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

4116

2015-2016 Regular Sessions

I N A S S E M B L Y

January 29, 2015

Introduced by M. of A. SCARBOROUGH -- read once and referred to the Committee on Small Business

AN ACT to amend the New York state urban development corporation act, in relation to small business revolving loan funds

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

Section 1. Section 16-t of section 1 of chapter 174 of the laws of 1968 constituting the New York state urban development corporation act is amended by adding a new subdivision 3-a to read as follows:

3-A. (A) FUNDS APPROPRIATED TO THE SMALL BUSINESS REVOLVING LOAN FUND ON OR AFTER APRIL 1, 2016 SHALL BE USED FOR THE PURPOSES SET FORTH IN THIS SECTION NOTWITHSTANDING THE LIMITATIONS SET FORTH IN SECTIONS SEVEN THROUGH TEN OF THIS ACT.

(B) SUCH FUNDS MAY BE USED FOR PROGRAM LOANS TARGETED AND MARKETED TO PROVIDE SHORT-TERM FINANCING TO MINORITY- AND WOMEN-OWNED BUSINESS ENTERPRISES AND SMALL BUSINESSES PERFORMING CONTRACTS TO PROVIDE CONSTRUCTION OR PROFESSIONAL SERVICES FOR STATE PROCUREMENT PURPOSES. SUCH LOANS SHALL BE USED TO UNDERWRITE THE COST OF LABOR, MATERIALS, AND EQUIPMENT DIRECTLY ASSOCIATED WITH THE CONTRACT BEING FINANCED. THE PROGRAM FUNDS AMOUNT USED BY THE LENDING ORGANIZATION TO FUND A PROGRAM APPLICANT LOAN SHALL NOT BE MORE THAN EIGHTY PERCENT OF THE PRINCIPAL AMOUNT OF SUCH LOAN. THE PROGRAM FUNDS AMOUNT USED BY THE LENDING ORGANIZATION TO FUND A PROGRAM APPLICANT LOAN SHALL NOT BE GREATER THAN FIVE HUNDRED THOUSAND DOLLARS.

S 2. This act shall take effect immediately.

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

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