



2017

ANNUAL REPORT



New York State Assembly

Carl E. Heastie

Speaker

Committee on

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

Robin L. Schimminger

Chair



ROBIN SCHIMMINGER
140th District

THE ASSEMBLY
STATE OF NEW YORK
ALBANY

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

COMMITTEES
Codes
Health
Ways & Means

December 15, 2017

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 2017 Annual Report of the Assembly Standing Committee on Economic Development, Job Creation, Commerce and Industry.

During the 2017 Legislative Session and 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 worked on new economic development initiatives that will assist businesses to grow in New York including a strategic workforce development measure and several measures approved through budget process to 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 The Committee continued its work on modernizing the Alcoholic Beverage Control Law and specifically sought to reduce outdated and unnecessary restrictions, while supporting measures that allow the market to function in a manner that is balanced for consumers and businesses.

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,

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

2017 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
Donna Lupardo
Addie Jenne
Michael A. Simanowitz*
Anthony Brindisi
Harry Bronson
Al Stirpe
Didi Barrett
Frank Skartados
Maritza Davila
Rodneyse Bichotte
Kimberly Jean-Pierre
Charles Barron
Alicia Hyndman
Anthony D'Urso
Billy Jones

Minority

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

*In Memory of Michael Simanowitz who served on the Committee and passed this Fall.
We will always be grateful for his humor and wisdom.

Staff

Giovanni Warren, Assistant Secretary for Program and Policy
Debra Jenkins, Legislative Analyst
Kyle Wallach, 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 play an important role in impacting 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 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.

II. FY 2017-2018 ECONOMIC DEVELOPMENT BUDGET INITIATIVES

The Committee advanced several key initiatives focusing on creating jobs and opportunities for businesses and entrepreneurs. Economic development funding is 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 following are programs that impact businesses in New York State and received allocations in the FY 2017-2018 budget either through the Department of Economic Development or through the Urban Development Corporation, which does business as Empire State Development (ESD):

Department of Economic Development

- The enacted budget for Fiscal Year 2017-2018 provided an All Funds appropriation of \$92.56 million, an increase of \$4.34 million over the Executive's original proposal for economic development programs. This amount includes a State Operations allocation of \$26.895 million for the Department of Economic Development.
- The Aid to Localities budget for Fiscal Year 2017-2018 includes appropriations for the following programs:
 - \$13.818 million for the 15 existing Centers for Advanced Technology at the same amount of \$921,200 each;
 - \$10 million for the Centers of Excellence, which funds the existing 10 Centers of Excellence at the same amount of \$1 million each. Additional funding was allocated as follows:
 - \$250,000 for the State University at Albany, Center of Excellence in the Data Science in Atmospheric and Environmental Predictions and Innovation;
 - \$500,000 to the New York Medical College to create a Center of Excellence in Precision Responses to Bioterrorism and Disasters;
 - \$9.470 million for the Manufacturing Extension Partnership Program;
 - \$6 million for the High Technology Matching Grants Program;
 - \$5 million for the New York State Innovations Hot Spots/ New York State Incubators;
 - \$3.006 million for the SUNY Polytechnic Institute Colleges of Nanoscale Science and the Engineering Focus Centers and Rensselaer Polytechnic Institute Focus Center;
 - \$1.38 million for the Technology Development Organizations;
 - \$921,000 for the Industrial Technology Extension Service;
 - \$609,000 for Technology Development Organization Matching Grants Program;
 - \$343,000 for the Science and Technology Law Center;
 - \$200,000 for the North Country Chamber of Commerce;
 - \$150,000 for the Chautauqua Regional Economic Development Corporation for LECOMP/ PGA Health Challenge golf tournament promotion;
 - \$125,000 for Long Island Regional Planning Council's Fiber Optics Robotics Feasibility Study;

- \$80,000 for Dream It Do It Western New York, Inc.; and
- \$50,000 for the Brooklyn Chamber of Commerce.

