

NEW YORK STATE ASSEMBLY

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Committee On
Economic Development, Job Creation,
Commerce and Industry

Carl E. Heastie • Speaker
Harry B. Bronson • Chair



ANNUAL REPORT



HARRY B. BRONSON
Assemblymember
138th District

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

CHAIR
Economic Development, Job Creation,
Commerce and Industry Committee

COMMITTEES
Rules
Ways and Means
Labor
Education

Assembly's Legislative Liaison to
the Finger Lakes Regional
Economic Development Council

December 15, 2022

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

Dear Speaker Heastie:

With this letter, I am submitting the Annual Assembly Standing Committee on Economic Development, Job Creation, Commerce and Industry report for the 2022 Legislative Session.

The 2022 Legislative Session has been challenging due to the continued public health and economic impact of the pandemic and challenges associated with the pressure of rising inflation. In this context and to address these issues for our New York families, the Committee reviewed and participated in enactment of the SFY 2022-23 budget process and worked on legislation that impacts State and local economic development, promotes job opportunities and addresses inequities within our economy.

The enacted budget provided a \$350 million investment for the new Office of Workforce and Economic Development at Empire State Development. This organizational approach with corresponding funding recognizes that workforce development and economic development go hand-in-hand and are mutually dependent. The funding will provide resources to: leverage Empire State Development's relationships with employers to help identify employer needs; develop tailored regional training strategies based on those needs; support programs to train New Yorkers in the skills necessary to succeed in in-demand fields; and make targeted investments in teachers, healthcare workers, apprenticeships and internships, mental health professionals, and caregivers.

Further, \$200 million was provided for the COVID -19 Small Business Seed Funding Grant Program, which will provide grants to micro- and small businesses and for-profit independent arts and cultural organizations as well as independent arts contractors that began operation shortly before or during the COVID-19 pandemic and were not eligible for certain other State and Federal assistance. The enacted budget also provided \$250 million for a refundable COVID-19 Capital Costs Small Business Tax Credit program.

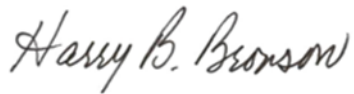
The Committee was also instrumental in securing \$200 million for New York's FAST NY Shovel-Ready Grant Program in the enacted budget. This program will help to prepare and develop sites across the State that will attract businesses, including manufacturing, to ultimately locate or expand in New York State. The shovel ready program is an important part of rebuilding a diversified State economy that attracts businesses and provides new job opportunities. Finally, a budget proposal was adopted to create a statutorily required searchable database of all economic development programs and which will provide transparency to economic development spending programs.

The Committee was also instrumental in the enactment of the Green CHIPS Act, which will incentivize semiconductor manufacturers to build new factories in New York State by making them eligible for the Excelsior Jobs Tax Credit Program. This law will help ensure that a domestic supply of semiconductor chips is made in New York State.

The Committee will continue our focus on what can be done to support businesses and the workforce they employ. The priority focus areas of the Committee during the next session, both legislatively and budgetary will include promoting job opportunities for our families as well as measures that seek to ensure the economy is both equitable and inclusive of those individuals that have historically been left on the economic sidelines, especially those from marginalized communities. The COVID-19 pandemic and rising inflation continues to have a disproportional impact on the unskilled labor force, women, underserved, or otherwise marginalized communities who have historically been on the economic sidelines. The Committee will work to address this inequity.

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

Sincerely,

A handwritten signature in cursive script that reads "Harry B. Bronson".

Harry Bronson
Member of Assembly
Chair, Assembly Standing Committee on Economic
Development, Job Creation, Commerce and Industry

2022 Annual Report

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

Harry B. Bronson, Chair

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William Magnarelli
Donna Lupardo
Al Stirpe
Alicia Hyndman
Billy Jones
Steve Stern
Marianne Buttenschon
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Robert Smullen
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Jodi Giglio
John Lemondes

Staff

Fletcher Whyland, Assistant Secretary for Program and Policy
Debra Jenkins, Principal Analyst
Jennifer Skoog-Harvey, Chief of Staff
Allan Richards, Legislative Director/ 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 also provides oversight of the State's various economic development agencies, authorities and programs that notably impact the State's overall economy. The Committee's primary responsibility effects business and industries that are subject to the Economic Development, General Business, Unconsolidated Laws, Alcohol and Beverage Control, and Cannabis Laws.

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, and the Office of Cannabis Management. The Committee works with numerous organizations that support economic development throughout the State, including not-for-profit local development corporations, economic development agencies, not-for-profit foundations, colleges and universities, Chambers of Commerce, Unions and Small Business Development Centers. The Committee also provides oversight of policies related to the sale of alcoholic beverages and adult-use cannabis, and the licensing, registration, and regulation of a broad spectrum of industries associated with the production, distribution and sale of alcoholic beverages and adult-use cannabis.

The Committee currently has two Subcommittees that are tasked with providing more in-depth analysis on specific subject areas, which helps the committee better understand and respond to related legislation and policy proposals. The Subcommittee on Occupational Licenses focuses on reviewing and examining occupational licenses in relation to the licensing process, fee structure, educational requirements, and other aspects of these licenses as well as the contribution of these occupations to the State's economy. The Subcommittee on Export Trade provides insight about New York's international and domestic export experiences and how to bolster future expansion of New York State business exports. Currently, these Subcommittees are Chaired by Members of Assembly Gina Sillitti and Marianne Buttenschon, respectively.

II. FY 2022-23 ECONOMIC DEVELOPMENT BUDGET INITIATIVES

Empire State Development and Department of Economic Development

The Committee has long advocated for policies that support and promote economic development and job opportunities 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, higher education institutions and not-for-profit corporations to develop stable and growing regional economies. In the enacted State Fiscal Year (SFY) 2022-2023 budget, the Committee supported key initiatives to boost New York's economy, create jobs and facilitate opportunities for all business sectors in the State.

