STATE OF NEW YORK

8741--A

Cal. No. 1326

IN SENATE

April 6, 2022

Introduced by Sens. HINCHEY, MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the economic development law, the state finance law and the agriculture and markets law, in relation to enacting the New York textile act

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

Section 1. Short title. This act shall be known and may be cited as the "New York textile act".

§ 2. Legislative findings. The legislature hereby finds and declares that animal and plant fiber growing, fiber processing, and textile manufacturing in New York has positive economic and environmental impacts. Textiles sustainably produced from animal and plant fibers are a growing sector of the global textile industry. New York's "Grown and Certified" 8 designation identifies local, safely-handled, and environmentally responsible agricultural products, including animal and plant fiber. 10 Animal and plant fiber farming complies with and supports New York's 11 climate goals as, by its nature, fiber farming sequesters carbon. Additionally, fiber farming represents a positive economic opportunity for 13 New York farmers, because it constitutes value-added agriculture and is not tied to commodity pricing. New York is recognized as the fashion 14 capital of the world, with over 900 fashion companies headquartered in 15 16 the state. Historically, New York was also a leading textile producing 17 state. Today, programs like the Hudson Valley Textile Project seek to 18 rebuild New York's role as a leading grower and producer of animal and plant fiber and fiber textiles. Textile manufacturing is a strong jobs 19 20 producer. The federal government estimates that for every textile manu-21 facturing industry job in this country, three additional jobs are supported. As fiber mill production capacity has grown in eastern 23 upstate New York, the number of acres devoted to animal and plant fiber

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

LBD14968-04-2

farming has grown along with the growth of commercial weavers and knitters. As these small businesses find new markets and devoted customers
for their products, several New York colleges and universities have
begun to offer animal and plant fiber textile programs that produce a
skilled workforce. The legislature finds that the textile industry in
New York is small but growing, and it produces a quality product.
Therefore, the legislature seeks to accelerate the growth of the animal
and plant fiber growing, processing, and textile manufacturing industry
in New York by supporting it through economic development programs.

- § 3. Section 2 of the economic development law is amended by adding two new subdivisions 6 and 7 to read as follows:
- 6. "Animal fiber" means natural fibers that have formed the covering, or fleece, of sheep or other hairy animals such as goats or alpacas, shorn for the purpose of creating textile products.
- 7. "Plant fiber" means natural fibers that are obtained from plants and used to create textile products including, but not limited to, hemp.
- § 4. Subdivisions 18-c, 18-i and 21 of section 100 of the economic development law, subdivision 18-c as amended by chapter 92 of the laws of 2017, subdivision 18-i as added by chapter 381 of the laws of 2014, subdivision 21 as amended by chapter 420 of the laws of 1968, and as renumbered by chapter 437 of the laws of 1983, are amended to read as follows:
- 18-c. to establish, in cooperation with the commissioner of agriculture and markets, procedures for proposing nominations, including procedures to coordinate with such commissioner to determine which department shall make nominations for awards in categories that may be similar to those listed in subdivision nine of section three hundred nine of the agriculture and markets law to the governor for [three] four annual, non-monetary awards to be known as: (a) New York State Direct Farm Marketing Award; (b) New York State Agri-Tourism Award; [and] (c) New York State Specialty Food Product Award; and (d) New York Animal or Plant Fiber and Textile Award. These awards shall be given in recognition of unusual efforts by farmers, food processors [and], food retailers, fiber processors, and textile manufacturers and retailers for the marketing of New York state grown agricultural commodities [ex], foods processed from or primarily containing New York state agricultural commodities, or textiles manufactured in New York state from animal or plant fiber grown or produced predominantly in New York state and for promoting New York state farms that are also tourist destinations.
- 18-i. To aid the department of agriculture and markets and office of general services in providing a training program once per year, in each economic development region, established in article eleven of this chapter, to encourage and increase participation in the procurement process, pursuant to article eleven of the state finance law, by small businesses, as defined in section one hundred thirty-one of this chapter, including farms, selling food or food products grown, produced, harvested, or processed in New York state, or selling animal or plant fiber products grown, harvested and processed in New York state and textile products manufactured in New York state from animal or plant fiber grown or produced predominantly in New York state, and assist such businesses in identifying such food [ex], food products, or animal or plant fiber products and textile products which may help to meet state agencies' needs.
- 21. to inquire into and report to the governor when requested by [him]
 55 the governor, with respect to any program of public state improvements
 56 and the financing thereof; and to request and obtain information from

