



2018 ANNUAL REPORT

New York State Assembly

Carl E. Heastie

Speaker

Committee on

**Economic Development, Job Creation,
Commerce and Industry**

Robin Schimminger

Chairman





THE ASSEMBLY
STATE OF NEW YORK
ALBANY

CHAIRMAN
Committee on Economic Development,
Job Creation, Commerce and Industry

COMMITTEES
Codes
Health
Ways & Means

ROBIN SCHIMMINGER
140th District

December 15, 2018

Honorable Carl Heastie
Speaker of the New York State Assembly
Legislative Office Building
Room 932
Albany, NY 12248

Dear Speaker Heastie:

I am pleased to submit the 2018 Annual Report of the Assembly Standing Committee on Economic Development, Job Creation, Commerce and Industry.

During the 2018 Legislative Session and SFY 2018-19 budget cycle, the Committee considered significant budget proposals and legislation impacting State and local economic development, the licensure and compliance of certain businesses, and the alcohol beverage industry. The Committee continued to work on new economic development initiatives that will assist in the growth of businesses in New York. Those initiatives include legislation to: promote NYS Businesses through the development of a statewide public awareness campaign, and spur entrepreneurial development through the Innovative Hot Spots program. In addition, through the enacted Fiscal Year 2018-19 Budget, several funding measures were approved that support research and development programs across the State and at our colleges and universities.

The Committee continued its work on modernizing the Alcoholic Beverage Control Law and specifically sought to reduce outdated and unnecessary restrictions, while supporting measures that allow the market to function in a balanced manner for consumers and businesses. Measures included legislation to: allow custom distilling by licensed farm distillers, to create a new category of licensed farm beverages for honey-based products of mead and braggot, and to promote sustainability in the farm-based production of alcoholic beverages.

On behalf of the members of the Committee, I wish to thank you for supporting our efforts to encourage economic development and job creation across New York State. With your continued leadership we look forward to a productive session in the year to come.

Sincerely,

A handwritten signature in black ink that reads "Robin Schimminger".

Robin Schimminger
Member of Assembly
Chair, Assembly Standing Committee on Economic
Development, Job Creation, Commerce and Industry

2018 Annual Report

New York State Assembly
Committee on Economic Development, Job Creation,
Commerce and Industry

Robin Schimminger, Chairman

Committee Members

Majority

David F. Gantt
Kevin Cahill
William Magnarelli
Addie Jenne
Donna Lupardo
Harry Bronson
Anthony Brindisi
Al Stirpe
Maritza Davila
Rodneyse Bichotte
Kimberly Jean-Pierre
Charles Barron
Alicia Hyndman
Anthony D'Urso
Billy Jones
Clyde Vanel
Ari Espinal
Steve Stern

Minority

Raymond Walter, Ranking Member
Marc W. Butler
Clifford Crouch
David DiPietro
Joseph Giglio
Joseph Errigo
Jacob Ashby

Staff

Giovanni Warren, Assistant Secretary for Program and Policy
Patrick Totaro, Committee Counsel
Debra Jenkins, Legislative Analyst
Emily Sischo, Committee Assistant
Kenneth Berlinski, Chief of Staff
Vanessa Komarnicki, Legislative Director
Patrice Mago, Committee Clerk

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I. INTRODUCTION: COMMITTEE JURISDICTION

The Assembly Standing Committee on Economic Development, Job Creation, Commerce and Industry is responsible for legislation that affects economic development and business regulation throughout the State. The Committee is also responsible for oversight of the State's various economic development agencies, authorities and programs that notably impact the State's overall economy. Additionally, the Committee is responsible for oversight of the controlled sale of alcoholic beverages and the licensing, registration and regulation of a broad spectrum of industries associated with the production, distribution and sale of alcoholic beverages. The Committee is also responsible for the regulation of certain industries that are subject to the General Business Law.

The Committee interacts with many State agencies, economic development organizations and other groups and associations on these important issues. The State agencies include the Department of Economic Development, the Urban Development Corporation, the Job Development Authority, the Department of State, the State Liquor Authority, the Department of Labor and the Department of Law. At the local level, the Committee works with a number of organizations, including not-for-profit local development corporations, economic development agencies, various not-for-profit foundations, colleges and universities, chambers of commerce and Small Business Development Centers.

