

STATE OF NEW YORK

1975

2017-2018 Regular Sessions

IN SENATE

January 11, 2017

Introduced by Sen. STEWART-COUSINS -- read twice and ordered printed,
and when printed to be committed 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 Assem-
bly, 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.

6 645. Subsidized training and employment program.

7 646. Grants.

8 647. Grant application.

9 648. Report.

10 649. Commissioner's duties.

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

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

19 3. "Control", with respect to a corporation, means ownership, directly
20 or indirectly, of stock possessing fifty percent or more of the total
21 combined voting power of all classes of the stock of such corporation
22 entitled to vote. "Control", with respect to a trust, means ownership,
23 directly or indirectly, of fifty percent or more of the beneficial
24 interest in the principal or income of such trust. The ownership of
25 stock in a corporation, of a capital or profits interest in a partner-
26 ship, limited liability company or association or of a beneficial inter-
27 est in a trust shall be determined in accordance with the rules for
28 constructive ownership of stock provided in Section 267(c) of the inter-

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

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1 nal revenue code of nineteen hundred eighty-six, or any subsequent
2 corresponding internal revenue code of the United States, as from time
3 to time amended, other than paragraph (3) of said Section 267(c);

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

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

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

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

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

42 3. No such business or manufacturer receiving a grant under this
43 section with respect to a new employee or newly hired person may receive
44 a second grant under this section with respect to the same new employee
45 or newly hired person.

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

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

54 § 646. Grants. 1. Grants to eligible small businesses under the subsi-
55 dized training and employment program shall be in the following amounts:
56 (a) for the first ninety calendar days a new employee is employed, one

1 hundred percent of an amount representing the hourly wage of such new
2 employee, exclusive of any benefits, but in no event shall such amount
3 exceed twenty dollars per hour; (b) for the ninety-first to one hundred
4 eightieth, inclusive, calendar days, seventy-five percent of such
5 amount; (c) for the one hundred eighty-first to two hundred seventieth,
6 inclusive, calendar days, fifty percent of such amount; and (d) for the
7 two hundred seventy-first to three hundred sixty-fifth, inclusive,
8 calendar days, twenty-five percent of such amount. Grants shall be
9 cancelled as of the date the new employee leaves employment with the
10 eligible small business.

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

31 § 647. Grant application. Any eligible small business or small
32 manufacturer may make an application for a grant to the department. Such
33 application shall provide full information as to the need for the grant,
34 including a description of the position for which the grant would apply,
35 including title, anticipated wages, the duties of the employee to whom
36 the grant applies, and anticipated work product.

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

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

54 § 2. This act shall take effect immediately.