1 the state department of transportation and other state departments or 2 agencies such information and data as may be needed properly to report 3 thereon;

- § 5. Section 100 of the economic development law is amended by adding six new subdivisions 16-b, 18-k, 29-a, 30-a, 31-a and 32-a to read as follows:
- 16-b. to promote the expansion of animal and plant fiber production, fiber processing, and textile manufacturing from animal or plant fiber grown or produced predominantly in New York state in cooperation with the commissioner of agriculture and markets and the urban development corporation. The commissioner in promoting such businesses may also help to promote tourist programs specified in subdivision sixteen of this section and encourage the retention of agricultural lands and preserva-tion of open spaces.
 - 18-k. to promote, in cooperation with associations representing New York growers, fiber processors, and textile manufacturers, state policies that will encourage the production and sale of textile products manufactured in New York state from animal or plant fiber grown or produced predominantly in New York state.
 - 29-a. to advise the governor, the legislature and other state agencies with regard to research and development and the establishment of state policies relating thereto, in connection with the animal and plant fiber and fiber textile manufacturing industries and applied research.
 - 30-a. to cooperate with all private persons and governmental entities concerned with the animal and plant fiber and fiber textile manufacturing industries and applied research.
 - 31-a. to sponsor, foster and support research and to sponsor or conduct studies relating to the animal and plant fiber and fiber textile manufacturing industries and applied research.
 - 32-a. to review and evaluate the status and to encourage and promote the development of the animal and plant fiber and fiber textile manufacturing industries and applied research designed to further new and more extensive use of the resources and manpower of the state.
 - § 6. Subdivisions 2 and 3 of section 178 of the economic development law, as added by chapter 550 of the laws of 1999, are amended to read as follows:
 - 2. that significant untapped agricultural resources present economic development opportunities that could promote growth thereby enhancing the well being of employers and employees in food processing, animal and plant fiber processing and other related agricultural businesses, as well as promoting the economic well being of farm families throughout the state through job creation and job retention; and
 - 3. that the state's agricultural interests will be enhanced in the event opportunities to expand the market for agricultural crops and processed foods, and animal and plant fiber textile products can be developed in the state, nation and internationally.
 - § 7. Subdivisions 1, 8-a and 22 of section 352 of the economic development law, subdivisions 1 and 22 as amended by section 1 of part K of chapter 59 of the laws of 2017, and subdivision 8-a as added by section 1 of part L of chapter 59 of the laws of 2020, are amended to read as follows:
- 1. "Agriculture" means both agricultural production (establishments performing the complete farm or ranch operation, such as farm owner-operators, tenant farm operators, and sharecroppers) and agricultural support (establishments that perform one or more activities associated with farm operation, such as soil preparation, planting, harvesting,

22

23

24 25

26

27

28

29

30

33

34

35 36

37

38

39

40

41

42

43

44

45

46

47

48

49 50

51

53

shearing, animal and plant fiber processing, and management, on a contract or fee basis).

- 8-a. "Green project" means a project deemed by the commissioner to 3 4 make products or develop technologies that are primarily aimed at reduc-5 ing greenhouse gas emissions or supporting the use of clean energy in accordance with goals described in chapter one hundred six of the laws 7 of two thousand nineteen. "Green project" shall include, but not be limited to, the manufacture or development of products or technologies 9 or supply chain components primarily for renewable energy systems as 10 defined in section sixty-six-p of the public service law, vehicles that 11 use non-hydrocarbon fuels and produce zero or near zero emissions, heat 12 pumps, energy efficiency, clean energy storage and other products that 13 significantly reduce greenhouse gas emissions by minimizing the utilization of depletable resources or by improving industrial or agricultural 14 15 efficiency. "Green project" shall not include a project primarily 16 composed of (i) necessarily local activities such as retail, building 17 construction, or the installation, deployment or adoption of a clean energy product or technology at an end user's site, or (ii) the 18 production of products or development of technologies that would produce 19 20 only marginal and incremental energy savings or environmental benefits 21 ancillary to the core function of the product or technology.
 - 22. "Scientific research and development" means conducting research and experimental development in the physical, engineering, and life sciences, including but not limited to agriculture, animal fiber, electronics, environmental, biology, botany, biotechnology, computers, chemistry, food, fisheries, forests, geology, health, mathematics, medicine, oceanography, pharmacy, physics, plant fiber, veterinary, and other allied subjects. For the purposes of this article, scientific research and development does not include medical or veterinary laboratory testing facilities.
- 31 § 8. Section 352 of the economic development law is amended by adding 32 a new subdivision 1-a to read as follows:
 - 1-a. "Animal and plant fiber textile manufacturing" means the processes of harvesting, cleaning, spinning, knitting, weaving, dyeing and finishing textiles containing animal and plant fiber grown or produced predominantly in New York state.
 - § 9. Paragraph (b) of subdivision 1 of section 353 of the economic development law, as amended by section 2 of part L of chapter 59 of the laws of 2020, is amended to read as follows:
 - (b) in manufacturing, including in animal and plant fiber textile manufacturing;
 - § 10. Subparagraph (vii) of paragraph b of subdivision 3 of section 163 of the state finance law, as amended by chapter 381 of the laws of 2014, is amended and a new subparagraph (xiii) is added to read as follows:
- (vii) assist the department of agriculture and markets and the department of economic development in providing a training program once per year, in each economic development region, established in article eleven of the economic development law, to encourage and increase participation the procurement process, pursuant to this article, by small businesses, as defined in section one hundred thirty-one of the economic 52 development law, including farms, selling food or food products, animal or plant fiber products grown, produced, harvested, or processed in New York state or textile products manufactured from animal or plant fiber grown or produced predominantly in New York state and assist such busi-55 56 nesses in identifying such food [ex], food products, or animal or plant