In 2018, the new Subcommittee on the Internet and New Technology was created within the Committee on Economic Development, Job Creation, Commerce and Industry to better understand and respond to legislation and policies related to the onset of new and emerging technology and the potential effects on the economy. The Subcommittee will examine how to integrate emerging technology with State economic development policy.

II. FY 2018-2019 ECONOMIC DEVELOPMENT BUDGET INITIATIVES

The Committee has long advocated for policies that support and promote economic development and job creation within the State. The New York State Budget provides funding for economic development programs through allocations to the Department of Economic Development and the Urban Development Corporation (doing business as Empire State Development). Funding through these programs is typically provided in the form of loans, grants, tax credits and other financial assistance to local governments, businesses and not-for-profit corporations in order to develop stable and growing local economies. The Committee supported key initiatives to boost New York's economy, create jobs and facilitate opportunities for small businesses and entrepreneurs.

The enacted State Budget provided an All Funds appropriation of \$92.01 million, an increase of \$9.38 million over the Executive proposal, for the Department of Economic Development. Further, the budget provided an All Funds appropriation of \$1.37 billion, an increase of \$11.19 million over the Executive proposal, for the Urban Development Corporation. The following are highlights of some of the programs that are funded to promote economic development and businesses in New York State via the State Fiscal Year 2018-2019 Budget:

- **University-Based Programs**
 - \$13.818 million for the 15 existing Centers for Advanced Technology (CATs), which collaborate with New York companies on the development of new technologies and products and create new businesses and high-quality jobs throughout the State; and
 - \$9 million for the nine existing Centers of Excellence, with a legislative restoration of \$1 million to enable each Center to receive \$1 million each for their base operating funds. The Centers are collaborative public-private partnerships that commercialize scientific discoveries in fields such as nanoelectronics, bioinformatics, photonics, environmental systems, wireless applications and information technology.
- The following additional appropriations were approved, in addition to the base funds:
 - \$1 million was allocated to Cornell University to create a new Center of Excellence in Food and Agriculture Innovation in Geneva, New York;
 - \$873,000 was allocated to Rensselaer Polytechnic Institute, Rochester Institute of Technology and New York University to create a new Center of Excellence in Digital Gaming Development;
 - \$250,000 was allocated for the SUNY Albany Center of Excellence in the Data Science in Atmospheric and Environmental Predictions and Innovation; and
 - \$750,000 was allocated for the New York Medical College Center of Excellence in Precision Responses to Bioterrorism and Disasters.
- **Business Assistance**
 - \$9.470 million for the Manufacturing Extension Partnership Program;

- \$6 million for the High Technology Matching Grants Program;
- \$921,000 for the Industrial Technology Extension Service Program;
- \$5 million for the New York State Innovation Hot Spots/New York State Incubators;
- \$500,000 for the new Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) Technical Assistance Program;
- \$1.99 million for the Technology Development Organizations;
- \$1.795 million for the Community Development Financial Institutions (CDFI) Program;
- \$1.76 million for the Entrepreneurial Assistance Program (EAP);
- \$1 million for the Minority- and Women-Owned Business Development and Lending Program and to recapitalize the Minority- and Women-Owned Business Investment Fund; and
- \$3 million for SUNY Polytechnic Institute College of Nanoscale Science and Engineering and Rensselaer Polytechnic Institute focus centers.

- **Economic Development**

- \$200 million for the New York Works Economic Development Fund;
- \$26.18 million for the Empire State Economic Development Fund;
- \$300 million for the High Technology Innovation and Economic Development Infrastructure Program;
- \$600 million for the Life Sciences Laboratory and Public Health Initiative in the Capital District; and
- \$44.5 million for economic development initiatives of the State for promoting tourism and expanding business investment and job creation and retention.

- **Commerce, Regional Economic Development, Trade and Tourism**

- \$150 million for the Regional Economic Development Councils (REDCs);
- \$3 million for military base retention and research efforts;
- \$200,000 for Manufacturers Association of Central New York (MACNY);
- \$50,000 for the Buffalo Niagara International Trade Gateway Organization;
- \$50,000 for the World Trade Center Buffalo Niagara;
- \$200,000 for Canisius College;
- \$200,000 for the Finger Lakes Tourism Alliance;
- \$100,000 for the Lake Ontario and Thousand Island Tourism Promotion;
- \$900,000 for the Bronx Overall Economic Development Corporation;
- \$500,000 for the Brooklyn Chamber of Commerce;
- \$500,000 for the Queens Chamber of Commerce;
- \$100,000 for the New Bronx Chamber of Commerce;
- \$150,000 for the Staten Island Economic Development Corporation;
- \$100,000 for the Chamber of Commerce of the Borough of Queens;
- \$125,000 for the New York Women's Chamber of Commerce;
- \$400,000 for the Community Development Revolving Loan Fund;
- \$600,000 for the Center State Corporation for Economic Opportunity Program;
- \$500,000 for Center State CEO Grants for Growth program;

- \$200,000 for Adirondack North Country, Inc;
- \$1 million for the Beginning Farmers NY fund; and
- \$300,000 for the North Country Chamber of Commerce.

