**§ 228-c. Purposes, powers and operation.** 1. (a) The purposes of the NYSBIC shall be to serve the needs of the small business community in the state of New York. The NYSBIC shall direct its efforts towards providing small business with start-up, venture, operating or working capital, particularly where general economic and historical conditions, such as recent employment displacement caused by international, national, state, regional, and local economic developments, have prevented traditional capital sources from extending credit to such small businesses.

(b) The purposes of the NYSSBIC shall be to provide financing to facilitate small business ownership by minorities and persons who reside in highly distressed areas as defined in section two hundred twenty-eight-b of this article, neighborhood based alliance communities, and persons eligible for the earned income tax credit under an act to amend the internal revenue code of 1954, Pub. L. 94-12, 89 Stat. 30 (1975), as amended, and the regulations promulgated thereunder, whose participation in the free enterprise system is hampered by an inability to compete effectively for capital in the marketplace due to prevailing or past restrictive practices provided, however, in approving applications for assistance, priority shall be given to minorities residing in neighborhood based alliance communities, designated empire zones or highly distressed areas. The NYSSBIC shall direct its efforts toward providing these businesses with start-up, venture, operating or working capital. The NYSSBIC will adopt an investment policy consistent with the policy set forth in Section 301(d).

(c) The NYSBIC and the NYSSBIC shall function as licensees and perform the respective functions set forth in Title III and applicable regulations.

2. In furtherance of the purposes set forth in subdivision one of this section, and in addition to the powers conferred on stock corporations by the business corporation law, the NYSBIC and the NYSSBIC shall, subject to the restrictions and limitations contained in this article and without limiting any power otherwise conferred herein, have the following powers:

(a) To lend money and conduct other financing transactions at such rate or rates as may be available to banking organizations licensed

under this chapter; and

(b) To enter such business and financing transactions and arrangements at such rates and under such terms and conditions as may be permitted to licensees under Sections 301(c), 301(d) and applicable regulations.