

# STATE OF NEW YORK

7207

2017-2018 Regular Sessions

## IN ASSEMBLY

April 12, 2017

Introduced by M. of A. TITUS, ABBATE, MOYA, JEAN-PIERRE, COLTON, JONES, PHEFFER AMATO, COOK, DE LA ROSA, DICKENS, JAFFEE, NOLAN, SIMON, GOTTFRIED -- read once and referred to the Committee on Labor

AN ACT to amend the labor law, in relation to creating a subsidized long term unemployment work and training program

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

1 Section 1. The labor law is amended by adding a new article 18-A to  
2 read as follows:

### ARTICLE 18-A

#### LONG TERM UNEMPLOYMENT WORK AND TRAINING PROGRAM

##### Section 644. Definitions.

645. Subsidized training and employment program.

646. Grants.

647. Grant application.

648. Report.

649. Commissioner's duties.

§ 644. Definitions. 1. "Department" means the department of labor;

2. "Eligible small business" means a business that: (a) employs not more than one hundred full-time employees on at least fifty percent of its working days during the preceding twelve months; (b) is incorporated in and has operations in the state of New York, not within cities with a population of one million or more; (c) has been registered to conduct business for not less than twelve months; and (d) is in good standing with the payment of all federal, state and local taxes;

3. "Control", with respect to a corporation, means ownership, directly or indirectly, of stock possessing fifty percent or more of the total combined voting power of all classes of the stock of such corporation entitled to vote. "Control", with respect to a trust, means ownership, directly or indirectly, of fifty percent or more of the beneficial interest in the principal or income of such trust. The ownership of

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

LBD02779-01-7

1 stock in a corporation, of a capital or profits interest in a partner-  
2 ship, limited liability company or association or of a beneficial inter-  
3 est in a trust shall be determined in accordance with the rules for  
4 constructive ownership of stock provided in Section 267(c) of the inter-  
5 nal revenue code of nineteen hundred eighty-six, or any subsequent  
6 corresponding internal revenue code of the United States, as from time  
7 to time amended, other than paragraph (3) of said Section 267(c);

8 4. "Related person" means (a) a corporation, limited liability compa-  
9 ny, partnership, association or trust controlled by the eligible small  
10 business; (b) an individual, corporation, limited liability company,  
11 partnership, association or trust that is in control of the eligible  
12 small business; (c) a corporation, limited liability company, partner-  
13 ship, association or trust controlled by an individual, corporation,  
14 limited liability company, partnership, association or trust that is in  
15 control of the eligible small business; or (d) a member of the same  
16 controlled group as the eligible small business;

17 5. "Eligible small manufacturer" means an eligible small business  
18 described in sectors thirty-one to thirty-three, inclusive, of the North  
19 American Industry Classification System, that employed not more than one  
20 hundred employees on at least fifty percent of its working days during  
21 the preceding twelve months;

22 6. "New employee" means a person who: (a) has been unemployed imme-  
23 diately prior to employment for a period exceeding twenty-seven weeks,  
24 regardless of whether such person collected unemployment compensation  
25 benefits as a result of such unemployment; (b) is a resident of a metro-  
26 politan statistical area or micropolitan statistical area, as defined by  
27 the federal office of management and budget, that has an unemployment  
28 rate that is equal to or higher than the state unemployment rate, as  
29 determined by the department, as of September first, two thousand seven-  
30 teen; and (c) has a family income equal to or less than two hundred  
31 fifty percent of the federal poverty level, adjusted for family size.  
32 "New employee" does not include a person who was employed in this state  
33 by a related person with respect to the eligible small business during  
34 the prior twelve months or a person employed on a temporary or seasonal  
35 basis by a retailer.

36 § 645. Subsidized training and employment program. 1. There is estab-  
37 lished within the department a subsidized training and employment  
38 program for eligible small businesses and eligible small manufacturers.  
39 Such program shall provide grants to such businesses and manufacturers  
40 to subsidize, for the first three hundred sixty-five calendar days after  
41 a person is hired, a part of the cost of employment, including any costs  
42 related to training.

43 2. The employee hired under such grant shall be full-time, and eligi-  
44 ble for all rights and protections of employees under federal and state  
45 law.