The enacted State Budget provided an All Funds appropriation of \$103.6 million, an increase of \$4.42 million over the Executive proposal, for the Department of Economic Development. Further, the budget provided an All Funds appropriation of \$5.2 billion, an increase of \$1.22 billion 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 via the State Fiscal Year 2022-2023 Budget:

- **Pandemic Recovery Programs**

- \$200 million for the COVID-19 Small Business Seed Funding Grant Program, which will provide grants to micro- and small businesses and for-profit independent arts and cultural organizations and independent arts contractors that began operation shortly before or during the COVID-19 pandemic and were not eligible for other State and Federal assistance. The program builds upon the State's \$800 million Pandemic Small Business Recovery Grant Program enacted in SFY 2021-2022 Budget. (Note: Application Portal on the Empire State Development opened on September 14, 2022)
- \$250 million for a refundable COVID-19 Capital Costs Small Business Tax Credit program, which will provide small businesses \$2.5 million or less in gross receipts to be eligible for a tax credit 50 percent tax credit of up to \$25,000 of qualifying costs to cover unexpected COVID-related costs, such as the purchase of cleaning supplies, outdoor heaters, air purifiers, signage denoting vaccine/masking policies, and equipment to accommodate contactless payments.
- Authorized an additional Restaurant Return-to-Work Credit for restaurants that received the existing Restaurant Return-to-Work Credit, but exceeded the \$50,000 per employer cap, which is equal to 10 full time equivalent (FTE) positions added from April 1, 2021, to December 31, 2021. This additional credit is available for eligible businesses that hired between 10 and 20 FTE positions over the same period, and the combined Restaurant Return-to-Work Credits would remain capped at \$35 million.

- Extension and enhancement of the NYC Musical and Theatrical Production Tax Credit from \$100 million to \$200 million to further support this sector in the wake of the impacts of the Omicron variant on these performances.

- **Workforce Development**

- \$350 million investment for the new Office of Workforce and Economic Development at Empire State Development to provide resources to: leverage Empire State Development's relationships with employers to help identify employer needs; develop tailored regional training strategies; support programs to train New Yorkers in the skills necessary to succeed in in-demand fields; and make targeted investments in teachers, healthcare workers, apprenticeships and internships, mental health professionals, and caregivers.
- The new office will work in conjunction with the Regional Economic Development Councils, the Department of Labor, the State University of New York and the City University of New York and other partners to ensure coordinated training and workforce strategies. The following is a delineation of how the \$350 million will be invested:
 - \$115 million for Workforce Development Grant Program
 - \$47 million for Financial Burden Relief for Healthcare Workers
 - \$39 million for Caregiver Flexibility for Direct Care Workers
 - \$35 million for Workforce Development Capital Grant Program
 - \$30 million for Teacher Residency Program
 - \$22.5 million for Training Capacity Expansion for Statewide institutions
 - \$20.8 million for Office Workforce Development and Economic Development
 - \$10 million for SUNY and CUNY internships
 - \$10 million for Expansion of Alternative Teacher Certifications
 - \$8 million for Upskilling School Paraprofessionals
 - \$5 million for SUNY and CUNY apprenticeships
 - \$2.8 million for Expansion of Psychiatric rehabilitation Service at Office of Mental Health
 - \$2.7 million for Employment and Training at Office for People With Developmental Disabilities
 - \$1.2 million for Diversity in Medicine Program
 - \$1 million for Expansion of a SUNY Pre-Medical Opportunities Program
- \$2.5 million for a cannabis workforce development

- **University-Based Programs**

- \$15 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.

- \$14 million for the 14 existing Centers of Excellence (CoE), which collaborate with New York companies in commercializing scientific discoveries in fields such as nanoelectronics, bioinformatics, photonics, environmental systems, atmospheric sciences, bioterrorism and disaster preparedness, and information technology.
- \$3 million for SUNY Polytechnic Institute College of Nanoscale Science and Engineering and Rensselaer Polytechnic Institute focus centers
- \$2.7 million for Small Business Development Centers
- \$20 million for the Syracuse University Carrier Dome
- \$1 million for Stony Brook Medicine's National Cancer Institute
- **General Economic Development**
 - \$800 million for New York State Regional Economic and Community Assistance Program
 - \$320 million for the New York Works Economic Development Fund
 - \$200 million for FAST grants program for shovel ready site development
 - \$250 million for the Restore New York Communities Initiative
 - \$45 million for economic development initiatives of the State for promoting tourism and expanding business investment and job creation and retention
 - \$26.18 million for the Empire State Economic Development Fund
 - \$15 million for the Market New York Program
 - \$2 million for the Empire State Entertainment and Diversity Job Training Program
- **Business Assistance**
 - \$75 million for the Innovation Venture Competition Program
 - \$15.5 million for the Manufacturing Extension Partnership Program
 - \$5 million for the High Technology Matching Grants Program
 - \$5 million for the New York State Innovation Hot Spots/ New York State Incubators
 - \$1.76 million for the Entrepreneurial Assistance Program (EAP)