Urban Development Corporation (Empire State Development)

- The Legislature provides an All Funds appropriation of \$2.68 billion, an increase of \$182.54 million over the Executive proposal.
- The following programs received appropriations in this year’s Aid-To- Localities budget:
 - \$69.5 million for economic development and tourism;
 - \$26.180 million for the Empire State Economic Development Fund;
 - \$4.605 million for the retention of professional football in Western New York;
 - \$3 million for Military Base Retention and Research Efforts;
 - \$3.404 million for the Urban and Community Development Program in Economically Distressed Areas;
 - \$1.7965 million for the Community Development Financial Institutions Program;
 - \$1.764 million for the Entrepreneurial Assistance Program;
 - \$1 million for the Beginning Farmers NY Fund;
 - \$635,000 for the Minority and Women-Owned Business Development and Lending Program;
 - \$550,000 for the Bronx Overall Economic Development Corporation;
 - \$500,000 for the Brooklyn Chamber of Commerce;
 - \$400,000 for the Center State Corporation for Economic Opportunity Program;
 - \$300,000 for the Bronx Overall Economic Development Corporation;
 - \$250,000 for the Carnegie Hall Corporation;
 - \$250,000 for the Kingsbridge Riverdale VanCortland Development Corporation;
 - \$250,000 for Adirondack North Country, Inc.;
 - \$110,000 for Watkins Glen International;
 - \$100,000 for Canisius College;
 - \$100,000 for the North Country Chamber of Commerce;
 - \$100,000 for the New Bronx Chamber Of Commerce, Inc.;
 - \$75,000 for the Town of Tonawanda;
 - \$75,000 for the Black Institute, Inc.;
 - \$75,000 for the Association of Community Employment Programs for the Homeless, Inc.;
 - \$75,000 for Camba, Inc.;
 - \$50,000 for Asian Americans for Equality, Inc; and
 - \$25,000 for the World Trade Center Buffalo Niagara.
- The following programs received appropriations in this year’s Capital Projects budget:
 - \$400 million for Buffalo Billion, Phase II;
 - \$207.5 million Strategic Projects Program initiative;

- \$150 million appropriation for the Life Science Public Health Laboratory was authorized, but will require that any award in excess of \$5 million to be reviewed and approved by the New York State Public Authorities Control Board;
 - \$150 million for Regional Economic Development Councils;
 - Support for economic development and infrastructure projects, including \$45 million for renovations to the LIRR stations in Great Neck, Valley Stream, Merrick, Bellmore, Baldwin, Deer Park, Syosset, Northport and Stony Brook and \$20 million for LIRR Brookhaven Connection project have been shifted to current year appropriations;
 - \$110 million for NY SUNY and NY CUNY 2020 Grants;
 - \$70 million for the RESTORE NY's Communities Initiative;
 - \$20 million in additional support for the Life Science Initiative for bioscience research labs and academic medical centers, for a total appropriation of \$320 million; and
 - \$15 million for Cryo-electron Microscopy (CryoEM) facility at Brookhaven National Laboratory.
- **Article VII**

The 2017-2018 Fiscal Year Budget reflects the following significant actions by the Legislature related to Article VII initiatives proposed by the Executive related to ESDC:

- Increases the funding available through the Electric Generation Facility Cessation Mitigation Fund from \$30 million to \$45 million. This measure also changes the reimbursement schedule to municipalities and school districts to be fixed at 80 percent for the first year, and to decrease by 10 percent annually over the course of seven years;
- Establishes the Life Sciences Initiatives Program to support the advancement of life science technologies, to promote critical public and private sector investment in emerging life science fields, and to foster the creation of new and expanded business development and job growth in the life science industry;
- Extends the Urban Development Corporation's authority to administer the Economic Development Fund from July 1, 2017, to July 1, 2018;
- Extends the Urban Development Corporation's general loan powers from July 1, 2017, to July 1, 2018; and
- Rejected the Executive's proposal to recodify the START-UP NY as the Excelsior Business Program and make programmatic changes including changing the definition of a new business, authorizing the additional program power for the Commissioner and requiring less accountability through program reporting. However, at the request of the Executive, a provision was included to repeal provisions in the START-UP NY statute that required reporting of program data and status.

New York State Liquor Authority

- The 2017-2018 Fiscal Year budget provided the State Liquor Authority (SLA), the entity charged with Alcoholic Beverage Control in New York State, with \$14.313 million in the State Operations Budget. The SLA has no funds allocated through either the Capital or Aid to Localities Budgets.
- **Article VII**

The 2017-2018 Fiscal Year Budget reflects the following actions by the Legislature related to Article VII initiatives proposed by the Executive related to the SLA:

- Rejects the Executive's Proposal to establish a TASTE-NY Alcohol Permit program;
and
- Rejects the Executive's Proposal to establish a Motion Picture Theater Alcohol Permit which would have authorized the operator of a motion picture theater to apply for a special license to sell alcohol beverages (beer, wine, cider and spirits) at retail for on-premise consumption to certain ticket holders.