46 3. No such business or manufacturer receiving a grant under this  
47 section with respect to a new employee or newly hired person may receive  
48 a second grant under this section with respect to the same new employee  
49 or newly hired person.

50 4. No such grant shall apply to any supervisory or managerial posi-  
51 tion, either by title or description, or any position in which the  
52 employee hired under such grant receives compensation, including grant  
53 funding, equal to or in excess of the compensation received by existing  
54 employees in similarly-titled positions.

1 5. No employee who has been hired under such a grant shall receive  
2 grant compensation for more than three hundred sixty-five days through  
3 one or more employers.

4 § 646. Grants. 1. Grants to eligible small businesses under the subsidi-  
5 zied training and employment program shall be in the following amounts:  
6 (a) for the first ninety calendar days a new employee is employed, one  
7 hundred percent of an amount representing the hourly wage of such new  
8 employee, exclusive of any benefits, but in no event shall such amount  
9 exceed twenty dollars per hour; (b) for the ninety-first to one hundred  
10 eightieth, inclusive, calendar days, seventy-five percent of such  
11 amount; (c) for the one hundred eighty-first to two hundred seventieth,  
12 inclusive, calendar days, fifty percent of such amount; and (d) for the  
13 two hundred seventy-first to three hundred sixty-fifth, inclusive,  
14 calendar days, twenty-five percent of such amount. Grants shall be  
15 cancelled as of the date the new employee leaves employment with the  
16 eligible small business.

17 2. An eligible small manufacturer may apply to the department for a  
18 grant to be used to train and compensate persons newly hired by such  
19 manufacturer. Any training shall be provided by such manufacturer, and  
20 take place on such manufacturer's premises, but no existing formal  
21 training program shall be required. The commissioner, or said commis-  
22 sioner's designee, shall review and approve such manufacturer's  
23 description of the proposed training as part of the application. Grants  
24 awarded to an eligible small manufacturer pursuant to this subdivision  
25 shall subsidize the costs of training and compensating each person newly  
26 hired by such manufacturer. In no event shall a grant exceed the salary  
27 of the newly hired person. Maximum amounts of each grant are: for the  
28 first, second and third full calendar months a newly hired person is  
29 employed, up to eight thousand four hundred dollars; for the fourth,  
30 fifth and sixth full calendar months, up to six thousand three hundred  
31 dollars; for the seventh, eighth and ninth full calendar months, up to  
32 four thousand two hundred dollars; for the tenth, eleventh and twelfth  
33 full calendar months, up to two thousand one hundred dollars. No grant  
34 shall exceed a total amount of twenty-one thousand dollars per newly  
35 hired person. A grant shall be cancelled as of the date such person  
36 leaves employment with the eligible small manufacturer.

37 § 647. Grant application. Any eligible small business or small  
38 manufacturer may make an application for a grant to the department. Such  
39 application shall provide full information as to the need for the grant,  
40 including a description of the position for which the grant would apply,  
41 including title, anticipated wages, the duties of the employee to whom  
42 the grant applies, and anticipated work product.

43 § 648. Report. Not later than February first, two thousand nineteen,  
44 and annually thereafter, the commissioner shall provide a report to the  
45 senate finance committee and assembly ways and means committee, the  
46 senate labor committee and the assembly labor committee. Such report  
47 shall include available data for the twelve-month period ending on the  
48 last day of the calendar month preceding such report, on (a) the number  
49 of small businesses that participated in the subsidized training and  
50 employment program established pursuant to subdivisions two and three of  
51 section six hundred forty-five of this article, and the general catego-  
52 ries of such businesses; (b) the number of small manufacturers that  
53 participated in the subsidized training and employment program estab-  
54 lished pursuant to subdivisions two and five of section six hundred  
55 forty-five of this article, and the general categories of such manufac-

1 turers; (c) the number of individuals that received employment; and (d)  
2 the most recent estimate of the number of jobs created or maintained.

3 § 649. Commissioner's duties. The commissioner shall develop and adopt  
4 regulations to carry out the provisions of this article.

5 § 2. This act shall take effect immediately.