

# STATE OF NEW YORK

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8741

## IN SENATE

April 6, 2022

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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

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:

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

3 § 2. Legislative findings. The legislature hereby finds and declares  
4 that animal and plant fiber growing, fiber processing, and textile manu-  
5 facturing in New York has positive economic and environmental impacts.  
6 Textiles sustainably produced from animal and plant fibers are a growing  
7 sector of the global textile industry. New York's "Grown and Certified"  
8 designation identifies local, safely-handled, and environmentally  
9 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. Addi-  
12 tionally, fiber farming represents a positive economic opportunity for  
13 New York farmers, because it constitutes value-added agriculture and is  
14 not tied to commodity pricing. New York is recognized as the fashion  
15 capital of the world, with over 900 fashion companies headquartered in  
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  
19 plant fiber and fiber textiles. Textile manufacturing is a strong jobs  
20 producer. The federal government estimates that for every textile manu-  
21 facturing industry job in this country, three additional jobs are  
22 supported. As fiber mill production capacity has grown in eastern  
23 upstate New York, the number of acres devoted to animal and plant fiber  
24 farming has grown along with the growth of commercial weavers and knit-  
25 ters. As these small businesses find new markets and devoted customers  
26 for their products, several New York colleges and universities have

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

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1 begun to offer animal and plant fiber textile programs that produce a  
2 skilled workforce. The legislature finds that the textile industry in  
3 New York is small but growing, and it produces a quality product.  
4 Therefore, the legislature seeks to accelerate the growth of the animal  
5 and plant fiber growing, processing, and textile manufacturing industry  
6 in New York by supporting it through economic development programs.

7 § 3. Section 2 of the economic development law is amended by adding  
8 two new subdivisions 6 and 7 to read as follows:

9 6. "Animal fiber" means natural fibers that have formed the covering,  
10 or fleece, of sheep or other hairy animals such as goats or alpacas,  
11 shorn for the purpose of creating textile products.

12 7. "Plant fiber" means natural fibers that are obtained from plants  
13 and used to create textile products including, but not limited to, hemp.

14 § 4. Subdivisions 18-c, 18-i and 21 of section 100 of the economic  
15 development law, subdivision 18-c as amended by chapter 92 of the laws  
16 of 2017, subdivision 18-i as added by chapter 381 of the laws of 2014,  
17 subdivision 21 as amended by chapter 420 of the laws of 1968, and as  
18 renumbered by chapter 437 of the laws of 1983, are amended to read as  
19 follows:

20 18-c. to establish, in cooperation with the commissioner of agricul-  
21 ture and markets, procedures for proposing nominations, including proce-  
22 dures to coordinate with such commissioner to determine which department  
23 shall make nominations for awards in categories that may be similar to  
24 those listed in subdivision nine of section three hundred nine of the  
25 agriculture and markets law to the governor for [~~three~~] four annual,  
26 non-monetary awards to be known as: (a) New York State Direct Farm  
27 Marketing Award; (b) New York State Agri-Tourism Award; [~~and~~] (c) New  
28 York State Specialty Food Product Award; and (d) New York Animal or  
29 Plant Fiber and Textile Award. These awards shall be given in recogni-  
30 tion of unusual efforts by farmers, food processors [~~and~~], food retail-  
31 ers, fiber processors, and textile manufacturers and retailers for the  
32 marketing of New York state grown agricultural commodities [~~or~~], foods  
33 processed from or primarily containing New York state agricultural  
34 commodities, or textiles manufactured in New York state from animal or  
35 plant fiber grown or produced predominantly in New York state and for  
36 promoting New York state farms that are also tourist destinations.

37 18-i. To aid the department of agriculture and markets and office of  
38 general services in providing a training program once per year, in each  
39 economic development region, established in article eleven of this chap-  
40 ter, to encourage and increase participation in the procurement process,  
41 pursuant to article eleven of the state finance law, by small busi-  
42 nesses, as defined in section one hundred thirty-one of this chapter,  
43 including farms, selling food or food products grown, produced,  
44 harvested, or processed in New York state, or selling animal or plant  
45 fiber products grown, harvested and processed in New York state and  
46 textile products manufactured in New York state from animal or plant  
47 fiber grown or produced predominantly in New York state, and assist such  
48 businesses in identifying such food [~~or~~], food products, or animal or  
49 plant fiber products and textile products which may help to meet state  
50 agencies' needs.

51 21. to inquire into and report to the governor when requested by [~~him~~]  
52 the governor, with respect to any program of public state improvements  
53 and the financing thereof; and to request and obtain information from  
54 the state department of transportation and other state departments or  
55 agencies such information and data as may be needed properly to report  
56 thereon;

§ 5. Section 100 of the economic development law is amended by adding six new subdivisions 16-b, 18-j, 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 preservation of open spaces.