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 the local governments and the private sector to create growing 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 towards 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 2016 and presented updated plans in the fall of 2017. 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 REDC process was allocated another round of funding in the FY 2017-2018 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 \$1million 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 2017:

Providing Access to Business Loans (A.2020, Schimminger, Reported and Referred to Ways and Means)

This bill would allow any small business impacted by State or local infrastructure projects to be added to the list of businesses able to apply for funding under the Economic Development Fund. Further, this bill would allow such businesses to apply for low-interest loans through the Linked Deposit Program.

Economic Development Small Businesses and Entrepreneurs Preference (A.3486, Schimminger, Reported and Referred to Ways and Means)

This bill would require the Department of Economic Development, the Job Development Authority, and the Urban Development Corporation to give preferences to small businesses and entrepreneurs when administering economic development programs. The bill would require that state economic development programs be actively marketed to small businesses and entrepreneurs as well as provide those businesses with assistance in obtaining those funds. The bill would set a goal of awarding at least 20 percent of program funds to such small businesses and entrepreneurs. This bill would also require the submission of an annual program report.

**Evaluating Access to Child Care
(A.3494, Solages, Advanced to 3rd Reading)**

This bill would require the Urban Development Corporation (UDC) to select five economically distressed areas to evaluate child care programs intended to serve low-income working families. The study would be completed in collaboration with the Office of Children and Family Services, the Office of Temporary Disability Assistance, and if practicable, local social services districts. Utilizing information gathered, the UDC would identify and develop strategies for the expansion and creation of child care programs through its various programs. UDC would also determine ways to incentivize businesses to create and expand the availability of child care programs, as well as determine a strategy to include child care as a component in existing and future economic development programs.

**Codifying the Regional Economic Development Councils (REDC)
(A.5405, Abinanti, Reported and Referred to Codes)**

This bill would codify the REDCs into law as they currently exist with the Governor being able to appoint members. This bill would add members of the REDCs to the list of public bodies whose members are subject to the financial disclosure requirements and Code of Ethics of the Public Officers Law. The provisions of this legislation would sunset on December 31, 2018.

**Restoring Reporting Requirements for the START-UP NY Program
(A.7427, Schimminger, Reported and Referred to Rules)**

This bill would restore annual START-UP NY reporting which requires disclosure of names and addresses of the businesses located within a START-UP NY area, projected number of net new jobs to be created, total benefits distributed, new investment by businesses, the types of industries and any other information deemed necessary by the Commissioner of the Department of Economic Development. This bill would set the annual reporting date as April 1, 2018, and annually thereafter. Further, this bill would require annual reports to include, at a minimum, annual program data and information attributable solely to the preceding calendar year as well as require that all net new jobs previously recorded, adjusted for net new jobs that have been subsequently lost, be reported. Finally, this bill would require annual reports to be posted as a separate document on the department's website.

**Establishing a Workforce Development Program
(A.8107, Bronson, Vetoed, Message #215)**

This bill would create the strategic investment workforce development program and would have the Urban Development Corporation collaborate with the Department of Labor, the Department of Economic Development, the State University of New York, the City University of New York and the State Education Department to identify the training needs of employers, employees and prospective employees, as well as identify areas of the state where there is a shortage of skilled workers and identify ways to strengthen prospective employees.

**Excelsior Linked Deposit Program
(A.8117, Schimminger, Reported and Referred to Ways and Means)**

This bill would increase the lifetime total a business may borrow from \$2 million to \$5 million through the Excelsior Linked Deposit Program.

**Qualified Empire Zone Enterprises
(A.8118, Schimminger, Reported and Referred to 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 requirement would still apply to certified businesses that are still receiving QEZE benefits.

**Innovative Hot Spot Program
(A.8119, Schimminger, Reported and Referred to Ways and Means)**

This bill would authorize the Urban Development Corporation (UDC) to approve and designate 10 New York incubator hot spots and requires the Corporation 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 services or resources. This bill would also authorize business enterprises of New York state incubators to be certified by the New York state innovation hot spot tax benefit program.

