STATE OF NEW YORK

1386

2019-2020 Regular Sessions

IN ASSEMBLY

January 15, 2019

Introduced by M. of A. L. ROSENTHAL, LUPARDO, MAGNARELLI -- read once and referred to the Committee on Economic Development

AN ACT to amend the economic development law, in relation to establishing regional technology development centers

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

Section 1. The economic development law is amended by adding a new section 361 to read as follows:

- § 361. Regional technology development centers. 1. As used in this section, the following terms shall have the following meanings:
- (a) "Regional technology development centers" or "centers" shall mean any regional, not-for-profit corporation or other nonprofit organiza-7 tion, association, or agency which is organized for the purpose of the promotion, attraction, stimulation, development and expansion of science 9 and technology-oriented economic activity in a particular region of the 10 state or in one or more counties or cities, and which does not engage in 11 lobbying activities as a significant part of their overall functions.
- (b) "In-kind services" shall mean the donation of quantifiable goods and services including but not limited to professional services and 13 14 time, equipment, material and office space for use by a regional tech-15 nology development center in furtherance of its stated purposes or provided on behalf of the center to others for such purposes and for 17 which there is no monetary remuneration. Any such in-kind services must have prior approval by the department to satisfy the matching require-18 19 ment pursuant to this section.
- 20 2. (a) The department shall designate regional technology development 21 centers in each of the ten economic development regions throughout the 22 state. Centers shall be designated for a period not greater than ten years through a competitive selection process. 23
 - (b) Competitive selection criteria shall include:

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

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1 (i) the degree and completeness of information contained in the 2 proposal;

- 3 (ii) the nature, relevance and importance of the proposed activities 4 to the region;
- 5 (iii) the anticipated economic benefits to the state and the region to 6 be derived from the proposed activities described in the proposal;
 - (iv) the degree to which the membership of the applicant organization is representative of the region's business, industry, labor, academic and government sectors, including strong representation of the high technology private sector;
 - (v) the commitment of time and energy of the principals of the applicant organization;
 - (vi) the operational readiness of the applicant organization to carry out the activities described in the proposal; and
 - (vii) the applicant organization's prior experience and demonstrated results in performing activities identical or similar to those identified in the proposal.
 - (c) There shall be no limit on the number of times centers may be redesignated and if the department does not issue a timely, new request for proposals before the end of any ten-year period, or is not able to evaluate new proposals and make new selections by the end of the ten-year designation, all contracts for the existing centers shall be in effect until the end of the state fiscal year that follows the last year of the center's designation during which time the department shall complete its evaluation and redesignation process pursuant to this section.
 - 3. The department is hereby authorized to award grants on a competitive basis, from such funds as may be appropriated for this purpose by the legislature, to match funds expended by regional technology development centers for the purposes set forth in this section and in accordance with rules and regulations promulgated by the department.
 - 4. Matching funds shall be provided only for purposes which are related to the realization of the technological development potential of a particular region of the state as determined by the department. Among the activities for which matching funds may be provided are the following:
 - (a) Sponsoring and conducting regional conferences and studies, collecting and disseminating information and issuing periodic reports relating to scientific and technological research, development and education in the region;
 - (b) Preparing and periodically issuing a register of scientific and technological research facilities in the region;
 - (c) Assisting small and emerging science and technology-oriented businesses within the region including providing assistance in applying for federal or state research grants or procurement contracts and disseminating information on the availability of such grants and contracts;
- 47 (d) Collecting and disseminating information on financial, technical,
 48 marketing, management and other services available to small and emerging
 49 science and technology-oriented businesses within the region and arrang50 ing access to such services on a free or for-hire basis from universi51 ties, private for-profit businesses and nonprofit organizations;
- (e) Providing technical assistance including management, marketing and financial packaging assistance to, and collecting and disseminating information regarding innovations for the benefit of, inventors interested in having their ideas developed and commercialized and entrepreneurs interested in the commercialization of new products and processes;

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(f) Supporting university-industry collaboration in applied research and technology based economic development, the promotion of incubator facilities and the generation or brokering of investment capital to support regional new enterprise development;

