DISADVANTAGED BUSINESS ENTERPRISE" IS A BUSINESS ENTERPRISE WHICH HAS BEEN CERTIFIED AS A DISADVANTAGED BUSINESS ENTERPRISE PURSUANT TO FEDERAL DEPARTMENT OF TRANSPORTATION OR OTHER FEDERAL AGENCY PROCEDURES.
- 7. "DISABLED VETERAN" MEANS A CITIZEN OF THE UNITED STATES AND A RESIDENT OF THE STATE OF NEW YORK WHO MEETS THE DEFINITION OF PARAGRAPH (B) OF SUBDIVISION ONE OF SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW, EXCEPT THAT IN ADDITION THE TERM SHALL BE DEEMED TO INCLUDE A DISABLED VETERAN AS THEREIN DEFINED WHO WAS A MEMBER OF THE ARMED FORCES OF THE UNITED STATES WHO SERVED IN TIME OF WAR OR WHO SERVED IN AN AREA DESIGNATED BY THE PRESIDENT OF THE UNITED STATES BY EXECUTIVE ORDER AS A "COMBAT ZONE" AT ANY TIME DURING THE PERIOD DESIGNATED BY THE PRESIDENT BY EXECUTIVE ORDER AS THE PERIOD OF COMBATANT ACTIVITIES IN SUCH ZONE, AND WHO WAS HONORABLY DISCHARGED OR RELEASED UNDER HONORABLE CIRCUMSTANCES FROM SUCH SERVICE.
- 8. "VETERAN" MEANS A CITIZEN OF THE UNITED STATES AND A RESIDENT OF THE STATE OF NEW YORK WHO MEETS THE DEFINITION OF PARAGRAPH (A) OF SUBDIVISION ONE OF SECTION EIGHTY-FIVE OF THE CIVIL SERVICE LAW, EXCEPT THAT IN ADDITION THE TERM SHALL BE DEEMED TO INCLUDE A VETERAN AS THERE-IN DEFINED WHO WAS A MEMBER OF THE ARMED FORCES OF THE UNITED STATES WHO SERVED IN TIME OF WAR OR WHO SERVED IN AN AREA DESIGNATED BY THE PRESIDENT OF THE UNITED STATES BY EXECUTIVE ORDER AS A "COMBAT ZONE" AT ANY TIME DURING THE PERIOD DESIGNATED BY THE PRESIDENT BY EXECUTIVE ORDER AS THE PERIOD OF COMBATANT ACTIVITIES IN SUCH ZONE, AND WHO WAS HONORABLY DISCHARGED OR RELEASED UNDER HONORABLE CIRCUMSTANCES FROM SUCH SERVICE.
- S 462. NEW YORK STATE VETERAN ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER PROGRAM; CREATION. THERE IS HEREBY CREATED IN THE DEPARTMENT OF ECONOMIC DEVELOPMENT THE NEW YORK STATE VETERAN ENTREPRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER PROGRAM, WHOSE PURPOSE SHALL BE TO PROVIDE ENTREPRENEURIAL AND EMPLOYMENT TRAINING TO VETERANS, DISABLED VETERANS, AND DISABLED VETERAN BUSINESSES AS DEFINED HEREIN. THE COMMISSIONER SHALL ESTABLISH AND SUPPORT, WITHIN AVAILABLE APPROPRIATIONS AND IN RESPONSE TO A REQUEST FOR PROPOSALS, ELEVEN SUCH CENTERS AT INCUBATORS AND HOTSPOTS WITH AT LEAST ONE CENTER LOCATED IN EACH ECONOMIC DEVELOPMENT REGION OF THE STATE AND TWO IN THE NEW YORK CITY REGION, PROVIDED HOWEVER THAT TWO OR MORE INCUBATORS AND HOTSPOTS MAY BE DESIGNATED TO COLLABORATE IN THE PROVISION OF SERVICES IN ONE OR MORE SUCH ECONOMIC DEVELOPMENT REGIONS. IN MAKING SUCH DESIGNATIONS THE COMMISSIONER SHALL CONSULT AND COLLABORATE WITH THE DIRECTOR OF THE DIVISION OF VETERANS AFFAIRS. SUCH CENTERS SHALL FORM A NETWORK OF CENTERS.
- 54 S 463. COLLABORATION WITH OTHER AGENCIES. IN TAKING ACTION UNDER THIS 55 ARTICLE, THE COMMISSIONER SHALL CONSULT AND COLLABORATE WITH THE DIREC-56 TOR OF THE DIVISION OF VETERANS AFFAIRS, THE CHANCELLOR OF THE STATE

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1 UNIVERSITY OF NEW YORK, THE CHANCELLOR OF THE CITY UNIVERSITY OF NEW 2 YORK, THE COMMISSIONER OF THE OFFICE OF GENERAL SERVICES, AND THE SAME 3 ARE AUTHORIZED TO PROVIDE ANY ASSISTANCE, SERVICES, AND DATA AS WILL 4 ENABLE THE COMMISSIONER TO CARRY OUT RESPONSIBILITIES, FUNCTIONS, AND 5 DUTIES HEREUNDER.