- \$1.382 million for the Technology Development Organizations
- \$1.495 million for the Community Development Financial Institutions (CDFI) Program
- \$2 million for the Minority- and Women-Owned Business Development and Lending Program and for Minority- and Women-Owned Business Development
- \$921,000 for the Industrial Technology Extension Service Program
- \$343,000 Science and Technology Law Center
- \$3.44 million for the Urban and Community Development Program
- **Commerce, Regional Economic Development, Trade and Tourism**
 - \$350 million for a Long Island Investment Fund
 - \$10 million for a Mohawk Harbor Events Center
 - \$11 million for Universal Hip Hop Museum
 - \$5 million for the Pace University Performing Arts Center
 - \$600 million for Orchard Park football facilities (home of the Buffalo Bills), as well as \$7 million to help retain professional football in Western New York
 - \$10 million for New York Hall of Science
 - \$3.45 million for local tourism promotion matching grants
 - \$7 million for marketing and advertising to promote regional attractions
 - \$1.5 million for Economic Development and Community Service Organizations
 - \$16 million in Federal grants for state and local workforce, tourism, recreation, marketing
 - \$1 million for the Manufacturers Intermediary Apprenticeship Program
 - \$150,000 for the Finger Lakes Tourism Alliance
 - \$150,000 for Harlem Week, Inc.
 - \$100,000 for Kleinhans Music Hall Management
 - \$1 million for military base redevelopment and research

- \$550,000 for the Bronx Overall Economic Development Corporation
- \$700,000 for the Center State Corporation for Economic Opportunity (CEO) Program
- \$500,000 for the Queens Chamber of Commerce
- \$150,000 for the Brooklyn Chamber of Commerce
- \$550,000 for the Brooklyn Alliance
- \$225,000 for the North Country Chamber of Commerce
- \$100,000 for Adirondack North Country Association
- \$150,000 for the Association of Community Employment Programs
- \$100,000 for the Brooklyn Neighborhood Association
- \$310,000 for the Amsterdam Urban Renewal Agency
- \$140,000 for the Kingsbridge Riverdale Van Cortlandt Development Corporation
- \$100,000 for the Queens Economic Development Council
- \$50,000 for the Staten Island Economic Development Council
- \$150,000 for the Syracuse Jazzfest Productions

- **Reginal Economic Development Councils**

The 10 Regional Economic Development Councils (REDCs) of New York State, which include community, business, academic leaders, and members of the public in each region, use their knowledge and understanding of local priorities and assets to help direct state investment in support of job creation and economic growth. REDCs have developed and implemented comprehensive Strategic Plans for their respective regions and regularly issue updated plans. These plans play an important role in determining how millions of dollars in existing economic aid are awarded through the State’s Consolidated Funding Application (CFA).

- \$150 million for REDC grants program
- \$200 million for a sixth round of the Downtown Revitalization Initiative (DRI) to be used to revitalize downtowns areas in each of the 10 economic regions of the State. Funds are to be distributed as follows:
 - \$100 million for the traditional main street redevelopment

- \$100 million for the NY Forward grant program to support redevelopment in smaller and more rural areas.
- **Other notable investments in the NYS Budget related to committee work:**
 - \$1.4 billion for Broadband Funding to ensure affordable access to highspeed internet across the state, \$1.1 billion of which is federal funding.
 - \$11 million for Minority- and Women-owned Businesses Enterprises (MWBEs) to help ensure faster MWBE certifications and to address the backlog in pending certifications and promote equal access to reduced-rate loans for MWBEs.
 - \$500 million for Green Jobs, including investing in green technology and infrastructure necessary for the development of offshore wind ports.
- **Article VII**

The enacted 2022-23 State Fiscal Year Budget includes the following Article VII provisions related to the Department of Economic Development and Empire State Development.

 - The Legislature modified the Executive proposal to extend the general loan powers of the New York State Urban Development Corporation by three years to a one-year extension (July 1, 2022, to July 1, 2023).
 - The Legislature modified the Executive proposal to authorize the New York State Urban Development Corporation to administer the Empire State Economic Development Fund by three years to a one-year extension (July 1, 2022 to July 1, 2023).
 - The Legislature adopted a proposal to create a COVID-19 Small Business Seed Funding Grant Program to provide funding to support early-stage small and micro businesses.
 - The Legislature approved a proposal to expand the Excelsior Linked Deposit Program by authorizing Community Development Financial Institutions to participate as borrowers in the Program for projects in which loans will be available to small businesses.
 - The Legislature modified the Executive proposal to establish a \$250 million refundable tax credit program to support small business capital expenses resulting from the COVID-19 pandemic, to add reporting requirements and to establish a minimum credit amount of \$1,000 per business. Under this program, small businesses with \$2.5 million or less of gross receipts would be eligible for a credit of 50 percent of their qualifying costs up to \$25,000.
 - The Legislature modified the Executive proposal to increase funding caps for demolition and rehabilitation of property and added residential apartment units as eligible properties to receive rehabilitation funds (to provide a greater incentive to rehab properties for

purpose of creating affordable housing units) under the RESTORE-NY program and included participation of minority-owned and women-owned businesses enterprises.

- The Legislature adopted a proposal to codify in state law a searchable database of all economic development programs and to include part-time jobs in addition to full time jobs created and retained by entities receiving economic development benefits.
- The Legislature adopted a proposal to extend the New York Youth Jobs Program tax credit for five years.
- The Legislature adopted a proposal to extend the Empire State Apprenticeship tax credit for five years.
- The Legislature modified the Executive proposal to extend the film tax credit for three years and required applicants to file diversity plans.
- The Legislature modified the Executive proposal to expand the Restaurant Return-to-Work Credit program – to include an additional credit available for businesses that hired between 10 and 20 FTE positions over the same period, and the combined Restaurant Return-to-Work Credits would remain capped at \$35 million.
- The Legislature modified the Executive proposal to expand the New York City Musical and Theatrical Production Tax Credit from \$100 million to \$200 million.
- The Legislature rejected a proposal to establish a new salon license, create a traineeship license, and repeal of license requirements for natural hair braiders.

New York State Liquor Authority

The State Liquor Authority (SLA) and the Office of Cannabis Management (OCM) are the respective entities charged with enforcing the provisions of the Alcoholic Beverage Control Law and Cannabis Law in New York State. This year's budget provided an All Funds appropriation of \$112.5 million, an increase of \$750,000 over the Executive Budget.

