§ 1838. Bonding guarantee assistance program. 1. There is hereby created a state bonding guarantee assistance program to enable small businesses, and minority-owned and women-owned business enterprises, certified as a minority-owned or women-owned business enterprise pursuant to article fifteen-A of the executive law, to meet payment and/or performance bonding requirements by providing additional financial backing needed to induce a surety company to issue a bond for construction projects, including but not limited to, government sponsored, transportation related construction projects. For purposes of this section, the term small business shall have the same meaning as defined in section one hundred thirty-one of the economic development law. Such program shall give preference to minority-owned and women-owned business enterprises and shall:

(a) make available funds to surety companies providing bonds to small businesses and minority-owned or women-owned business enterprises in an amount equal to a percentage not to exceed fifty percent of the face value of bonds issued by the surety.

(b) provide technical assistance in completing bonding applications for small businesses and minority-owned or women-owned business enterprises seeking to become eligible for bonding in preparation for bidding on construction projects, including transportation related projects. The authority shall refer such businesses to the department of economic development and the urban development corporation for technical assistance as such businesses may need, including but not limited to:

(i) a review of the applicants' market and business competitive strategy;

(ii) consultation and review of the development and planned implementation of a working capital budget;

(iii) assistance with applications for the receipt of funding from other financial sources and providing referrals to other appropriate public and private sources of financing; and

(iv) assistance from the regional offices of the department of economic development, pursuant to article eleven of the economic development law, and the entrepreneurial assistance program, pursuant to article nine of such law, and any other such program receiving state funds from the department of economic development or the urban development corporation or any other state agency that is intended to

provide technical assistance to small businesses and minority-owned and women-owned small business enterprises.

2. Criteria and regulations. (a) The authority shall by rule establish criteria for such program, such criteria to include detailed provisions for eligibility.

(b) The authority shall promulgate rules and regulations to effectuate the purposes of this section which shall be approved by the director of the budget.