**Searchable State Subsidy and Economic Development Benefits Database
(A.8175, Schimminger, Reported and Referred to Ways and Means)**

This bill would require the Urban Development Corporation (UDC) with the Commissioner of Economic Development to establish a searchable State subsidy and economic development benefits database. UDC would be authorized to request information from qualified participants as deemed necessary and appropriate to complete and maintain the database.

The database would include the name and location of the participant, the time span of received economic development benefits, the type of benefit received, the total number of employees at all sites of a project, the number of jobs a participant is obligated to retain and create during the project, the amount of economic development benefits received for the current reporting year, and a statement of compliance indicating if any other State agency has reduced, cancelled or recaptured economic development benefits from a participant. This bill would also define the parameters, structure and functionality of the database and how it should operate.

This bill would also require that the UDC certify that it has met its reporting requirements by posting to its website. Finally, this bill would require that UDC staff provide quarterly status updates to the UDC Board of Directors on the development and maintenance of the database.

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 has also worked on bills that would provide manufacturers with additional flexibility in promoting their alcoholic beverage products and fostering growth by supporting the various markets in which the products are sold. The Committee also focused on quality of life issues including maintaining adequate control over problem establishments and ensuring community participation in the licensing process of retail establishments that serve alcohol beverages on premise.

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.

Standardizing the Granting of On-premises Liquor Licenses (A.1300, Kavanagh, Passed Assembly)

This bill would establish a consistent standard with respect to the factors that may be considered by the State Liquor Authority (SLA) when determining whether public convenience, advantage, and interest will be promoted by the grant of a specific on-premises liquor license to a particular applicant. This bill would also require that before issuing a license within 500 feet of three or more existing licensed establishments, the SLA consider any formal communication received from the municipality or community board.

Notice for Local Community Boards for All Night Liquor Licenses (A.1339, Rozic, Advanced to 3rd Reading)

This bill would require licensees applying for a permit to remain open between the hours of 4:00 a.m. and 8:00 a.m. to notify the local police department or county sheriff's office, as well as the local community board.

**Revising Retail and Special Retail Liquor Licenses for On-Premises Consumption
(A.2375, Lentol, Advanced to 3rd Reading)**

This bill would require the State Liquor Authority to provide community boards or municipalities 30 days' notice, instead of the current 15 days, in advance of any hearing conducted on an application for a retail liquor license for on-premise consumption for premises within 500 feet of three or more existing establishments.

**Creating Parity for Licensed Farm Distillers
(A.2994, Fahy, Chapter 103 of the Laws of 2107)**

This bill would amend current law to allow licensed farm distillers to conduct tastings on or off premises which would create parity with farm breweries, farm wineries, cider producers and farm cideries.

**Notice of New or Renewal Applications to Sell Liquor at Retail
(A.3859, Glick, Advanced to 3rd Reading)**

This bill would require an applicant filing for a license to sell liquor at retail or filing for a renewal to post notice within 10 days in a conspicuous place at the entrance of the establishment and be printed or highlighted in a pink ink of neon, luminous or fluorescent variety. This bill would require the notice to specify the application date, type of license, the identification number, and how to contact the state liquor authority to give a response to the application. This bill would also require the notice be reposted within 10 days after receipt of a written request from the authority is received and within 10 days of receiving a written notice of a hearing scheduled.

**Stronger Enforcement against Underage Persons in Possession
(A.4476, Schimminger, Reported and Referred to Codes)**

This bill would authorize a court to suspend a driver's license of an underage person found in possession of an alcohol beverage with the intent to consume and who has failed to appear before the court, pay a fine, complete an alcohol awareness program, or complete community service.

**Assisting Businesses with the Licensing Process with the State Liquor Authority
(A.4889, Schimminger, Chapter 182 of the Laws of 2017)**

This bill would extend current law 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.

**Expand Items Sold by Farm Cideries
(A.4972-A, Magee, Chapter 171 of the Laws of 2017)**

This bill would authorize farm cideries to sell their products and the products manufactured by other farm cideries and that produce New York State labeled cider to farm distilleries, farm wineries, wineries and farm breweries. Licensed wineries would be authorized to sell any New York state labeled cider. Further, this bill would expand the food selections made available by the licensee as the type of equipment and supplies used in cider-making available for sale.