- **State Operations**

- \$750,000 of additional funds was provided to support a State Liquor Authority modernization and to help reduce the backlog of license applications.

- **Aid to Localities**

- \$50 million investment into a Cannabis Social Equity Fund to finance capital costs for adult-use cannabis dispensaries operated by social equity licensees. This funding will be matched by \$150 million in private investment.

- **Article VII**

The enacted 2022-23 State Fiscal Year Budget included the following Article VII provisions related to the State Liquor Authority:

- The Legislature modified the Executive proposal to authorize email as a permissible form of community notification and allows municipalities and community boards to opt to accept such form of notification.
- The Legislature modified the Executive proposal to grant the SLA permanent authorization to issue temporary retail permits for new retail businesses to instead provide a one-year extension.
- The Legislature modified the Executive proposal related to authorizing the sale of alcohol-to-go by on-premises retailers for off-premises consumption.
- The Legislature adopted the following provisions that will:
 - allow farm manufacturer licensees to have third-party businesses operate on their premises;
 - allow wine and liquor stores to open on Christmas Day;
 - allow veteran organizations to obtain a liquor license even if a police officer serves as an office of such organization; and,
 - create a temporary study commission to make recommendations on Alcoholic Beverage Control Law and State Liquor Authority regulations.

The enacted 2022-23 State Fiscal Year Budget included the following Article VII provisions related to the Office of Cannabis Management:

- The Legislature modified the Executive proposal to authorize a private debt or equity fund to provide financial assistance to socially and economically disadvantaged individuals in relation to the establishment of cannabis retail dispensaries by including provisions for clarifying the administration of the program by the Dormitory Authority of New York State and requiring a private debt equity match of \$150 million of investment.
- The Legislature adopted a proposal to authorize licensed adult-use cannabis businesses to deduct their business expenses from State taxes.

III. IMPROVING NEW YORK'S ECONOMY AND CREATING JOBS

The Committee plays an important role in facilitating economic development policy in the State with an overarching objective to ensure an equitable and inclusive economy. 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 help emerging industries, thereby supporting the growth of specialized clusters in growing fields of employment.

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 alcoholic 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 alcoholic beverages and encourage the expansion of local craft beverage markets.

Related to the adult-use cannabis industry, the Committee's primary role has been to provide support and oversight of this newly launched and developing industry in New York State. To date, the Committee's work has been related to reviewing the evolving regulatory structure necessary to implement the licensure of the manufacturing, distribution, and retail sale of adult-use cannabis.

The Committee will continue its review of the ABC and Cannabis 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 about the future of cannabis, alcoholic beverage manufacturing businesses and retail establishments located in their neighborhoods.

The following is a list of significant legislation worked on the Committee in 2022:

- **Human-Trafficking Recognition Training Program for Hotel Employees**
A.887-C, Paulin, Chapter 393 of the Laws of 2022

This law requires lodging facilities (hotels, motels, inns) to require all employees who are likely to interact with guests to undergo an approved human trafficking recognition training program to provide training in the recognition of a human trafficking. This law provides that new lodging facility employees receive human trafficking recognition training within their first 60 days of employment and existing employees receive human trafficking recognition training within four months of the effective date of this Chapter.

- **Annual Comprehensive Performance Review of New York State Agency Economic Development Programs**

A.5425-A, Bronson, Assembly Ways and Means Committee

This bill would define “economic development program” and require each state agency administratively responsible for economic development activities to prepare a separate plan for each program that each agency administers. Such plans would include a description of proposed program activities, funding, objectives, population to be served, institutions eligible to receive funds, and a description of the coordination and linkages between this program and other program activities funded separately. Further, this bill would require a comprehensive performance review of the implementation of each program.

Finally, this bill would require the Commissioner of the Department of Economic Development to review each state agency plans and performance reviews and prepare an annual report summarizing the programs and potential improvements to be submitted to the Speaker of the Governor, Assembly and Temporary President of the Senate.

- **Prohibits The Sale Of Cosmetics By Manufacturers That Use Animal Testing**

A.5653-B, Rosenthal L, Chapter 682 of the Laws of 2022

This law prohibits the sale of cosmetics by manufacturers that knew or reasonably should have known that animal testing was conducted on their products after January 1, 2023, unless as provided in the exceptions.

- **Distillers Parity**

A.6233-A, Gunther, Chapter 315 of the Laws of 2022

This law allows distillers licensed under the Alcohol Beverage Control Law to now conduct tastings of liquor they manufacture, or any New York labeled liquor, and to sell at retail any such liquor for consumption on and off the licensed premises. Furthermore, this law provides that sales for off-premises consumption may be made only to customers who are physically present upon the licensed premises and such sale shall be concluded by the customer's taking of sealed containers purchased at the time the customer leaves the licensed premises. Finally, this law allows distillers to file their statutorily required price postings annually rather than monthly.

- **Helping MWBE’s Refinance Existing Debt**

A.6420, Bichotte-Hermelyn, Chapter 568 of the Laws of 2022
(Approval Message #19)

This law permits funds dispersed through the Minority- And Women-Owned Business Development and Lending Program to be utilized for the purpose of refinancing existing debt or equity already invested in an enterprise or project, provided that the Urban Development Corporation determines the terms of the original debt to be unreasonable. Unreasonable terms of debt may include but are not limited to: a demand or balloon

maturity feature in the existing note; the current maturity is not appropriate for the original purpose of the loan; the existing debt being refinanced is on a revolving line or a credit card; the interest rate is deemed unreasonable by the corporation; or, the loan is over-collateralized.

