STATE OF NEW YORK

7961

IN SENATE

March 13, 2018

Introduced by Sen. RANZENHOFER -- (at request of the Empire State Development) -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions

AN ACT to amend the urban development corporation act, in relation to the New York state business incubator and innovation hot spot support act

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

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

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

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

(c) No deduction. In addition to the foregoing requirements, an incubator sponsor shall agree to dedicate all funds from any grants or support received pursuant to this subdivision to the operations of the incubator without deductions for [~~overhead,~~] indirect costs[~~, or facilities and administration charges~~] of such sponsor. **In no case shall an incubator sponsor agree to provide less than eighty-five percent of all funds received pursuant to this subdivision to the operations of the incubator without exception.**

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

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§ 3. Subdivision 6 of section 16-v of section 1 of chapter 174 of the laws of 1968, constituting the urban development corporation act, as added by section 1 of part C of chapter 59 of the laws of 2013, is amended to read as follows:

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

§ 4. Subdivision 8 of section 16-v of section 1 of chapter 174 of the laws of 1968, constituting the urban development corporation act, as added by section 1 of part C of chapter 59 of the laws of 2013, is amended to read as follows:

8. New York state innovation hot spots may certify clients which meet the requirements of subdivision nine of this section as qualified entities eligible for New York state innovation hot spot program tax benefits pursuant to section thirty-eight of the tax law. [~~Under no circumstance may business enterprises of incubators designated as New York state incubators under paragraph (b) of subdivision one of this section be eligible for tax benefits under section thirty-eight of the tax law.~~] Business enterprises of incubators designated as New York state incubators under paragraph (a) of subdivision one of this section may be certified by the New York state innovation hot spot if the incubator has entered into a memorandum of understanding with such hot spot establishing a process and threshold for the provision of innovation hot spot benefits to qualified enterprises or the hot spot is providing demonstrable services or assistance to the business enterprise in addition to those provided by the incubator.

§ 5. This act shall take effect immediately.