**Provides Notification to Community Boards of Applications for License to Sell for Off-Premises Consumption
(A.6185, Moya, Advanced to 3rd Reading)**

This bill would provide that upon the receipt of an application for a license or a renewal of a license to sell liquor for off-premise consumption in the City of New York, the applicant must notify the clerk of the community board where the prospective licensed premises is to be located or where it is currently located 30 days prior to the submission of the application. This bill would also allow the community board to express an opinion for or against the issuance of the license, which would be included as part of the permanent record of proceedings.

**Expanding the Number of Barrels of Beer per Year a Restaurant Brewer May Sell at Retail
(A.6404-B, Zebrowski, Passed Assembly)**

This bill would authorize a restaurant brewer licensee to be able to increase the number of barrels of beer allowed to be sold from 250 per year to 2,000 per year from the overall authorized production.

**Exemption to the 200 Foot Rule
(A.7004, Jenne, Chapter 482 of the laws of 2017)**

This bill would provide an establishment in Jefferson County an exemption from the Alcoholic Beverage Control Law's 200 foot rule.

**Exemption to the 200 foot Rule
(A.7391, Lupardo, Chapter 47 of the Laws of 2017)**

This law would provide an establishment in the City of Binghamton with an exemption from the Alcoholic Beverage Control Law's 200 foot rule.

**Off-Premise Licensees to Conduct Educational Seminars
(A.7593-A, Schimminger, Chapter 360 of the Laws of 2017)**

This bill would authorize a retailer for off-premise consumption to offer educational seminars for a fee to educate customers about wine and wine products.

**Authorizing a Retail License for On-Premises Consumption in Niagara County
(A.7878, Morinello, Chapter 362 of the Laws of 2017)**

This bill would authorize the State Liquor Authority to issue a retail license for on-premises consumption of alcohol for a premise in Niagara County.

**Changing the Requirements for Hotels In relationship to On-Premises License
(A.8174, D'Urso, Passed Assembly)**

This bill would remove the requirement for a hotel to have a full restaurant on the premises to in order to obtain a license that permits room service and mini-bars. The hotel would still be required to keep food regularly available to sell to customers, such as sandwiches, soups or other foods, whether fresh processed, precooked or frozen.

**Electronic Filing for Registration of a Brand/Trade Name Label
(A.8242, Barrett, Chapter 369 of the Laws of 2017)**

This bill would allow an applicant registering or renewing a registration for a brand or trade name label to file the application electronically. This bill would also require registrations to be filed every three years rather than every year.

V. PROTECTING CONSUMERS WHILE ASSISTING BUSINESSES

The Committee continues to advance legislation to regulate businesses, to enhance public good, 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.

Requiring Pet Groomers Licensure (A.284-A, Paulin, Passed Assembly)

This bill would require pet groomers to obtain a license in order to groom pets, and define pet grooming as a business where pet grooming is the establishment's predominant source of sales. Such licenses would be issued after completing a training program as designed by the Secretary of State, in collaboration with the Department of Agriculture and Markets. This bill would also provide provisions in respect to proper recordkeeping, standard of care for pets, annual licensing fee, inspections, and violations.

Oil Company Spillage Clean Up Requirement (A.782, Pretlow, Advanced to 3rd Reading)

This bill would require oil delivery companies to clean up any spillage occurring during delivery within 24 hours and to replace any affected soil with new soil, and provide that any violation will result in a \$500 fine for the first offense and \$1,000 for each additional offense, not to exceed \$10,000 payable by the oil company.

Additional Cosmetology Curriculum and Examination Requirements (A.898-B, Pretlow, Chapter 339 of the Laws of 2017)

This bill would require an additional appointment to the Appearance Enhancement Industry Advisory Committee. Such appointee would have to be familiar with providing service to clients with all hair types. Further, this bill would require that the Appearance Enhancement Industry Advisory Committee consult with the State Education Department and provide the Secretary of State on advice on curriculum matters related to the maintenance of cultural and ethnic awareness to include the maintenance of all hair types.

Prohibits Zone Pricing of Retail Gasoline (A.979, Thiele, Passed Assembly)

This bill would prohibit zone pricing of retail gasoline based on geographic location. This bill would also authorize a wholesaler or dealer to bring an action in court to enjoin a violation of zone pricing.