- **Helping Brewers of NYS Labelled Beer**

A.7746-A, Lupardo, Chapter 326 of the Laws of 2022

This law extends the timeframe in which a manufacturer licensed to produce "New York state labelled beer" must use 90% in New York grown hops and other ingredients in their manufacturing process from January 1, 2024, to January 1, 2029.

- **Mandatory Signs for Licensees Approved for Adult Entertainment/Exotic Dancing**

A.7818-B, Cruz, Chapter 387 of the Laws of 2022

This law requires that all on-premise alcoholic beverage licensees that offer adult entertainment such as "exotic dancing," topless entertainment, pole dancing and lap dancing, to display posters with information on human trafficking, including the internet links and a toll-free telephone number of the National Human Trafficking Hotline. Signs would be required to be in English and Spanish as well as any other language the State Liquor Authority (SLA) determines necessary. Finally, the law provides for a civil penalty of up to \$100/day per violation.

- **Assisting a Business in Dutchess County**

A.7989-A, Jacobson, Chapter 247 of the Laws of 2022

This law authorizes the State Liquor Authority to issue an on-premise liquor license to a business located in Dutchess County that is within 200' of a religious institution or school.

- **Expands the On-Premise Retail Sale of Japanese Shochu**

A.8620, Barrett, Chapter 255 of the Laws of 2022

This law now authorizes that Japanese Shochu can be sold at retail by an on-premise licensee with a license to sell wine and beer for consumption by patrons.

- **Assisting a Business in Suffolk County**

A.8643, Thiele, Chapter 328 of the Laws of 2022

This law provides as an exemption on the restrictions on manufacturers, wholesalers, and retailers from sharing an interest in a liquor license in Suffolk County.

- **Providing Cure Period to Businesses for 1st Time Violations**

A.8693, Bronson, Chapter 21 of the Laws of 2022

This law makes technical amendments to effectuate the provisions of Chapter 738 of the Laws 2021 related to providing a cure period to those licensed pursuant to the Alcoholic Beverage Control Law (ABCL). Specifically, this law: provides for the use of the term "for cause" to include a licensee's or permittee's failure to cure a violation of law or rule in the time period prescribed by the State Liquor Authority (SLA) pursuant to the ABCL; and moves the language related to the cure period or other opportunity for ameliorative action for a first-time violation to a broader existing section of the ABCL as well as expands the language to include acts of omission of information.

- **Provides Clarification to the State Liquor Authority Database**
A.8695, Woerner, Chapter 76 of the Laws of 2022

The law effectuates amendments to Chapter 719 of the Laws 2021 (Approval message 90) by making technical changes to the underlying chapter to reflect license application status information that the State Liquor Authority (SLA) would collect and maintain in a publicly available database. Specifically, this law requires the SLA would also be required, where feasible and resources permitting, to develop or cause to be developed upgrades to their information technology systems that will enable greater transparency for applicants with respect to their application status and estimated processing times for final determination on a license application. Finally, the law changes the timeframe that the SLA must issue a receipt to a license applicant from 15- to 25- business days.

- **Expanded Business Access to Temporary Retail Permits**
A.8699, Dickens, Chapter 106 of the Laws of 2022

This law effectuates amendments to Chapter 700 of the Laws 2021 related to the 500-foot law. The underlying chapter is amended as follows: provides that temporary retail applicants would be required to provide a community notification as part of the overall license application notice; would allow license applicants, statewide, to apply for a temporary retail permit even if they are subject to the 500-foot law, if an Administrative Law Judge (AU) makes a recommendation to the State Liquor Authority (SLA) that there is a finding of a public interest in authorizing a temporary retail permit, then one could be issued; would add additional operating restrictions for applicants in New York City for temporary retail permit while a license application is being considered by the SLA; provides that if SLA approves the application for a full license, then the restrictions of the temporary permit would be removed and replaced with other restrictions, if any, imposed by SLA in accordance with the public interest standard; and would require that the 500-foot law hearing notice to communities issued from SLA to include notification that a temporary retail permit may be issued to the premises by the authority after a recommendation that there be a finding of public interest.

- **Outdoor Dining Using Municipal Space**
A.8707, Fahy, Chapter 165 of the Laws of 2022

This law effectuates amendments to Chapter 238, Laws of 2021 related to allowing the use of contiguous and non-contiguous municipal public space by retail on-premise licensees for on-premise consumption, if permitted by a municipality.

This law allows for the continued use of contiguous and non-contiguous municipal public space by retail on-premise licensees and manufacturers that sell "and/or" serve alcoholic beverages at retail for on-premise consumption, if permitted by a municipality. This law: defines and clarifies the boundaries of contiguous and non-contiguous municipal public space; clarifies community notification requirements by licensees; requires licensees to submit to the State Liquor Authority (SLA) a copy of a permit or other written authorization from the municipality to use the outdoor space and a diagram of how the space would be utilized; retains the grandfathering of licensed retail on-premise consumption businesses, but business would be required to provide the SLA with updated information within 90-days related to a premise diagram and municipal approval. Finally, this bill specifies that a municipality may revoke, suspend or otherwise terminate any authorization to use municipal outdoor space by a licensee and that the SLA is still authorized to revoke, cancel, or suspend a license or outdoor dining privileges pursuant to existing law.

- **Training for Temporary Security Guards**
A.8714, Burke, Chapter 29 of the Laws of 2022

The law effectuates an amendment to Chapter 425 of the Laws 2021 related to hiring of temporary security guards by third parties for a publicly owned sports venue with a capacity of 60,000 people located in Erie County. Of those temporary security guards hired by tenants or third party or third-party providers of such tenants, at least fifty percent of those hires would be required to have obtained a license as provided for in the General Business Law.