2

3 4

5

7

8

9

10

11

12

13 14

15

16

17

18 19

20 21

22

23

24 25

27

28

29

30

31

32

33

34

35 36

37

39

40

41

42

43

44

45

46

47

48

49

50

51 52

53

fiber products and textile products which may help to meet state agencies' needs.

(xiii) maintain a list of New York-based firms which produce or manufacture or offer for sale animal or plant fiber textile products containing animal or plant fiber grown or produced predominantly in New York state in the form, function and utility generally purchased for use by state agencies.

- § 11. Subdivisions 6 and 6-c of section 163 of the state finance law, subdivision 6 as amended by chapter 257 of the laws of 2021, and subdivision 6-c as added by section 2 of part P of chapter 55 of the laws of 2013, are amended to read as follows:
- 6. Discretionary buying thresholds. Pursuant to quidelines established by the state procurement council: the commissioner may purchase services and commodities for the office of general services or its customer agencies serviced by the office of general services business services center in an amount not exceeding eighty-five thousand dollars without a formal competitive process; state agencies may purchase services and commodities in an amount not exceeding fifty thousand dollars without a formal competitive process; and state agencies may purchase commodities or services from small business concerns or those certified pursuant to articles fifteen-A and seventeen-B of the executive law, or commodities technology that are recycled or remanufacturing in an amount not exceeding five hundred thousand dollars without a formal competitive process and for commodities that are food, including milk and milk products, or animal or plant fiber products, grown, produced [ex], harvested, or processed in New York state or textile products manufac-26 tured from animal or plant fiber grown or produced predominantly in New York state in an amount not to exceed two hundred thousand dollars, without a formal competitive process.
 - 6-c. Pursuant to the authority provided in subdivision six of this section, for the purchase of commodities that are food, including milk and milk products, or animal or plant fiber products, grown, produced [ex], harvested, or processed in New York state or textile products manufactured from animal or plant fiber grown or produced predominantly in New York state, where such commodities exceed fifty thousand dollars in value, state agencies must advertise the discretionary purchase on the state agency website for a reasonable period of time and make the discretionary purchase based on the lowest price that meets the state agency's form, function and utility.
 - § 12. Subdivision 2-d of section 16 of the agriculture and markets law, as added by chapter 381 of the laws of 2014, is amended to read as follows:
- 2-d. Coordinate with the office of general services and the department economic development to provide a training program once per year, in each economic development region, established in article eleven of the economic development law, to encourage and increase participation in the procurement process, pursuant to article eleven of the state finance law, by small businesses, as defined in section one hundred thirty-one the economic development law, including farms, selling food or food products, or animal or plant fiber products grown, produced, harvested, or processed in New York state or textile products manufactured from animal or plant fiber grown or produced predominantly in New York state and assist such businesses in identifying such food or food products, or animal or plant fiber textile products, which may help to meet state 55 agencies' needs. The departments and office may also invite to the 56 regional training programs representatives of local governments, includ-

ing school districts, that may be interested in purchasing New York state food products or animal or plant fiber textile products.