- S 464. APPLICATION FOR DESIGNATION AS A NEW YORK STATE VETERAN ENTRE-PRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER. AN INCUBATOR OR HOTSPOT MAY APPLY FOR FUNDING AND DESIGNATION AS A NEW YORK STATE VETERAN ENTRE-PRENEURSHIP AND EMPLOYMENT OPPORTUNITY CENTER BY SUBMITTING AN APPLICATION AND PLAN TO THE COMMISSIONER IN RESPONSE TO A REQUEST FOR PROPOSALS. IN ADDITION TO ANY OTHER REQUIREMENTS ESTABLISHED HEREIN, SUCH PLAN SHALL SHOW AND DEMONSTRATE:
- 1. SERVICES: A CENTER SHALL PROVIDE DIRECTLY OR THROUGH COLLABORATIONS AN INTEGRATED PROGRAM OF ENTREPRENEURIAL AND EMPLOYMENT SERVICES FOR VETERANS AND DISABLED VETERANS. SUCH PROGRAM SHALL BE DESIGNED BY THE COMMISSIONER IN CONSULTATION WITH THE DIRECTOR OF THE DIVISION OF VETERANS AFFAIRS AND THE ANCHOR INSTITUTION TO PROVIDE BASIC AND ADVANCED SKILLS TRAINING FOR THOSE WHO ULTIMATELY DETERMINE TO PURSUE ENTREPRENEURSHIP AND THOSE WHO DETERMINE TO PURSUE EMPLOYMENT, AND SHALL INCLUDE:
- A. A COMMON INITIAL SERVICES TRAINING REGIME THAT PROVIDES TRAINING AND SUPPORT FOR THOSE WHO ULTIMATELY DECIDE TO PURSUE EITHER ENTREPRENEURSHIP OR EMPLOYMENT;
- B. DIRECT OR INDIRECT PROVISION, THROUGH PARTNERSHIPS, OF EMPLOYMENT SKILLS TRAINING FOR THOSE WHO DO NOT PURSUE ENTREPRENEURSHIP; AND
- C. ADVANCED BUSINESS DEVELOPMENT TRAINING INCLUDING BUSINESS PLAN DEVELOPMENT; AID IN COMPANY CREATION; ACCESS TO LEGAL AND FINANCIAL EXPERTISE; ACCESS TO MARKET; ENTREPRENEUR SKILLS TRAINING AND COURSE-WORK, INCLUDING TRAINING IN KEY COMPUTER AND ACCOUNTING PROGRAMS; CORPORATE DESIGN; MANAGEMENT; ENTREPRENEURSHIP SKILL SET; AND BUSINESS BASICS IN CONTRACTS; FINANCING; MANAGEMENT; TEAMING; BIDDING; AND HELP IN ESTABLISHING MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE AND FEDERAL DISADVANTAGED BUSINESS ENTERPRISE STATUS.
- 2. COMMITMENT: A COMMITMENT BY THE INCUBATOR OR HOTSPOT TO DEVELOPMENT AND IMPLEMENTATION OF THE CENTER PLAN OVER A PERIOD OF NOT LESS THAN THREE YEARS, DEMONSTRATED BY A MULTI-YEAR COMMITMENT OF RESOURCES, PERSONNEL, AND FUNDS TO BE PROVIDED DIRECTLY OR THROUGH PARTNERSHIPS AND COLLABORATIONS.
- 3. LEVERAGED AND APPLIED FUNDING: A DEMONSTRATION THAT THE APPLICANT HAS IN HAND, OR WILL SHORTLY AFTER DESIGNATION OBTAIN AND MAINTAIN, A FUNDING MATCH OF AT LEAST TWO NON-STATE DOLLARS FOR EVERY STATE DOLLAR PROVIDED PURSUANT TO THIS ARTICLE.
- 4. COMMUNITY SUPPORT: A DEMONSTRATION OF COMMUNITY SUPPORT FROM BUSINESS AND GOVERNMENT LEADERS AND ORGANIZATIONS.
- 5. BEST PRACTICES: A DEMONSTRATION THAT THE CENTER WILL ADOPT BEST PRACTICES AND USE OF MULTI-YEAR METRICS FOR PERFORMANCE, AND THAT IT WILL REPORT DATA AS REQUESTED OR REQUIRED TO THE DEPARTMENT. PERFORMANCE METRICS SHOULD INCLUDE ANTICIPATED ANNUAL AND CUMULATIVE OUTCOMES IN TERMS OF JOBS, INVESTMENT, AND ECONOMIC AND OTHER ACTIVITY, STATED IN A SPECIFIC AND MEASURABLE WAY THAT IS ACHIEVABLE AND REALISTIC WITHIN THE PROJECT TIME FRAME AND THAT CAN BE QUANTIFIED AND COMPARED TO OTHER DATA FOR ANALYSIS.
- 6. ADVISORY COUNCIL: AN INDEPENDENT ADVISORY COUNCIL THAT INCLUDES ONE OR MORE VETERANS AND DISABLED VETERANS, AND INDIVIDUALS WITH BUSINESS, FINANCING, LEGAL, AND MARKET EXPERTISE.
- 55 S 465. REVIEW AND APPROVAL OF APPLICATIONS. THE COMMISSIONER SHALL 56 REVIEW PLANS BASED ON THE CATEGORIES REQUIRED IN THE APPLICATION, AND