- **Extends STEM Study Report Due Date**
A.8764, L. Rosenthal, Chapter 46 of the Laws of 2022

This law effectuates an amendment to Chapter 757 of the Laws 2021 related to a science, technology, engineering, and mathematics study report date prepared by the Urban Development Corporation from 2022 to 2023.

- **Promoting New York State Businesses**
A.8932, Stirpe, Vetoed Message #151 of 2022

This bill would require Empire State Development (ESD) to establish and implement a public awareness campaign designed to promote New York State businesses as well as create an internet website directory. This bill/law would set the date for the campaign to begin no later than January 1, 2024. Further, bill would direct ESD to prepare an annual

report to the Governor and the Legislature by December first of each year regarding actions taken by ESD to carry out the public awareness campaign and an assessment of any necessary appropriations for the next fiscal year.

- **Creating And Maintaining A Database Of Workforce Development Programs**
A.9278, Bronson, Vetoed Message #153 of 2022

This bill would require the Department of Economic Development (Department), in conjunction with the Department of Labor, to establish and maintain an online searchable database to catalogue and make available information on workforce development funding programs and may publish any analysis or reports conducted or authorized by the department, or other state agencies or entities, on any such data, reports or information. Further, this bill would require the database to include information related to funding available for workforce development programs. Finally, this bill would require other State agencies and entities to provide workforce development program information to the Department.

- **Creates a Temporary Conditional Adult-Use Cultivator License and Temporary Conditional Adult-Use Processor License**
A.9283, Peoples-Stokes, Chapter 18 of the Laws of 2022

This law authorizes the Cannabis Control Board to issue temporary conditional adult-use cannabis cultivator licenses and conditional adult-use cannabis processor licenses to existing licensed hemp growers in order to establish the adult-use cannabis market in a timely manner, and to bolster the social equity program required by the Cannabis Law.

- **Assisting a Business in Onondaga County**
A.9543, Hunter, Chapter 50 of the Laws of 2022

This law authorizes the State Liquor Authority to issue an on-premise liquor license to a business located in Onondaga County that is within 200 feet of a school.

- **Increasing Transparency of Community Advisory Committees**
A.9622-B, Solages, Chapter 823 of the Laws of 2022

This law requires any Community Advisory Committee (CAC) created by Empire State Development to post on their website committee members, agendas, material, minutes, and time. This law also requires CAC meetings to be publicly accessible.

- **Establishes the New York Textile Act**
A.9649-A, Woerner, Chapter 572 of the Laws of 2022
(Approval Message #20)

This law will promote and support animal and plant fiber growing, processing, and textile manufacturing industry in New York State.

- **Authorizes a Study of New York State Public and Private Museums**
A.9710, Barrett, Vetoed Message #64 of 2022

This bill would direct the Department of Economic Development (DED), in conjunction with the Empire State Development Corporation, the Department of Education, the Office of Parks, Recreation and Historic Preservation, the Department of Environmental Conservation, the Department of State, and the New York State Council on the Arts to conduct a study of public and private museums in New York State.

- **Helping Human Trafficking Victims**
A.9814, Paulin, Chapter 391 of the Laws of 2022

This law requires truck stops to provide informational signage related to services available to human trafficking victims in public restrooms.

- **Outdoor Dining on Municipal Spaces Extended**
A.9820-A, Fahy, Chapter 277 of the Laws of 2022

This law extends the statute authorizing on-premises retailers, such as restaurants and taverns, to serve alcoholic beverages outdoors on municipally-controlled land for three years.

- **Human Trafficking Awareness Trainings**
A.9821, Jean-Pierre, Chapter 392 of the Laws of 2022
(Approval Message #11)

This law requires that human trafficking awareness trainings be included in all State Liquor Authority Certified Alcohol Training Awareness Program (ATAP) courses that are recognized in New York State.

- **Helping A Business In Monroe County**
A.10066, Bronson, Chapter 286 of the Laws of 2022

This law amends an existing tied house exemption in the ABCL provided for by Chapter 218, laws of 2020. The manufacturer that received the original exemption is in the process of expanding their operations and moving to a larger facility and premise, which will now require a revised exemption in ABC law.

- **Helping A Business In Suffolk County**
A.10088, Thiele, Chapter 288 of the Laws of 2022

This law provides a tied house exemption to the Alcohol Beverage Control Law normally prohibiting a manufacturer or wholesaler and a retailer from having a financial interest in each other's business for a business in the Town of East Hampton, Suffolk County.

- **Creates An Off-Premise Catering Licenses**
A.10176, Rules (Thiele), Chapter 703 of the Laws of 2022

This law allows off-premises catering establishments to apply to the State Liquor Authority for a license to sell all types of alcoholic beverages at a site remote from a licensed premises for a particular function, occasion or event.

- **Assisting a Business in Monroe County**
A.10198, Rules (Bronson), Chapter 304 of the Laws of 2022

This law adds several parcels of lands to the list of premises which are exempt from the provisions of law which generally restrict manufacturers, wholesalers, and importers from sharing an interest in a retailer in Monroe County.

- **Green CHIPS**
A.10507, Rules (Stripe), Chapter 494 of the Laws of 2022

This law incentivizes semiconductor manufacturers to build new factories in New York State by making them eligible for the Excelsior Jobs Tax Credit Program. To be eligible for the Excelsior Jobs Tax Credit Program, a Green CHIPS project would be required to create at least 500 net new jobs and spend at least \$3 billion in capital investment over a period of ten years. These businesses would also be required to have a plan to limit their greenhouse gas emissions and to establish programs to expand employment opportunities for economically disenfranchised individuals. (*Note reported from Assembly Committee on Ways and Means*)

IV. OUTLOOK FOR 2023

During the 2022 Legislative Session, the Committee oversaw the continued re-opening of New York's Economy and the issues facing businesses in all sectors as they resume their core business operations. No matter the size or nature of its operations, every business has been affected by COVID and its variants and to some degree will likely be in a "recovery mode" for the next several years. While great strides have been made in keeping business whole and operational, it is essential that the Committee continues to help businesses succeed, support job opportunities and in doing so help New York families and communities in which these businesses operate.