- **Article VII**

The enacted 2018-2019 State Fiscal Year Budget includes the following Article VII provisions related to the Department of Economic Development and Empire State Development:

- An extension of the Urban Development Corporation's authority to administer the Economic Development Fund from July 1, 2018, to July 1, 2019;
- An extension of the Urban Development Corporation's general loan powers from July 1, 2018, to July 1, 2019;
- Clarification of procedures for small businesses applying for SBIR/STTR federal grants and technical assistance to small businesses in need; and
- A one-year extension of the Minority- and Women-Owned Business Enterprise (MWBE) program until December 31, 2019.

New York State Liquor Authority

- The enacted 2018-2019 State Fiscal Year Budget provided the State Liquor Authority (SLA), the entity charged with enforcing the provisions of the Alcoholic Beverage Control Law in New York State, with \$13.31million in the State Operations budget. The SLA receives no allocations through the Capital or Aid to Localities budgets.

III. IMPROVING NEW YORK'S ECONOMY AND CREATING JOBS

The Committee plays an important role in facilitating economic development policy in the State. The State's role should be to partner with local governments and the private sector to grow regional economies, and to focus its incentives to support clusters such as emerging high-technology industries in New York. The Committee supports legislation that focuses economic development efforts toward assisting companies that retain and create jobs and contribute to the economic stability and revitalization of communities across New York. Companies that seek and receive State financial assistance should commit to retain or create jobs in their communities. Where appropriate, the State should seek to leverage resources and provide assistance to emerging industries, thereby supporting the growth of specialized clusters in growing fields of employment.

The Governor's 10 Regional Economic Development Councils (REDCs) developed and implemented comprehensive Strategic Plans for their respective regions in 2018 and presented updated plans in fall 2018. These plans played an important role in determining how millions of dollars in existing economic aid were awarded through the State's Consolidated Funding Application (CFA). The REDCs were allocated another round of funding in the SFY 2018-2019 Budget, which consisted of up to \$150 million in awards through grant money and tax credits. An additional \$100 million was allocated for a second round of the Downtown Revitalization Initiative that will provide an additional 10 downtown neighborhoods across the State with a \$1 million award via a competitive process.

The Committee further focused its efforts this year on initiatives that support emerging industries and promote development of key agricultural, technological and business enterprises. The following is a list of significant legislation advanced by the Committee in 2018:

- **Science, Technology, Engineering and Math (STEM) Grants (A.4963, L. Rosenthal, Passed Assembly)**

This bill would authorize the New York State Urban Development Corporation to provide grants to eligible educational institutions for the creation or enhancement of STEM programs. The bill would require STEM programs to encourage women and minorities to participate in related fields.

- **Evaluation of Economic Development Programs in Minority Communities (A.5404, Cook, Reported and Referred to the Committee on Ways and Means)**

This bill would require an evaluation study to be performed on programs overseen by the Urban Development Corporation (UDC) and any other programs funded with State money that provide technical assistance services to communities with predominantly minority populations. Further, this bill would require the UDC to partner with not-for-profit organizations to provide technical assistance if any gaps in coverage are found in minority communities.

- **Public Awareness Campaign Promoting New York State Businesses (A.6175-A, Schimminger, Vetoed, Memo 331)**

This bill would require Empire State Development (ESD) to establish and implement a public awareness campaign designed to promote New York State businesses and their goods and services. ESD would also have to create and maintain an internet website directory of exclusively New York businesses that includes detailed information on products and services which they provide and which other businesses in or outside of New York State could seek out.

- **Qualified Empire Zone Enterprises (A.8118, Schimminger, Reported and Referred to the Committee on Ways and Means)**

This bill would remove the requirement that a business certified as a Qualified Empire Zone Enterprise (QEZE) business whose benefits have expired must provide an annual report as required under the Empire Zone program. Annual reporting requirements would still apply to certified businesses that continue to receive QEZE benefits.

