

# STATE OF NEW YORK

10028

## IN ASSEMBLY

March 7, 2018

Introduced by M. of A. SCHIMMINGER -- read once and referred to the  
Committee on Economic Development

AN ACT to amend the New York State urban development corporation act, in  
relation to the incubator program

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Paragraph (c) of subdivision 2 of section 16-v of section 1  
2 of chapter 174 of the laws of 1968, constituting the New York State  
3 urban development corporation act, as added by section 1 of part C of  
4 chapter 59 of the laws of 2013, is amended to read as follows:

5 (c) The corporation, subject to appropriations provided for this  
6 purpose, may approve and designate [~~five~~] ten New York state incubator  
7 hot spots [~~in fiscal year two thousand thirteen two thousand fourteen~~  
8 ~~and five additional New York state innovation hot spots in fiscal year~~  
9 ~~two thousand fourteen two thousand fifteen~~]. Such designees will be  
10 required to demonstrate an affiliation with and the application support  
11 of at least one college, university or independent research institution,  
12 and that its programs and purposes are consistent with regional economic  
13 development strategies.

14 § 2. Paragraph (c) of subdivision 5 of section 16-v of section 1 of  
15 chapter 174 of the laws of 1968, constituting the New York State urban  
16 development corporation act, as added by section 1 of part C of chapter  
17 59 of the laws of 2013, is amended to read as follows:

18 (c) No deduction. In addition to the foregoing requirements, an incu-  
19 bator sponsor shall agree to dedicate all funds from any grants or  
20 support received pursuant to this subdivision to the operations of the  
21 incubator without deductions for [~~overhead,~~] indirect costs[~~, or facili-~~  
22 ~~ties and administration charges~~] of such sponsor. In no case shall an  
23 incubator sponsor agree to provide less than eighty-five percent of all  
24 funds received pursuant to this subdivision to the operations of the  
25 incubator without exception.

26 § 3. Subdivision 6 of section 16-v of section 1 of chapter 174 of the  
27 laws of 1968, constituting the New York State urban development corpo-

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

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1 ration act, as added by section 1 of part C of chapter 59 of the laws of  
2 2013, is amended to read as follows:

3 6. Other assistance. The corporation [~~shall~~] may make such other aid,  
4 assistance, and resources available to New York state innovation hot  
5 spots and New York state incubators and their clients as it shall deem  
6 useful and appropriate for the furtherance of the purposes of this act,  
7 including without limitation technical assistance, aid in marketing, aid  
8 in reaching and providing entrepreneurship training opportunities to  
9 such marginalized groups as those composed of individuals who are minor-  
10 ity, female, disabled, or poor, and others, curriculum development, and  
11 other services and resources. The corporation shall also seek assistance  
12 from other state agencies in the development of procurement and market-  
13 ing resources and training opportunities for New York state innovation  
14 hot spots and New York state incubators and their clients.

15 § 4. Subdivision 8 of section 16-v of section 1 of chapter 174 of the  
16 laws of 1968, constituting the New York State urban development corpo-  
17 ration act, as added by section 1 of part C of chapter 59 of the laws of  
18 2013, is amended to read as follows:

19 8. New York state innovation hot spots may certify clients which meet  
20 the requirements of subdivision nine of this section as qualified enti-  
21 ties eligible for New York state innovation hot spot program tax bene-  
22 fits pursuant to section thirty-eight of the tax law. [~~Under no circum-~~  
23 ~~stance may business enterprises of incubators designated as New York~~  
24 ~~state incubators under paragraph (b) of subdivision one of this section~~  
25 ~~be eligible for tax benefits under section thirty eight of the tax law]~~  
26 Business enterprises of incubators designated as New York state incuba-  
27 tors under paragraph (a) of subdivision one of this section may be  
28 certified by a New York state innovation hot spot if the incubator has  
29 entered into a memoranda of understanding with such hot spot establish-  
30 ing a process and threshold for the provision of innovation hot spot  
31 benefits to qualified enterprises or the hot spot is providing demon-  
32 strable services or assistance to the business enterprise in addition to  
33 those provided by the incubator.

34 § 5. This act shall take effect immediately.