- (g) Assisting in the development of a globally competitive technology development strategy for the region;
- (h) Contributing information to any statewide database, which identifies resources available from colleges, universities and technical service providers and which provides information, including venture capital sources and labor market statistics, of interest to and for use by entrepreneurs and technology-oriented businesses;
- (i) Projecting the need for the technical and professional workforce within the region and assisting others in planning for projected dislocations and retraining;
- (j) Assisting the department in identifying and contacting eligible applicants, as defined in paragraph (a) of subdivision one of section two hundred twenty-four of this chapter, and sponsoring, in conjunction with the conferences, seminars, counseling sessions and other outreach efforts aimed at improving the competitive position of applicants in international markets by promoting exporting;
- (k) Conducting such other appropriate activities as may be established by the department for the purpose of realizing the technological development potential of the region served by the applicant; and
- (1) Performing activities and delivering services pursuant to subparagraph (v) of paragraph (a) of subdivision five of this section.
- 5. (a) Regional technology development centers shall administer the New York manufacturing extension partnership program, also referred to as the industrial technology extension service program, which shall provide technical and management assistance to manufacturing companies within the state for the following purposes:
- 31 <u>(i) to improve the global competitiveness and increase the market</u>
 32 <u>share of viable New York state industries and firms through increased</u>
 33 <u>knowledge of new technologies and other innovations;</u>
 - (ii) to assist industrial firms through consulting and training activities with the introduction of improved management and production processes in order to enhance their productivity and competitiveness;
 - (iii) to provide industrial effectiveness field services pursuant to article seven of this chapter;
 - (iv) to assist in the retention and expansion of industrial firms and employment in New York state;
 - (v) to administer activities and services with all federal manufacturing extension partnership program funds received by the state pursuant to Public Law 110-69 which shall qualify as matching funds pursuant to subdivision three of this section; and
 - (vi) to communicate industrial needs to universities and others, brokering joint university-industry investigations to aid industry, and assisting in the provision of productivity and growth improvements to mature industries.
- (b) Notwithstanding any other law, grants made by the department pursuant to this section shall be matched on a fifty percent basis by the regional technology development center and up to fifty percent of such match may be of in-kind services as approved by the department.
- 53 (c) The department may establish such requirements as it deems appro-54 priate for the format and content of applications for matching grants 55 pursuant to this subdivision and shall set reasonable deadlines for the 56 submission of applications for such support.

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(d) The department may select from competing applications those which it judges to be of greatest benefit to the welfare of the people of the state and may approve or reject any or all of the competing applications. The department shall notify all applicants of the approval or rejection of their applications in a timely fashion.

- (e) The department shall require periodic reports and other such documents and information as it deems necessary to monitor and review the performance of each regional technology development center awarded a grant.
- 6. The department shall submit a report pursuant to subdivision thir-10 11 ty-seven-b of section one hundred of this chapter to the governor, the temporary president of the senate and the speaker of the assembly, 12 detailing the activities that each regional technology development 13 14 center has undertaken during the reporting year. Such reports shall include but not be limited to, the composition of the center, the amount 15 16 of the grant awarded and the match provided, the duties and obligations 17 required by the department, a description of the center's activities and accomplishments, the number of jobs created or retained, the number and 18 19 types of companies assisted, the increase in the number of new-to-market 20 and new-to-export businesses by employment size, the increase in the 21 value of export sales by business employment size, and any other perti-22 nent information as determined by the department.
- 7. To the fullest extent permitted under subdivision two of section 23 24 eighty-seven of the public officers law, all information regarding the 25 financial condition, marketing plans, manufacturing processes, 26 production costs, productivity rates, customer lists, or other trade 27 secrets and proprietary information of a person or entity requesting assistance from the department pursuant to this section which is submit-28 ted by such person or entity to the department in connection with an 29 30 application for assistance or with a productivity assessment or feasi-31 bility study, shall be confidential and exempt from public disclosure.
 - § 2. This act shall take effect immediately.