- **Kitchen Incubator Program (A.8292-A, Seawright, Vetoed, Memo 303)**

This bill would establish a small business kitchen incubator/shared-use kitchen facility program within the Urban Development Corporation (UDC) and authorize the UDC to provide grant funding to local development corporations, municipalities, educational institutions and not-or-profit entities for the development or expansion of such facilities. This bill would also require that applicants provide a management plan and business plan for operating the kitchen incubator/shared-use kitchen facility and that those facilities provide low-cost space, financing and business support services. In addition, those facilities may provide services such as technical, production, distribution and sales assistance to tenants.

- **Establishing Seafood Marketing Roundtable (A.8937, Thiele, Chapter 180, Laws of 2018)**

This law establishes the New York Seafood Marketing Roundtable, consisting of various State Agencies and seafood industry stakeholders to work with the New York fishing community to promote the marketing of seafood and expansion of the industry.

- **Innovative Hot Spots Program (A.10105, Schimminger, Chapter 246, Laws of 2018)**

This law authorizes the Urban Development Corporation (UDC) to approve and designate 10 New York incubator hot spots and requires the UDC to make available other aid, assistance and resources such as: technical assistance; aid in marketing; aid in researching and providing entrepreneurship training opportunities to minority groups;

curriculum development; and any other appropriate services or resources. This law also authorizes business enterprises of New York state incubators to be certified by the New York State Incubators and Innovation Hot Spot Tax benefit program.

- **Providing Transparency by Economic Development Entities
(A.10849, Abinanti, Reported and Referred to Ways and Means)**

This bill would subject "economic development entities" and their members to various provisions of the Public Officers Law to provide for a more accountable and transparent process. Specifically, this bill would ensure that REDC members file financial disclosure statements as required by other state officers and employees and are subject to the requirements of the open meetings law and freedom of information law.

- **Promoting Distributed Ledger Technology
(A.10854, Vanel, Reported and Referred to Committee on Ways and Means)**

This bill would add "distributed ledger technology" to the definitions of businesses engaged in "financial services data centers or financial services customer back office operations" and "software development" within the Excelsior Jobs Program. This bill would also require, during the application and approval process, that the commissioner of the Department of Economic Development strive for broad regional geographic representation within the program. The Commissioner would also be directed to promote diverse ownership and workforces of participating businesses through outreach to businesses owned by people with disabilities, minority- and women-owned businesses, and veteran-owned businesses.

- **Qualified Empire Zone Enterprise Reporting Requirements
(A.11044, Rules, Schimminger, Chapter 258, Laws of 2018)**

This law eliminates or simplifies the reporting requirements for Qualified Empire Zone Enterprise businesses whose benefits have expired.

IV. REFORMING THE ALCOHOLIC BEVERAGE INDUSTRY

The Committee's primary responsibility in the area of the Alcoholic Beverage Control (ABC) Law is to ensure the safe and lawful manufacturing, distribution and sale of alcohol beverages in the State. In addition, the Committee has recognized the changing market for alcohol products in relation to agri-business and tourism. New York State has committed to utilizing New York's farm products to produce alcohol beverages, and encourage the expansion of local craft beverage markets. In addition, the Committee continued its efforts aimed at modernizing the law and specifically sought to reduce outdated and unnecessary restrictions in the ABC Law. This session, the Committee approved legislation in furtherance of this goal and remains committed to working with the industry to achieve sustainable growth.

The Committee will continue its review of the ABC Law to ensure the law is supporting a market that functions best, and in a balanced manner, for consumers and businesses. The Committee will support legislation that ensures communities have adequate information and notice as they make decisions in regard to the future of alcoholic beverage manufacturing businesses and retail establishments located in their neighborhoods.

- **Posting of Applications for On-Premise Consumption of Alcohol (A.2038, Lentol, 3rd Reading Calendar)**

This bill would require applicants filing an application to sell liquor for on-premise consumption to highlight the text of the already statutorily required postings within 10 days of filing an application with the State Liquor Authority (SLA). The bill would also require that within 10 days of the applicant's receipt of written notice of a hearing from the SLA, the applicant must conspicuously post notice of such hearing.

- **Safeguarding Community Interests Associated With On-Premise Licenses (A.2824, Gottfried, 3rd Reading Calendar)**

This bill would authorize the New York State Liquor Authority (SLA) to include, as part of an on-premise license, terms and conditions consistent with the applicable law and public convenience. The bill would also allow the SLA to enforce the terms and conditions as an extension of a license.