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DISQUALIFICATION AS A CENTER.

1 THE FOLLOWING, AND SHALL CONSULT WITH THE DIRECTOR OF THE DIVISION OF 2 VETERANS AFFAIRS IN MAKING ANY DESIGNATION OF A CENTER UNDER THIS ARTI-3 CLE:

- 1. THE ANTICIPATED EFFECTIVENESS OF THE PLAN AS EVIDENCED BY THE EXISTENCE OF AVAILABLE RESOURCES DEDICATED TO THE PLAN AND THE COMMITMENT OF THE INCUBATOR OR HOTSPOT;
- 2. THE ABILITY OF THE APPLICANT TO UNDERTAKE AND COMPLETE THE PLAN, THE FEASIBILITY OF MEETING THE METRICS AND GOALS PROVIDED FOR DETERMINING THE SUCCESS OF THE PLAN, THE DURABILITY AND REACH OF THE COLLABORATIONS AND RELATIONSHIPS WITH INCUBATORS AND HOTSPOTS, AND WITH START-UP-NY PROJECTS, AND WITH PRIVATE AND OTHER PUBLIC COLLABORATORS;
- 3. THE ABILITY OF THE APPLICANT TO PROVIDE THE NECESSARY DATA FOR AN EFFECTIVE EVALUATION OF THE PROJECT; AND
- 4. SUCH OTHER OBJECTIVE AND MEASURABLE CRITERIA AS SHALL BE DETERMINED BY THE COMMISSIONER.
- S 466. OPERATION AND RE-DESIGNATION. IN ADDITION TO OTHER REQUIREMENTS OF THIS ARTICLE, A CENTER WILL AGREE TO MEET ALL REQUIREMENTS CONCERNING EXECUTION AND IMPLEMENTATION OF AN APPROVED PLAN, TO MAINTAIN BEST PRACTICES, AND TO REPORT DATA AS REQUESTED OR REQUIRED TO THE COMMISSIONER USING APPROPRIATE CONFIDENTIALITY PROTOCOLS IN THE CASE OF BUSINESS OR TRADE SECRETS. SUCH DATA WILL INCLUDE A DEMONSTRATION OF THE SUCCESS IN MEETING PROJECT PLAN GOALS. THE DEPARTMENT SHALL DESIGN SIMPLIFIED FORMS TO AID IN THE SUBMISSION OF DATA, WHICH MAY BE SUBMITTED ELECTRONICALLY. THE COMMISSIONER SHALL EVALUATE THE OPERATIONS OF CENTERS USING METHODS INCLUDING, BUT NOT LIMITED TO, SITE VISITS; REPORTS PURSUANT TO SPECIFIED INFORMATION; AND REVIEW EVALUATIONS. IF UNSATISFIED WITH THE PROGRESS OF A PROJECT, THE COMMISSIONER SHALL NOTIFY SUCH CENTER OF THE RESULTS OF THE EVALUATIONS AND ANY FINDINGS OF DEFICIENCIES IN ITS OPERATIONS AND THE CENTER SHALL REMEDY SUCH FINDINGS IN A TIMELY MANNER. FAILURE TO ABIDE BY THE REQUIREMENTS OF THIS SECTION OR TO CURE A DEFI-
- A CENTER SHALL BE DEEMED RE-DESIGNATED UPON APPLICATION EVERY THREE YEARS UNLESS IT SHALL RECEIVE A NEGATIVE EVALUATION FROM THE COMMISSION-ER AND SHALL FAIL TO REMEDY DEFECTS, OR A DETERMINATION BY THE COMMISSIONER THAT SUCH DEFECTS ARE OF SUCH A NATURE OR ARE OF SUCH EXTENT THAT THEY CANNOT BE REMEDIED.