Increasing Penalties for Fraudulent Sale of Patriotic Items (A.3426, Ortiz, Reported and Referred to Codes)

This bill would increase the penalty for the fraudulent sale of poppies, forget-me-nots, daisies, flags, and other articles sold for patriotic purposes. Under the provisions of this bill, the

first offense would result in a maximum fine of \$500 and/or six months of prison, and the second or subsequent offense would result in a maximum fine of \$1,000 and/or one year of prison. The current penalty calls for a maximum fine of \$50 and/or six months of prison for any offense.

Amending Anti-Trust Law

(A.5321, Weprin, Reported and Advanced to 3rd Reading)

This bill would provide a right of action to consumers in anti-trust cases and authorize the court to award damages if an anti-trust lawsuit is brought as a class action lawsuit.

Clarifying Which Products May Not Be Sold by Itinerant Vendors

(A.5581, Schimminger, Reported and Referred to Codes)

This bill would prohibit the sale of certain products by itinerant vendors who are not the manufacturer, an authorized manufacturer's representative or authorized distributor. The prohibited products would include baby food, non-prescription drugs, cosmetics, and batteries.

Establishing Seafood Marketing Task Force

(A.6893-A, Thiele, Chapter 478 of the Laws of 2017)

This bill would establish the New York Seafood Marketing Task Force, consisting of 19 non-compensated members that will work with the New York fishing community to promote the marketing of seafood. The Task Force would be required to issue a report to the Governor and the Legislature by December 31, 2108, that includes its findings and recommendations related to research, marketing, expansion and funding opportunities for the local seafood industry.

Human Trafficking Training for Gaming Facility Employees

(A.7034, Titone, Passed Assembly)

This bill would require all employees of a destination resort gaming facility, as defined under Article 13 of the Racing, Pari-Mutuel Wagering, and Breeding Law, to provide mandatory training to their employees in human-trafficking recognition. The bill would require such training to be established by the Division of Criminal Justice Services and the Office of Temporary and Disability Assistance in consultation with the New York Interagency Task Force on Human Trafficking. For class III gaming establishments authorized under the Indian Gaming Regulatory Act, the Gaming Commission would be required to make human-trafficking recognition training available upon request.

This bill would also require the New York Interagency Task Force on Human Trafficking, the Division of Criminal Justice Services, and the Office of Temporary and Disability Assistance to establish a standardized human-trafficking recognition training program for employees of gaming facilities, establish certain requirements of the program, and require that the training program be made available for use no more than six months following enactment of the proposed legislation.

VI. 2017 PUBLIC HEARINGS/ROUNDTABLES

Budget Oversight

On November 13, 2017, 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 2017-2018 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.

VII. OUTLOOK FOR 2018

The 2017 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 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 work to provide oversight of 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. The Committee will also continue its work to ease unnecessary, duplicative and outdated regulatory burdens and other obstacles facing the alcohol beverages industry and foster the growth of agri-business and tourism in the State.

APPENDIX A

**2017 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 With or Without Amendment	6	0	6
To Floor; Not Returning to Committee	10	0	10
To Ways and Means	14	0	14
To Codes	0	0	0
To Rules	0	0	0
To Judiciary	35	0	35
Bills Having Committee Reference Changed			
To ..			
Total	0	0	0
Senate Bills Substituted or Recalled			
<i>Substituted</i>		2	2
<i>Recalled</i>		1	1
<i>Total</i>		3	3
Bills Defeated in Committee	0		
Bills Held For Consideration With a Roll Call Vote	0		
Bills Never Reported, Held in Committee	190	33	223
Bills Having Enacting Clauses Stricken	2		
Motions to Discharge Lost	0		
Total Bills in Committee	227	36	263
Total Number of Committee Meetings Held	5		