18-j. 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, 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 make products or develop technologies that are primarily aimed at reducing greenhouse gas emissions or supporting the use of clean energy in accordance with goals described in chapter one hundred six of the laws of two thousand nineteen. "Green project" shall include, but not be limited to, the manufacture or development of products or technologies or supply chain components primarily for renewable energy systems as defined in section sixty-six-p of the public service law, vehicles that use non-hydrocarbon fuels and produce zero or near zero emissions, heat pumps, energy efficiency, clean energy storage and other products that significantly reduce greenhouse gas emissions by minimizing the utilization of depletable resources or by improving industrial or agricultural efficiency. "Green project" shall not include a project primarily composed of (i) necessarily local activities such as retail, building construction, or the installation, deployment or adoption of a clean energy product or technology at an end user's site, or (ii) the production of products or development of technologies that would produce only marginal and incremental energy savings or environmental benefits 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.

§ 8. Section 352 of the economic development law is amended by adding two new subdivisions 1-a and 7-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.

7-a. "Fiber warehouse" means a facility involving grading and/or movement of animal fiber to processing locations.

§ 9. Subdivisions 1, 3 and 4 of section 353 of the economic development law, subdivision 1 as amended by section 2 of part L of chapter 59 of the laws of 2020, paragraphs (k) and (l) as amended and paragraph (m) of subdivision 1 as added by section 2 of part D of chapter 59 of the laws of 2021, subdivision 3 as separately amended by section 2 of part K and section 2 of part ZZ of chapter 59 of the laws of 2017, and subdivision 4 as separately amended by section 3 of part K and section 2 of part ZZ of chapter 59 of the laws of 2017, are amended to read as follows:

1. To be a participant in the excelsior jobs program, a business entity shall operate in New York state predominantly:

(a) as a financial services data center or a financial services back office operation;

(b) in manufacturing, including in animal and plant fiber textile manufacturing;

(c) in software development and new media;

(d) in scientific research and development;

(e) in agriculture;

(f) in the creation or expansion of back office operations in the state;

(g) in a distribution center;

(h) in a fiber warehouse;

(i) in an industry with significant potential for private-sector economic growth and development in this state as established by the commissioner in regulations promulgated pursuant to this article. In promulgating such regulations the commissioner shall include job and investment criteria;

~~(i)~~ (j) as an entertainment company;

~~(j)~~ (k) in music production;

~~(k)~~ (l) as a life sciences company;

~~(l)~~ (m) as a company operating in one of the industries listed in paragraphs (b) through (e) of this subdivision and engaging in a green project as defined in section three hundred fifty-two of this article; or

~~(m)~~ (n) as a participant operating in one of the industries listed in paragraphs (a) through ~~(k)~~ (l) of this subdivision and operating or sponsoring child care services to its employees as defined in section three hundred fifty-two of this article.

3. For the purposes of this article, in order to participate in the excelsior jobs program, a business entity operating predominantly in manufacturing must create at least five net new jobs; a business entity operating predominately in agriculture must create at least five net new jobs; a business entity operating predominantly as a fiber warehouse must create at least five net new jobs; a business entity operating predominantly as a financial service data center or financial services customer back office operation must create at least twenty-five net new jobs; a business entity operating predominantly in scientific research and development must create at least five net new jobs; a business entity operating predominantly in software development must create at least five net new jobs; a business entity creating or expanding back office operations must create at least twenty-five net new jobs; a business entity operating predominately in music production must create at least five net new jobs; a business entity operating predominantly as an entertainment company must create or obtain at least one hundred net new jobs; or a business entity operating predominantly as a distribution center in the state must create at least fifty net new jobs, notwithstanding subdivision five of this section; or a business entity operating predominately as a life sciences company must create at least five net new jobs; or a business entity must be a regionally significant project as defined in this article; or

4. A business entity operating predominantly in one of the industries referenced in paragraphs (a) through ~~(k)~~ (i) or in paragraph ~~(k)~~ (l) of subdivision one of this section but which does not meet the job requirements of subdivision three of this section must have at least twenty-five full-time job equivalents unless such business is a business entity operating predominantly in (a) manufacturing then it must have at least five full-time job equivalents and must demonstrate that its benefit-cost ratio is at least ten to one, or (b) as a fiber warehouse then it must have at least five full-time job equivalents and must demonstrate that its benefit-cost ratio is at least five to one.

§ 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



1 year, in each economic development region, established in article eleven  
2 of the economic development law, to encourage and increase participation  
3 in the procurement process, pursuant to this article, by small busi-  
4 nesses, as defined in section one hundred thirty-one of the economic  
5 development law, including farms, selling food or food products, animal  
6 or plant fiber products grown, produced, harvested, or processed in New  
7 York state or textile products manufactured from animal or plant fiber  
8 grown or produced predominantly in New York state and assist such busi-  
9 nesses in identifying such food [✗], food products, or animal or plant  
10 fiber products and textile products which may help to meet state agen-  
11 cies' needs.