- **Requiring the State Liquor Authority to Provide License Condition Information (A.3677-A, Glick, 3rd Reading Calendar)**

This bill would require the New York State Liquor Authority to make available on its website information pertaining to any conditions it imposes on an establishment through its license.

- **Seeking to Reduce Underage Drinking (A.4394, Schimminger, Reported and Referred to the Committee on Codes)**

The bill would authorize courts to enter a guilty plea and a default civil judgment on behalf of a defendant charged with underage drinking who has failed to appear in court. This bill would allow defendants to enter a plea or make an appearance within 30 days of such notice and would restrict the court's ability to enter a guilty plea and default judgment to two years following the time prescribed for the original plea. This bill would also require courts to hold a hearing within 30 days of a hearing request from the defendant and prohibit courts from issuing a fine or penalty until any requested hearing has taken place. Finally, this bill would authorize default judgments to be in effect for up to eight years.

- **Assisting Retail On- and Off- Premise Alcoholic Beverage License Holders (A.7906, Schimminger, Chapter 226, Laws of 2018)**

This law makes permanent the current authority of liquor store owners to sell gift bags, gift boxes and wrapping paper. This law also makes permanent the provision allowing a person holding a retail on-premises license and a retail off-premises beer or beer and wine products license for an adjacent premise to transport alcoholic beverages through an off-premise location to restock/supply the adjacent on-premises location.

- **Providing a Local Exemption to the Alcoholic Beverage Control Law (A.8897-A, Lentol, Vetoed, Memo 364)**

This bill would grant an exemption allowing the State Liquor Authority (SLA) to issue a license to three parcels in Brooklyn, designated in this bill that are owned and operated by a not-for-profit so that they can serve beer, wine and cider during the showing of a movie or film. The SLA would only be authorized to issue a license with the following stipulations: if the parcels receive community board approval, and if alcoholic beverages are served, then all ticket holders must be 21 years or older to enter the movie or film theatre.

- **Assisting Businesses with the Licensing Process with the State Liquor Authority (A.9052, Schimminger, Chapter 65, Laws of 2018)**

This law extends, for an additional year, the current provisions authorizing the State Liquor Authority to issue temporary retail permits to applicants while the license application is pending. The current law provides this authorization to applicants for premises outside of New York City.

- **Providing a Local Exemption to the Alcoholic Beverage Control Law (A.9851, Woerner, Chapter 240, Laws of 2018)**

This bill would authorize the State Liquor Authority to issue an on-premise liquor license to a business located in Washington County that is within a 200 feet of a religious institution.

- **Changing Approval Requirements for Brand Label Registration (A.9996-B, Magnarelli, Chapter 440, Laws of 2018)**

This bill would allow brand label registration applicants to submit their processing fee payment to the State Liquor Authority (SLA) electronically as well as by the current payment methods of a check or draft. This bill would also reduce the waiting period from 30 to 7 business days for a brand label to be deemed approved by SLA, if that brand label has already been approved by the Federal Alcohol and Tobacco Tax and Trade Bureau.

- **Authorizing the New York Wine and Culinary Center to Operate at the Finger Lakes Welcome Center (A.10012-A, Morelle, Chapter 148, Laws of 2018)**

This law authorizes the New York State Wine and Culinary Center to sell at retail, for off-premise consumption, wine, beer, cider and distilled liquor, and to offer tastings of these products as provided for in the Alcohol Beverage Control Law. This law also authorizes the existing New York Wine and Culinary Center to operate the Finger Lakes Welcome Center as a branch office.

- **Authorizing Custom Liquor Production (A.10128-A, Schimminger, Chapter 193, Laws of 2018)**

This law authorizes farm distilleries to engage in custom liquor production for non-licensed individuals for personal use under certain conditions prescribed by the statute.

- **Extend the Administrative Powers and Duties of the State Liquor Authority (A.10470, Jones, Chapter 117, Laws of 2018)**

This law extends the correct administrative and executive functions of the State Liquor Authority (SLA) which are centralized and vested with the Chairman, for an additional three years from July 18, 2018, until July 18, 2021. SLA functions include budgetary and fiscal matters, appointments, development of alcohol awareness and training programs, and reporting.