CIENCY AFTER REVIEW AND AGREEMENT WITH THE COMMISSIONER SHALL RESULT IN

- S 467. ANCHOR. THE COMMISSIONER SHALL CONTRACT WITH AN ANCHOR TO PROVIDE TECHNICAL, TRAINING, CURRICULUM, AND OVERSIGHT SERVICES THAT WILL AID IN THE DEVELOPMENT OF THE NETWORK OF CENTERS. THE ANCHOR MUST BE AN ENTITY WHICH HAS A TRACK RECORD OF WORKING WITH AND PROVIDING SERVICES TO VETERANS; FAMILIES; ENTREPRENEURSHIP; EMPLOYMENT; PARTNERSHIPS WITH BUSINESS AND INDUSTRY; SMALL BUSINESS ADMINISTRATION; DEPARTMENT OF LABOR; DEPARTMENT OF DEFENSE; AND OTHERS FOCUSED ON THE POST-SERVICE LIFE COURSE OF VETERANS WITH AND WITHOUT DISABILITIES. IN ADDITION TO ANY OTHER REQUIREMENTS ESTABLISHED BY THE COMMISSIONER AFTER CONSULTATION WITH THE DIRECTOR OF THE DIVISION OF VETERANS AFFAIRS, IT SHOULD ALSO:
- 1. BE A NEW YORK STATE UNIVERSITY-BASED ENTITY WITH NATIONAL EXPERTISE AND TRAINING PROGRAMS AND A CREDIBLE TRACK RECORD IN PROVIDING ENTRE-PRENEURSHIP AND CAREER TRAINING FOR VETERANS;
 - 2. CURRENTLY HAVE AND PROVIDE ENTREPRENEURSHIP AND EMPLOYMENT PROGRAMS INCLUDING CAREER TRANSITION PROGRAMS FOR VETERANS;
- 3. PROVIDE AND BE ABLE TO PROVIDE CERTIFICATION EXAMS, UP TO AND INCLUDING SIX SIGMA BLACK BELT OR SIMILAR PROGRAMS;

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1 4. HAVE RESIDENT EXPERTISE AND A CREDIBLE REPUTATION THAT ALLOWS IT TO PROVIDE TRAINING, GUIDANCE, OVERSIGHT, ETC. TO THE CENTERS;

- 5. BE ABLE TO CREATE A NETWORK WITH THE CENTERS USING ONGOING CONTACT THROUGH ONSITE VISITS, AS WELL AS ELECTRONIC VISUAL MEETINGS AND CLASSES:
 - 6. PROVIDE OR COLLABORATE ON A COORDINATED SUMMER RESIDENCY;
- 7. BE ABLE TO DEVELOP SPECIFIC TARGETED COURSES, TRAINING, MENTORING 8 TO AID IN DEVELOPING MARKETS AND MARKET OPPORTUNITIES FOR VETERAN-OWNED 9 COMPANIES AND INDIVIDUALS;
- 10 8. UNDERSTAND HOW TO LEVERAGE DISABILITY-RELATED ENTREPRENEURSHIP 11 RESOURCES INCLUDING VR, VA/VR, IDAS FOR ENTREPRENEURSHIP, AND RELATED 12 WORK INCENTIVES FOR SOCIAL SECURITY BENEFITS; AND
- 9. HAVE EXPERIENCE IN ADDRESSING DISABILITY-RELATED IMPACTS ON ENTRE-14 PRENEURSHIP.
- S 468. REPORT. THE COMMISSIONER SHALL ANNUALLY REPORT ON THE OPER-15 ATIONS OF THE CENTERS. SUCH REPORT SHALL INCLUDE INFORMATION ON THE 16 OPERATIONS OF THE CENTERS; THE NUMBERS OF VETERANS AND DISABLED VETERANS 17 SERVED; THE NUMBERS WHO PURSUED ENTREPRENEURSHIP AND THOSE WHO PURSUED 18 19 EMPLOYMENT; THE NUMBERS OF COMPANIES AND JOBS CREATED; THE AMOUNT OF FINANCINGS; AND SUCH OTHER DATA AS THE COMMISSIONER SHALL DEEM RELEVANT 20 AND HELPFUL TO EVALUATING THE PROGRAM. THE FIRST REPORT SHALL BE DUE ON 21 THE THIRTY-FIRST OF JANUARY IN THE SECOND CALENDAR YEAR AFTER THIS ACT SHALL HAVE BECOME LAW. 23
- 24 S 3. This act shall take effect on the first of September next 25 succeeding the date on which it shall have become a law.