STATE OF NEW YORK

10473

IN ASSEMBLY

May 22, 2020

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Ra, Ashby, Barclay, Blankenbush, Brabenec, Byrnes, Crouch, DeStefano, DiPietro, Finch, Friend, Garbarino, Giglio, Hawley, Johns, Kolb, Lawrence, Manktelow, B. Miller, M. L. Miller, Montesano, Morinello, Norris, Palmesano, Smith, Smullen, Tague, Walsh, Stec) -- read once and referred to the Committee on Economic Development

AN ACT to amend the economic development law, in relation to establishing the New York first--shop local program

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

Section 1. Section 100 of the economic development law is amended by adding a new subdivision 18-j to read as follows:

18-j. to establish, in cooperation with the urban development corporation, a program to promote local businesses and industries in the state in a manner consistent with the provisions of article five-G of this chapter.

§ 2. The economic development law is amended by adding a new article 5-G to read as follows:

ARTICLE 5-G

NEW YORK FIRST--SHOP LOCAL PROGRAM

Section 181-h. Legislative findings and intent.
181-i. Definitions.
181-j. New York first--shop local program.
181-k. Application process.
181-l. New York first--shop local program grants.
181-m. Reporting requirements.
181-n. Assistance of other state agencies.
181-o. Functions, powers and duties of other departments and state agencies.

§ 181-h. Legislative findings and intent. The legislature seeks to provide immediate assistance to small businesses impacted by the COVID-19 outbreak. The state relies on small businesses to stabilize local tax bases, support community and charitable organizations and grow our economy. The legislature needs to support these "mom and pop" businesses to

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

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help them get back up and running. To support this initiative, we are directing the department to provide marketing and business assistance grants to allow not-for-profit organizations, associations, municipalities, public benefits corporations and for-profit companies to highlight all the great products and services our local communities have to offer. Supporting local initiatives keeps more money in the community, sustains local jobs, strengthens the economy, improves quality of life and enhances customer service. By shopping at a locally-owned business rather than international retailers, consumers can have a direct impact in their community's recovery. The New York first--shop local program will support marketing campaigns and social media strategies as well as provide valuable business assistance, including search engine optimization. This program will help to bridge the digital divide and encourage new and existing customers to buy local.

§ 181-i. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Eligible applicants" include not-for-profit organizations, associations, municipalities, public benefits corporations and for-profit companies. Eligible projects shall focus on local communities in New York state.

2. "Eligible projects" include, but are not limited to, print, broadcast or electronic media campaigns, conferences, publications, documentary productions, instructional materials, and public exhibitions. In addition, eligible projects may include consulting services on markets, customers, and competitors, business databases, geographic information systems, internet and social media strategies, business to business referrals, and search engine optimization.

§ 181-j. New York first--shop local program. 1. There is hereby created within the department the New York first--shop local program. Such program shall identify eligible applicants and projects that promote local products and services by providing marketing and business assistance services.

2. The commissioner shall conduct a public outreach campaign to inform the public of the creation of the program and encourage eligible entities to apply. All program information shall be made publicly available and shall be posted on the department website.

§ 181-k. Application process. 1. The commissioner shall, within thirty days of the effective date of this section, issue a request for proposals for the New York first--shop local program that shall include, but not be limited to, the objectives of the program and the scoring criteria that shall be used and applied for selection.

2. Applications shall include the schedule, budget, scope, and uses of marketing funds as well as any additional business assistance services. Applications shall identify the specific targets and audiences for such marketing programs, the geographic reach of the program and shall identify appropriate and practical ways to measure the economic impact of the program.

§ 181-l. New York first--shop local program grants. 1. The department shall, within available appropriations, award grants to eligible entities and organizations as set forth in this article on a competitive basis and in response to requests for proposals issued by the department. Grants shall not exceed ten thousand dollars per project.

2. Upon submission and approval of each application and the authorization of funds by the commissioner in accordance therewith, the commissioner shall give notice to the eligible applicant of such approval and authorization and remit such grant funding immediately. At such point,

an approved applicant may proceed with its proposed business marketing and business assistance program as described in its application.

§ 181-m. Reporting requirements. 1. Each funding recipient shall provide an annual financial statement prepared according to generally accepted accounting principles to the commissioner.

2. The department shall annually, on or before February first, submit to the governor, the temporary president of the senate, the speaker of the assembly, the minority leader of the senate and the minority leader of the assembly, a report on the activities of the New York first--shop local program. Such report shall include a summary of the financial statements received by the department from funded entities, a summary of activities conducted and analyses of the effectiveness of the program in stimulating economic growth, business retention and job creation.

§ 181-n. Assistance of other state agencies. To effectuate the purposes of this article, the commissioner may request and shall be entitled to receive from any state agency, and the same are authorized to provide such assistance, service, facilities and data as will enable the program to carry out the functions, powers and duties provided by this article and such temporary or permanently assigned personnel as the director of the budget may approve.

§ 181-o. Functions, powers and duties of other departments and state agencies. Nothing contained in this article shall be deemed to detract in any way from the functions, powers or duties prescribed by law of any department of the state or to interrupt or preclude the direct relationship of any such department or agency with other agencies, individuals or corporations for the carrying out of its functions, powers and duties.

§ 3. Notwithstanding any other law, rule or regulation to the contrary, the executive is hereby authorized to repurpose all monies of the department of economic development and New York state urban development corporation to fully fund programs created by this act.

§ 4. This act shall take effect immediately.