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

17 § 11. Subdivisions 6 and 6-c of section 163 of the state finance law,  
18 subdivision 6 as amended by chapter 257 of the laws of 2021, and subdi-  
19 vision 6-c as added by section 2 of part P of chapter 55 of the laws of  
20 2013, are amended to read as follows:

21 6. Discretionary buying thresholds. Pursuant to guidelines established  
22 by the state procurement council: the commissioner may purchase services  
23 and commodities for the office of general services or its customer agen-  
24 cies serviced by the office of general services business services center  
25 in an amount not exceeding eighty-five thousand dollars without a formal  
26 competitive process; state agencies may purchase services and commod-  
27 ities in an amount not exceeding fifty thousand dollars without a formal  
28 competitive process; and state agencies may purchase commodities or  
29 services from small business concerns or those certified pursuant to  
30 articles fifteen-A and seventeen-B of the executive law, or commodities  
31 or technology that are recycled or remanufacturing in an amount not  
32 exceeding five hundred thousand dollars without a formal competitive  
33 process and for commodities that are food, including milk and milk  
34 products, or animal or plant fiber products, grown, produced [✗],  
35 harvested, or processed in New York state or textile products manufac-  
36 tured from animal or plant fiber grown or produced predominantly in New  
37 York state in an amount not to exceed two hundred thousand dollars,  
38 without a formal competitive process.

39 6-c. Pursuant to the authority provided in subdivision six of this  
40 section, for the purchase of commodities that are food, including milk  
41 and milk products, or animal or plant fiber products, grown, produced  
42 [✗], harvested, or processed in New York state or textile products  
43 manufactured from animal or plant fiber grown or produced predominantly  
44 in New York state, where such commodities exceed fifty thousand dollars  
45 in value, state agencies must advertise the discretionary purchase on  
46 the state agency website for a reasonable period of time and make the  
47 discretionary purchase based on the lowest price that meets the state  
48 agency's form, function and utility.

49 § 12. Subdivision 2-d of section 16 of the agriculture and markets  
50 law, as added by chapter 381 of the laws of 2014, is amended to read as  
51 follows:

52 2-d. Coordinate with the office of general services and the department  
53 of economic development to provide a training program once per year, in  
54 each economic development region, established in article eleven of the  
55 economic development law, to encourage and increase participation in the  
56 procurement process, pursuant to article eleven of the state finance

law, by small businesses, as defined in section one hundred thirty-one of 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 agencies' needs. The departments and office may also invite to the regional training programs representatives of local governments, including 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 council. 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

1 recommendation of the minority leader of the senate; and one member on  
2 the recommendation of the minority leader of the assembly. Of the  
3 members so appointed, at least one member shall be a producer of  
4 animal-based fibers, one shall be a producer of plant-based fibers, one  
5 shall be a representative of a statewide agricultural organization, one  
6 shall be a representative of a regional or statewide organization of  
7 animal or plant fiber producers, two shall be representatives of fiber  
8 and textile manufacturers which is defined as a fiber processor or spin-  
9 ning mill, a knitting mill, a weaving studio, or wet finishing (dyeing,  
10 printing or fabric finishing), two shall be from designers/producers  
11 which is defined as including apparel, home textile products, industrial  
12 textiles and healthcare products, one shall be a representative of an  
13 academic institution offering textile or design education, and one shall  
14 be a representative of an academic institution offering fiber-producing  
15 livestock education. Members shall be appointed for a term of three  
16 years and may serve until their successors are chosen, provided, howev-  
17 er, that of the members first appointed, three shall serve for a term of  
18 one year, three shall serve for a term of two years, and four shall  
19 serve for a term of three years. The governor shall select a member of  
20 the council to serve as chairperson. Council members shall not receive  
21 compensation for their services, but may be paid their actual and neces-  
22 sary expenses incurred in serving upon the council.

23 2. The council shall work with natural fiber producers and textile  
24 manufacturers to increase the economic contributions and employment  
25 opportunities related to animal and plant fiber agriculture and textile  
26 manufacturing in New York state. The council shall give priority to  
27 increasing private investment in, and utilization of, New York state  
28 produced and processed natural fibers in all categories of textile manu-  
29 facturing including apparel, home textile products, industrial textiles,  
30 and health care products. The council shall also prioritize coordinating  
31 policy with state agencies, academia and the private sector; working to  
32 improve public understanding of and appreciation for natural fiber  
33 textiles; and increasing export and market opportunities for New York  
34 produced natural fiber textiles. The council shall deliver an annual  
35 report outlining its work and making recommendations with regard to  
36 economic development and marketing initiatives and research and develop-  
37 ment initiatives consistent with the purposes of the council. The report  
38 shall be delivered to the governor, the speaker of the assembly, the  
39 temporary president of the senate, the minority leader of the assembly  
40 and the minority leader of the senate.

41 3. The department shall provide necessary support services to the  
42 council, including, within funds available, the appointment of an execu-  
43 tive director to coordinate the work of the council.

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