- **Establishing the New York State Craft Beverage Sustainable Production, Marketing and Labelling Program**
(A.10761, Schimminger, Reported and Referred to the Committee on Ways and Means)

This bill would require the State Liquor Authority (SLA) to develop and implement a New York State Craft Beverage Sustainable Production, Marketing and Labelling Program to highlight craft beverage producers that have adopted and demonstrated sustainable production methods in their manufacturing processes. Further, this bill would require Empire State Development (ESD) to work with other State agencies and entities to develop and implement a New York State Craft Beverage Sustainable Production Grant Program within available appropriations in the Empire State Economic Development Fund or from any other grants appropriate for meeting the purposes of this act.

- **Providing a Local Exemption to the Alcoholic Beverage Control Law**
(A.10915, Morelle, Chapter 269, Laws of 2018)

This law amends the existing statute related to the number of rooms that an overnight lodging facility in the County of Ontario is required to maintain for that specific parcel, reducing the number from not less than 120 rooms to not less than 75 rooms and suites.

- **Creating Farm Meadery License**
(A.11113, Schimminger, Chapter 522, Laws of 2018)

This law creates a Farm License for the production of mead and braggot, both of which are honey-based products.

V. PROTECTING CONSUMERS WHILE ASSISTING BUSINESSES

The Committee continues to advance legislation to regulate businesses, to protect consumers and to support the State's market economy. In evaluating legislation, the Committee seeks to balance the legitimate concerns of the business community with those of consumers.

- **Clarifying What Is Reasonable Detention By A Mercantile Establishment (A.2061, Sepulveda, Reported and Referred to the Committee on Codes; Enacting Clause Stricken)**

This bill would limit a mercantile establishment's ability to detain a person pursuant to Section 218 of the General Business Law to no more than one hour, except under extraordinary circumstances. In addition, this bill would prohibit mercantile establishments from conditioning release upon the signing of any documents. Finally, minors under the age of 18 would be immediately afforded the ability to contact a parent or legal guardian.

- **Authorizing Electronic Logging By Process Servers in New York City (A.3939, Pretlow, Reported and Referred to Committee on Codes)**

This bill would remove the requirement that process servers in New York City manually record attempts in a logbook, and provides that the only logging attempt required for such a process server is through electronic means. This bill would make it illegal for any process server to tamper with a record, and if an entry has an error, would require it to be amended by a third-party contractor in the electronic system with the original copy being saved and changes being noted on the document. Finally, this bill would require that an electronic back-up be generated daily.

- **Providing Domestic Violence and Sexual Assault Education For Certain Licensed Professionals (A.6576-B, L. Rosenthal, 3rd Reading Calendar)**

This bill would require prospective appearance enhancement professionals to complete awareness training as part of their existing curriculum requirements in domestic violence and sexual assault education and allows current professionals to voluntarily opt to take the course.

- **Human Trafficking Awareness Training for Hotel Employees (A.6834-B, Paulin, Passed Assembly)**

This bill would require lodging facilities to provide a human trafficking recognition training program to all employees who are likely to interact or come into contact with guests.

VI. 2018 PUBLIC HEARINGS/ROUNDTABLES

- **Budget Oversight**

On December 17, 2018, the Assembly Standing Committees on Economic Development, Job Creation, Commerce and Industry and Small Business held a joint public hearing on the State Fiscal Year 2018-2019 budget and program initiatives. This hearing focused on State supported programs that leverage operating funds with other public and private funding sources to facilitate the transfer of technology advancements into viable long-term business strategies and development. The Department of Economic Development and the Empire State Development administer programs such as Technology Development Organizations, Manufacturing Extension Partnership, Centers of Excellence, Centers for Advanced Technology, and Innovation Hot Spots/ Certified Incubators, and others focused on research, development and technological advancement as well as stimulating business development and expansion across the State. The hearing also examined the statewide impact of such programs with respect to job creation and growth, attraction of new investment from public and private sources, the number of patents, the number of companies created and assisted, and other general economic impacts associated with the programs.

- **Roundtable on Emerging Technology Issues**

To further the Assembly's understanding of new technology and its continued role on economic development, the Standing Committee on Economic Development, Job Creation, Commerce and Industry, the Assembly Standing Committee on Governmental Operations and the Subcommittee on the Internet and New Technology held a roundtable discussion on May 31, 2018, in Albany, to discuss emerging technology issues including the following topics: block chain technology, artificial intelligence, cyber security, crypto currency, digital currency, distributed ledger technology and quantum computing. The roundtable brought stakeholders from industry, academia and regulatory agencies together to provide the Committees with a better understanding of the importance of each topic, as well as provide for an understanding of the implications of such legislation and its effect on public policy.