- § 13. Paragraphs a and b of subdivision 9 of section 309 of the agriculture and markets law, as added by chapter 92 of the laws of 2017, are amended to read as follows:
- a. The advisory council on agriculture shall advise the commissioner in establishing procedures for making annual awards recognizing New York farms, agricultural [and], food, and animal or plant fiber textile businesses, and institutions that are successful in producing, processing, marketing, and/or promoting New York farm [and], food, and animal or plant fiber textile products. The commissioner shall coordinate with the commissioner of economic development to determine which department shall make awards in categories that may be similar to those listed in subdivision eighteen-c of section one hundred of the economic development law. These awards shall be given in recognition of exceptional performance and support for New York agriculture by persons, firms and organizations that are principally located within the state of New York and engaged in the operation of New York state farms, businesses and institutions.
- b. The council may annually nominate and forward such nominations for awards to the commissioner for [his or her] the commissioner's consideration in the following categories:
- (i) innovative and unique farm products developed for food, beverages, animal or plant fiber textiles, or horticulture;
 - (ii) agri-tourism;

- (iii) foods or beverages processed or manufactured from New York farm products;
 - (iv) retail food stores;
 - (v) restaurants and other food service businesses; [and]
- (vi) education, health care and residential institutions including, but not limited to, food service in schools, colleges, hospitals, nursing homes, day care and senior centers; and
- (vii) animal or plant fiber textiles processed or manufactured from animal and plant fibers grown or produced predominantly in New York state.
- § 14. The agriculture and markets law is amended by adding a new article 18-A to read as follows:

ARTICLE 18-A

NATURAL FIBER TEXTILE DEVELOPMENT

Section 226. Natural fiber textile development council.

§ 226. Natural fiber textile development council. 1. There is hereby established within the department a natural fiber textile development Such council shall consist of the commissioner, the commissioner of economic development, or their designees, and ten other persons to be appointed by the governor, including two members on the recommendation of the temporary president of the senate; two members on the recommendation of the speaker of the assembly; one member on the recommendation of the minority leader of the senate; and one member on the recommendation of the minority leader of the assembly. Of the members so appointed, at least one member shall be a producer of animal-based fibers, one shall be a producer of plant-based fibers, one shall be a representative of a statewide agricultural organization, one shall be a representative of a regional or statewide organization of animal or plant fiber producers, two shall be representatives of fiber and textile manufacturers which is defined as a fiber processor or spinning mill, a knitting mill, a weaving studio, or wet finishing (dyeing,

14 15

16

17

18

19

20 21

22

23

24 25

26 27

28

29

30 31

printing or fabric finishing), two shall be from designers/producers which is defined as including apparel, home textile products, industrial textiles and healthcare products, one shall be a representative of an 4 academic institution offering textile or design education, and one shall 5 be a representative of an academic institution offering fiber-producing livestock education. Members shall be appointed for a term of three 7 years and may serve until their successors are chosen, provided, howev-8 er, that of the members first appointed, three shall serve for a term of 9 one year, three shall serve for a term of two years, and four shall 10 serve for a term of three years. The governor shall select a member of 11 the council to serve as chairperson. Council members shall not receive 12 compensation for their services, but may be paid their actual and necessary expenses incurred in serving upon the council. 13

2. The council shall work with natural fiber producers and textile manufacturers to increase the economic contributions and employment opportunities related to animal and plant fiber agriculture and textile manufacturing in New York state. The council shall give priority to increasing private investment in, and utilization of, New York state produced and processed natural fibers in all categories of textile manufacturing including apparel, home textile products, industrial textiles, and health care products. The council shall also prioritize coordinating policy with state agencies, academia and the private sector; working to improve public understanding of and appreciation for natural fiber textiles; and increasing export and market opportunities for New York produced natural fiber textiles. The council shall deliver an annual report outlining its work and making recommendations with regard to economic development and marketing initiatives and research and development initiatives consistent with the purposes of the council. The report shall be delivered to the governor, the speaker of the assembly, the temporary president of the senate, the minority leader of the assembly and the minority leader of the senate.

32 3. The department shall provide necessary support services to the council, including, within funds available, the appointment of an executive director to coordinate the work of the council.

§ 15. This act shall take effect on the first of January next succeeding the date on which it shall have become a law; provided however that the amendments to section 163 of the state finance law made by sections ten and eleven of this act shall not affect the repeal of such section and shall be deemed to repeal therewith.