During the 2023 Session, the legislative and budgetary focus for the Committee on Economic Development will include developing approaches that recognize economic development and workforce development are interconnected and mutually dependent. The focus will also include measures to ensure economic development that is both equitable and inclusive of those individuals historically left on the economic sidelines, especially those from marginalized communities. Committee priorities will include:

- Expanding and improving workforce development strategies within economic policy and oversight of the \$350 million provided for workforce development in the SFY 2022-2023 enacted budget. To this end, the Committee will focus on expanding work training and employment programs, as well as coordinating workforce development throughout State policy development, implementation, and funding. To ensure that existing State programs, across agencies and other State entities, are coordinated, promoted and accessible to employers and workers. Importantly, we will work to ensure workforce development strategies are aligned with job availability as well as meeting industry needs;
- Continuing to examine existing State economic development programs and incorporate inclusive workforce development policies that are not just about counting job numbers but creating opportunities for true career development and up-skilling those that are unemployed or underemployed as well as aligning funding priorities with the needs of those individuals by supporting additional funding for apprenticeships, skills training, and other career pathways to enhance their skills and give them the ability to thrive economically;
- Improving transparency through committee's oversight role. The Committee is responsible for legislation that affects economic development and business regulation throughout the State but also has an oversight role of the State's various economic development agencies, authorities, and programs that notably impact the State's overall economic health; and
- Providing support and oversight of the new adult-use cannabis industry in New York State, especially related to reviewing the evolving regulatory structure necessary to implement the licensure of the manufacturing, distribution, and retail sale of adult-use cannabis.

APPENDIX A

**2022 SUMMARY OF ACTION ON ALL BILLS REFERRED TO THE COMMITTEE ON
ECONOMIC DEVELOPMENT, JOB CREATION, COMMERCE, AND INDUSTRY**

TOTAL NUMBER OF COMMITTEE MEETINGS HELD 5

BILLS REPORTED FAVORABLE TO:	Assembly Bills	Senate Bills	Total
Codes	3	0	3
Judiciary	0	0	0
Ways and Means	11	0	11
Rules	6	0	6
Floor	10	0	10
TOTAL	30	0	30
COMMITTEE ACTION			
Held For Consideration	3	0	3
Defeated	0	0	0
Enacting Clause Stricken	5	0	5
REMAINING IN COMMITTEE	170	19	189
BILLS REFERENCE CHANGED TO			
Ways and Means	3	0	3
TOTAL	3	0	3

APPENDIX B

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

2022 Bills Considered (Chapters/Vetoes are included in Appendix C)

Assembly Bill #	Assembly Sponsor	Last Assembly Action	Description
A.5425-A	Bronson	Assembly Ways and Means Committee	<p>This bill would define “economic development program” and require each state agency administratively responsible for economic development activities to prepare a separate plan for each program that each agency administers. Such plans would include a description of proposed program activities, funding, objectives, population to be served, institutions eligible to receive funds, and a description of the coordination and linkages between this program and other program activities funded separately. Further, this bill would require a comprehensive performance review of the implementation of each program.</p> <p>Finally, this bill would require the Commissioner of the Department of Economic Development to review each state agency plans and performance reviews and prepare an annual report summarizing the programs and potential improvements to be submitted to the Speaker of the Governor, Assembly and Temporary President of the Senate.</p>

APPENDIX C

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

2022 Chapters/Veto

Assembly Bill #	Assembly Sponsor	Chapter #	Description
A.887-C	Paulin	Chapter 393, Laws of 2022	This law requires lodging facilities (hotels, motels, inns) to require all employees who are likely to interact with guests to undergo an approved human trafficking recognition training program to provide training in the recognition of a human trafficking. This law provides that new lodging facility employees receive human trafficking recognition training within their first 60-days of employment and existing employees receive human trafficking recognition training within four months of the effective date of this Chapter.
A.5653-B	L. Rosenthal	Chapter 682, Laws of 2022	This law prohibits the sale of cosmetics by manufacturers that knew or reasonably should have known that animal testing was conducted on their products after January 1, 2023, unless as provided in the exceptions.
A.6233-A	Gunther	Chapter 315, Laws of 2022	This law allows distillers licensed under the Alcohol Beverage Control Law to now conduct tastings of liquor they manufacture, or any New York labeled liquor, to sell at retail any such liquor for consumption on and off the licensed premises and it simplified statutorily required price postings to annually rather than monthly.
A.6420	Bichotte-Hermelyn	Chapter 568 Laws of 2022 Approval Message #19	This law permits funds dispersed through the Minority- And Women-Owned Business Development and Lending Program to be utilized for the purpose of refinancing existing debt or equity already invested in an enterprise or project, provided that the Urban

Assembly Bill #	Assembly Sponsor	Chapter #	Description
			Development Corporation determines the terms of the original debt to be unreasonable.
A.7746-A	Lupardo	Chapter 326, Laws of 2022	This law extends the timeframe in which a manufacturer licensed to produce "New York state labelled beer" must use 90% in New York grown hops and other ingredients in their manufacturing process from January 1, 2024, to January 1, 2029.
A.7818-B	Cruz	Chapter 387, Laws of 2022	This law now requires that all on-premise alcoholic beverage licensees that offer adult entertainment such as "exotic dancing," topless entertainment, pole dancing and lap dancing, to display posters with information on human trafficking, including the internet links and a toll-free telephone number of the National Human Trafficking Hotline.
A.7989-A	Jacobson	Chapter 247, Laws of 2022	This law authorizes the State Liquor Authority to issue an on-premise liquor license to a business located in Dutchess County that is within 200' of a school or religious institution.
A.8620	Barrett	Chapter 255, Laws of 2022	This law now authorizes that Japanese Shochu can be sold at retail by an on-premise licensee with a license to sell wine and beer for consumption by patrons.
A.8643	Thiele	Chapter 328, Laws of 2022	This law provides as an exemption on the restrictions on manufacturers, wholesalers, and retailers from sharing an interest in a liquor license in Suffolk County.
A.8693	Bronson	Chapter 21, Laws of 2022	This law makes technical amendments to effectuate the provisions of Chapter 738 of the Laws 2021 (Approval message 105) related to providing a cure period to those licensed pursuant to the Alcoholic Beverage Control Law (ABCL).