VII. OUTLOOK FOR 2019

The 2018 Legislative Session was very productive and the Committee will continue its focus on advancing policies and programs aimed at attracting businesses to New York State and promoting the creation of jobs in the State across all sectors, with an emphasis on high-growth sectors, in the coming year. The Committee will continue to oversee economic development programs' administration and effectiveness, enhance transparency and accountability in the administration of such programs, increase the State's accessibility to the business community while easing onerous and outdated burdens, and promote and retain the State's unique resources and excellent talent pool in the form of colleges, universities and high-skilled graduates. Through consensus building and with industry input, the Committee will also continue its work to ease unnecessary, duplicative and outdated regulatory burdens and other obstacles facing the alcohol beverage industry and to foster the growth of agri-business and tourism in the State.

APPENDIX A

**2018 SUMMARY OF ACTION ON ALL BILLS REFERRED TO THE COMMITTEE ON
ECONOMIC DEVELOPMENT, JOB CREATION, COMMERCE, AND INDUSTRY**

| Final Disposition of Bills | Assembly | Senate | Total |
|--|-----------------|---------------|--------------|
| Bills Reported Favorable To: | | | |
| To Floor | 6 | 3 | 9 |
| To Ways & Means | 8 | 0 | 8 |
| To Codes | 14 | 0 | 14 |
| To Rules | 0 | 0 | 0 |
| To Judiciary | 0 | 0 | 0 |
| Total | 28 | 3 | 31 |
| Committee Action: | | | |
| Bills Held For Consideration | 16 | 0 | 16 |
| Bills Defeated in Committee | 0 | 0 | 0 |
| Bills Having Enacting Clauses Stricken | 6 | 0 | 6 |
| Total Bills in Committee | 187 | 21 | 207 |
| Bills Having Committee Reference Changed: | | | |
| To Small Business and Ways & Means | 2 | 0 | 2 |
| Total | 2 | 0 | 2 |
| Total Number of Committee Meetings Held: | 7 | | |

APPENDIX B

**COMMITTEE ON ECONOMIC DEVELOPMENT, JOB CREATION, COMMERCE
AND INDUSTRY**

2018 Bills Considered (Chapters/Vetoes are included in Appendix C)

| Assembly Bill # | Senate Bill # | Last Assembly Action | Description |
|------------------------|-----------------------|----------------------------------|--|
| A.2038 Lentol | No Senate Sponsor | 3 rd Reading Calendar | Revises procedures for issuance of retail and special retail liquor licenses for on-premises consumption regarding the posting of notices |
| A.2061 Sepulveda | S.8445 Sepulveda | Enacting Clause Stricken | Relates to mercantile establishments and the defense of lawful detention |
| A.2824 Gottfried | S.80 Hoylman | 3rd Reading Calendar | Provides that the State Liquor Authority may include certain terms and conditions as part of various licenses for on-premises consumption |
| A.3677-A Glick | S.99-A Hoylman | Codes Committee | Requires the State Liquor Authority to make information available to the public on any conditions it imposes on a licensed premises |
| A.3939 Pretlow | S.29 Golden | Codes Committee | Relates to process server records in New York City |
| A.4394 Schimminger | S.3238 Ranzenhofer | Codes Committee | Authorizes courts to render default judgments in cases of failure to answer for unlawful possession of an alcoholic beverage with the intent to consume by persons under the age of 21 years |
| A.4963 L. Rosenthal | S.8614 Boyle | Passed Assembly | Provides science, technology, engineering and mathematics (STEM) grants for the encouragement of women and minorities to pursue careers in technology |
| A.5404 Cook | S.2344 Parker | Ways and Means Committee | Authorizes the Urban Development Corporation to evaluate the geographical coverage of programs overseen by the Corporation |

