STATE OF NEW YORK

2008

2023-2024 Regular Sessions

IN SENATE

January 18, 2023

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Commerce, Economic Development and Small Business

AN ACT establishing the minority- and women-owned business protection program

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

Section 1. Legislative findings. a. The American Rescue Plan Act of 2021 is a $1.9 trillion economic stimulus legislation package passed by Congress and signed into law by President Joseph Biden on March 11, 2021.

b. Many local small businesses including minority- and women-owned businesses (MWBEs) in our state did not receive any federal funding under the federal Paycheck Protection Program (PPP).

c. As New York state is reopening regionally post COVID-19, many of our MWBEs who did not receive any PPP funding are in desperate need of funding to employ and/or pay staff, purchase inventory, and pay rent and utilities.

§ 2. Establishment. Notwithstanding any provision of law to the contrary, the legislature shall authorize the MWBE development and lending program to establish the MWBE protection program to be funded in the amount of 100 million dollars from the American Rescue Plan Act of 2021. Funding for such program may also come from state appropriations. Funds received from the American Rescue Plan Act of 2021 shall be used to reimburse any monies appropriated by the state for the purposes described under section four of this act.

§ 3. Eligibility. Entities shall be eligible for MWBE protection program funds provided such entity has less than 100 employees per location, was in existence in New York state by the first day the state disaster emergency related to COVID-19 was declared by the governor, can

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

LBD03113-01-3

document actual economic harm or revenue shortfall as a direct result of the pandemic, and has filed 2018, 2019 or 2020 tax returns.

§ 4. Grants. The MWBE protection program shall provide the following grants in an amount that shall equal 60% of the prior year eligible expenses not to exceed $100,000.00:

a. A rent reimbursement grant to reimburse qualifying entities for rent paid during the COVID-19 pandemic, provided such entity has documentary proof of such paid rent. This rent reimbursement grant shall be capped at 3 months of paid rent during the state of emergencies;

b. A grant to reimburse qualifying entities for perishable inventory purchased before the COVID-19 state of disaster emergency that was thrown out due to the forced shut down of such entity and/or to replace food inventory to help such entity reopen; and

c. A grant for payroll or for the compensation of independent contractors who complete the federal tax form 1099; and

d. A grant for utilities.

§ 5. Oversight. The state comptroller shall monitor the MWBE protection program to ensure the provisions of this act are properly executed. The state comptroller shall submit a report on such program to the governor, the temporary president of the senate and the speaker of the assembly, and shall post such on the comptroller's website on a quarterly basis describing any grants provided under such program.

§ 6. This act shall take effect immediately.