Assembly Bill #	Assembly Sponsor	Chapter #	Description
A.8695	Woerner	Chapter 76, Laws of 2022	The law effectuates amendments to Chapter 719 of the Laws 2021 (Approval message 90) by making technical changes to the underlying chapter to reflect license application status information that the State Liquor Authority (SLA) would collect and maintain in a publicly available database.
A.8699	Dickens	Chapter 106, Laws of 2022	This law effectuates amendments to Chapter 700 of the Laws 2021 (Approval message 83) related to the 500-foot law and applicants for a temporary retail permit.
A.8707	Fahy	Chapter 165, Laws of 2022	This law effectuates amendments to Chapter 238, Laws of 2021 (Approval Message 11) related to allowing the use of contiguous and non-contiguous municipal public space by retail on-premise licensees for on-premise consumption, if permitted by a municipality.
A.8714	Burke	Chapter 29, Laws of 2022	The law effectuates an amendment to Chapter 425 of the Laws 2021 (Approval message 21) related to hiring of temporary security guards by third parties for a publicly owned sports venue with a capacity of 60,000 people located in Erie County.
A.8764	L. Rosenthal	Chapter 46, Laws of 2022	This law effectuates an amendment to Chapter 757 of the Laws 2021 (Approval message 119) related to a science, technology, engineering, and mathematics study report date prepared by the Urban Development Corporation from 2022 to 2023.
A.8932	Stirpe	Vetoed Message # 151	This bill would require Empire State Development (ESD) to establish and implement a public awareness campaign designed to promote New York State businesses as well as create an internet website directory.

Assembly Bill #	Assembly Sponsor	Chapter #	Description
A.9278	Bronson	Vetoed Message # 153	This bill would require the Department of Economic Development (Department), in conjunction with the Department of Labor, to establish and maintain an online searchable database to catalogue and make available information on workforce development funding programs.
A.9283	Peoples-Stokes	Chapter 18, Laws of 2022	This law authorizes the Cannabis Control Board to issue temporary conditional adult-use cannabis cultivator licenses and conditional adult-use cannabis processor licenses to existing licensed hemp growers in order to establish the adult-use cannabis market in a timely manner, and to bolster the social equity program required by the Cannabis Law.
A.9543	Hunter	Chapter 50, Laws of 2022	This law authorizes the State Liquor Authority to issue an on-premise liquor license to a business located in Onondaga County that is within 200 feet of a school or religious institution.
A.9622-B	Solages	Chapter 823, Laws of 2022	This law requires any Community Advisory Committee (CAC) created by Empire State Development to post on their website committee members, agendas, material, minutes, and time. This law also requires CAC meetings to be publicly accessible.
A.9649-A	Woerner	Chapter 572 Laws of 2022 Approval Message #20	This law will promote and support animal and plant fiber growing, processing, and textile manufacturing industry in New York State.
A.9710	Barrett	Vetoed Message #64	This bill would direct the Department of Economic Development (DED), in conjunction with the Empire State Development Corporation, the Department of Education, the Office of Parks, Recreation

Assembly Bill #	Assembly Sponsor	Chapter #	Description
			and Historic Preservation, the Department of Environmental Conservation, the Department of State, and the New York State Council on the Arts to conduct a study of public and private museums in New York State.
A.9814	Paulin	Chapter 391, Laws of 2022	This law requires truck stops to provide informational signage related to services available to human trafficking victims in public restrooms.
A.9820-A	Fahy	Chapter 27, Laws of 2022	This law extends the statute authorizing on-premises retailers, such as restaurants and taverns, to serve alcoholic beverages outdoors on municipally control land for three years.
A.9821	Jean-Pierre	Chapter 392, Laws of 2022 Approval Message #11	This law requires that human trafficking awareness trainings be included in all State Liquor Authority Certified Alcohol Training Awareness Program (ATAP) courses that are recognized in New York State.
A.10066	Bronson	Chapter 286, Laws of 2022	This law amends an existing tied house exemption in the ABCL provided for by Chapter 218, laws of 2020. The manufacturer that received the original exemption is in the process of expanding their operations and moving to a larger facility and premise, which will now require a revised exemption in ABC law.
A.10088	Thiele	Chapter 288, Laws of 2022	This law provides a tied house exemption to the Alcohol Beverage Control Law normally prohibiting a manufacturer or wholesaler and a retailer from having a financial interest in each other's business for a business in the Town of East Hampton, Suffolk County.
A.10176	Rules (Thiele)	Chapter 703, Laws of 2022	This law allows off-premise catering establishments to apply to the State Liquor Authority for a license to sell all types of

Assembly Bill #	Assembly Sponsor	Chapter #	Description
			alcoholic beverages at a site remote from a licensed premises for a particular function, occasion or event.
A.10198	Rules (Bronson)	Chapter 304, Laws of 2022	This law adds several parcels of lands to the list of premises which are exempt from the provisions of law which generally restrict manufacturers, wholesalers, and importers from sharing an interest in a retailer in Monroe County.