| Assembly Bill # | Senate Bill # | Last Assembly Action | Description |
|--------------------------|----------------------|-----------------------------|--|
| A.6576-B L. Rosenthal | S.9028-A Phillips | 3rd Reading Calendar | Requires domestic violence and sexual assault awareness education for persons engaged in the practice of nail specialty, waxing, natural hair styling, esthetics and cosmetology |
| A.6834-B Paulin | S.5955-B Hamilton | Passed Assembly | Relates to human trafficking awareness and training for hotel employees |
| A.8117 Schimminger | S.6491 Young | Passed Assembly | Relates to increasing the total amount businesses may borrow through the Excelsior Link Deposit Program from \$2 million to \$5 million |
| A.8118 Schimminger | No Senate Sponsor | Rules Committee | Relates to reporting requirements for businesses that have exhausted their benefits under the Empire Zones Program |
| A.10761 Schimminger | No Senate Sponsor | Ways and Means Committee | Requires the State Liquor Authority to develop and implement a New York State Craft Beverage Sustainable Production, Marketing and Labelling Program |
| A.10849 Abinanti | No Senate Sponsor | Ways and Means Committee | Subjects members of economic development entities to various provisions of the Public Officers Law to provide for a more accountable and transparent process |
| A.10854 Vanel | No Senate Sponsor | Ways and Means Committee | Relates to the development and creation of distributed ledger technology and business entities that develop such technology |

APPENDIX C

**COMMITTEE ON ECONOMIC DEVELOPMENT, JOB CREATION, COMMERCE
AND INDUSTRY**

2018 Chapters/Vetoes

| Assembly Bill # | Senate Bill # | Chapter/Veto | Description |
|-------------------------|------------------------|------------------------------|---|
| A.6175-A Schimminger | S.622-A Boyle | Vetoed, Memo 331 | Authorizes Empire State Development to develop a public awareness campaign promoting businesses located in New York State |
| A.7906 Schimminger | S.5962 Murphy | Chapter 226, Laws of 2018 | Makes permanent certain provisions of the law authorizing the sale of gift bags and wrapping, and manufacturer transportation of alcoholic beverages to their retail establishments |
| A.8292-A Seawright | S.3362-A Krueger | Vetoed, Memo 303 | Establishes a kitchen incubator/shared-use kitchen facility program within the Urban Development Corporation |
| A.8897-A Lentol | S.8003-A Montgomery | Vetoed, Memo 364 | Relates to authorizing the issuance of a license to certain motion picture theatres, under specific conditions |
| A.8937 Thiele | S.7300 LaValle | Chapter 180, Laws of 2018 | Relates to agencies holding Seafood Marketing Roundtable meetings with relevant stakeholders to promote the seafood industry in New York |
| A.9052 Schimminger | S.7608 Murphy | Chapter 65, Laws of 2018 | Extends the effectiveness of provisions of existing law relating to temporary retail permits issued by the State Liquor Authority |
| A.9851 Woerner | S.7943 Little | Chapter 240, Laws of 2018 | Relates to an exemption for certain property from the prohibition of alcohol sales within a 200 feet of a church in Washington County |
| A.9996-B Magnarelli | S.7821-A Murphy | Chapter 440, Laws of 2018 | Relates to electronic payment of fees of brand label registration and changing the time required for an application to be deemed approved by the State Liquor Authority |
| A.10012-A Morelle | S.7904-A Helming | Chapter 148, Laws of 2018 | Relates to authorizing the New York Wine and Culinary Center to hold through its wholly owned subsidiary a |

| Assembly Bill # | Senate Bill # | Chapter/Veto | Description |
|--------------------------|----------------------|------------------------------|---|
| | | | branch office permit at the Finger Lakes Welcome Center |
| A.10105 Schimminger | S.7961 Ranzenofer | Chapter 246, Laws of 2018 | Relates to the New York State Business Incubator and Innovation Hot Spot support act, clarifying that early stage businesses can utilize both a Certified Incubator and an Innovative Hot Spot program benefits |
| A.10128-A Schimminger | S.7793-A Valesky | Chapter 193, Laws of 2018 | Relates to authorizing custom liquor production for a non-licensed individual by licensed farm distilleries |
| A.10470 Jones | S.7906 Murphy | Chapter 117, Laws of 2018 | Extends the expiration of certain powers of the State Liquor Authority for an additional three years |
| A.10915 Morelle | S.8840 Helming | Chapter 269, Laws of 2018 | Relates to reducing the number of overnight rooms and suites at specific premise in Ontario County |
| A.11044 Schimminger | S.7946 Marchione | Chapter 258, Laws of 2018 | Relates to reporting requirements for businesses that have exhausted their benefits under the Empire Zones Program |
| A.11113 Schimminger | S.8560-A Murphy | Chapter 522, Laws of 2018 | Adds mead and braggot (honey-based alcohol) to the list of farm-based producer licenses authorized in the Alcohol Beverage Control Law |