

STATE OF NEW YORK

1671--A

2023-2024 Regular Sessions

IN SENATE

January 13, 2023

Introduced by Sen. ADDABBO -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the New York state urban development corporation act, in relation to requiring the small business revolving loan fund to target and market to veteran-owned enterprises and service-disabled veteran-owned enterprises

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

1 Section 1. Subdivision 3 of section 16-t of section 1 of chapter 174
2 of the laws of 1968, constituting the New York state urban development
3 corporation act, as amended by chapter 254 of the laws of 2016, is
4 amended to read as follows:

5 3. Program loans to small businesses and micro-businesses shall be
6 targeted and marketed to minority and women-owned enterprises, veteran-
7 owned enterprises as set forth in 15 U.S.C. section 632(Q)(3), as
8 amended from time to time, and service-disabled veteran-owned enter-
9 prises as set forth in article three of the veterans' services law, and
10 other small businesses and micro-businesses that are having difficulty
11 accessing traditional credit markets. Program loans to small businesses
12 and micro-businesses shall be used for the creation and retention of
13 jobs, as defined by the corporation, including: (a) working capital; (b)
14 the acquisition and/or improvement of real property; (c) the acquisition
15 of machinery and equipment, property or improvement; or (d) the refi-
16 nancing of debt obligations. There shall be two categories of loans to
17 small businesses and micro-businesses: a micro loan that shall have a
18 principal amount that is less than twenty-five thousand dollars and a
19 regular loan that shall have a principal amount not less than twenty-
20 five thousand dollars. Prior to receiving program funds, the lending
21 organization must certify to the corporation that such loan complies

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

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1 with this section and rules and regulations promulgated for the program
2 and that the lending organization has performed its obligations pursuant
3 to and is in compliance with this section, the program rules and regu-
4 lations and all agreements entered into between the corporation and the
5 lending organization. The program funds amount used by the lending
6 organization to fund a program applicant loan shall not be more than
7 fifty percent of the principal amount of such loan. The program funds
8 amount used by the lending organization to fund a program applicant loan
9 shall not be greater than one hundred and twenty-five thousand dollars.
10 Minority- and women-owned business enterprises, veteran-owned enter-
11 prises as set forth in 15 U.S.C. section 632(Q)(3), as amended from time
12 to time, and service-disabled veteran-owned enterprises as set forth in
13 article three of the veterans' services law, and other small businesses
14 or micro-businesses who access such program loans under this subdivision
15 shall not be precluded from accessing such short-term financing loans
16 provided under subdivision eleven of this section.
17 § 2. This act shall take effect immediately.