APPENDIX B

COMMITTEE ON ECONOMIC DEVELOPMENT, JOB CREATION, COMMERCE AND INDUSTRY

2017 Bills Considered (Chapters/Vetoes are included in Appendix C)

Assembly Bill #	Senate Bill #	Last Assembly Action	Description
A.284-A Paulin	S.5146-A Lanza	Passed Assembly	Requires that persons who groom pets obtain a license and would also provide guidelines regarding the safety of pets being groomed
A.782 Pretlow		Advanced to 3 rd Reading	Ensures responsible handling of oil spillage by oil delivery companies
A.979 Thiele	S.1618 Lavalle	Passed Assembly	Prohibits zone pricing of retail gasoline based on geographic location
A.1300 Kavanagh	S.151 Squadron	Passed Assembly	Standardizes factors considered by the New York State Liquor Authority in the granting of on-premises liquor licenses
A.1339 Rozic	S.4415 Avella	Advanced to 3 rd Reading	Provides notice to local community boards of a licensee's intent to apply for a permit to stay open during certain hours of the morning
A.2020 Schimminger		Reported and Referred to Ways and Means	Allows qualifying small businesses to apply for low-interest loans, and grants to mitigate any impact State and Local infrastructure projects might have had on such businesses
A.2375 Lentol	S.4217 Dilan	Advanced to 3 rd Reading	Revises procedures for the issuance of retail and special retail liquor licenses for on- premise consumption for premises within 500 feet of three or more existing premises
A.3426 Ortiz		Reported and Referred to Codes	Increases the penalty for the fraudulent sale of articles sold for patriotic purposes

Assembly Bill #	Senate Bill #	Last Assembly Action	Description
A.3486 Schimminger	S.2138 Serino	Reported and Referred to Ways and Means	Requires that state economic development agencies give preference to small businesses and entrepreneurs in the awarding of State economic development assistance
A.3494 Solages		Advanced to 3 rd Reading	Evaluates access to child care and the economic benefits of investing in child care programs, specifically in economically distressed areas
A.3859 Glick	S.152 Squadron	Advanced to 3 rd Reading	Requires notice be posted within 10 days of filing a new application or an application for renewal to sell liquor at retail
A.4476 Schimminger	S.2317 Ranzenhofer	Reported and Referred to Codes	Strengthens the enforcement against underage persons in possession of alcohol with the intent to consume
A.5321 Weprin		Advanced to 3 rd Reading	Provides a right of action to consumers in anti-trust cases
A.5405 Abinanti	S.922-A Crocì	Reported and Referred to Codes	Codifies the Regional Economic Development Councils (REDCs) and require members to follow the disclosure requirements from the Public Officers Law
A.5581 Schimminger	S.4048 Carlucci	Reported and Referred to Codes	Clarifies which products may not be sold by itinerant vendors
A.6185 Moya		Advanced to 3 rd Reading	Provides notification to a community board upon the application for a license to sell liquor for off-premise consumption, or for the renewal of such license
A.6404-B Zebrowski	S.5173-A Little	Passed Assembly	Expands the number of barrels of beer that a restaurant brewer may sell at retail to no more than 2,000 barrels per year
A.7034 Titone	S.6893 Lanza	Passed Assembly	Provides training to gaming facility employees in an effort to reduce human trafficking violations

Assembly Bill #	Senate Bill #	Last Assembly Action	Description
A.7427 Schimminger	S.5985 Boyle	Reported and Referred to Rules	Restores the reporting requirements for the SUNY Tax-free Areas to Revitalize and Transform Upstate NY program or START-UP NY
A.8117 Schimminger	S.6491 Young	Reported and Referred to Ways and Means	Increases the cap for the Excelsior Linked Deposit Program on the total amount a business may borrow
A.8118 Schimminger		Reported and Referred to Ways and Means	Removes the requirement that a Qualified Empire Zone Enterprise business whose benefits have expired must provide an annual report
A.8119 Schimminger	S.5307 Golden	Reported and Referred to Ways and Means	Clarifies that early stage businesses can utilize both Certified Incubator and Innovative Hot Spot program benefits
A.8174 D'Urso	S.6119 Murphy	Passed Assembly	Removes the requirement that hotels have a full restaurant on- premise in order to obtain a license that permits room service and mini-bars
A.8175 Schimminger		Reported and Referred to Ways and Means	Establishes a searchable State subsidy and economic development benefits database

APPENDIX C

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

2017 Chapters/Vetoes

Assembly Bill #	Senate Bill #	Chapter/Veto	Description
A.898-B Pretlow	S.5390-B Alcantara	Chapter 339 Laws of 2017	Provides additional cosmetology curriculum and examination requirements concerning cultural and ethnic awareness
A.2994 Fahy	S.2481 Amedore	Chapter 103 Laws of 2017	Allows licensed farm distillers to conduct tastings on or off premises which would create parity with farm breweries, farm wineries, cider producers and farm cideries
A.4889 Schimminger	S.5138 Murphy	Chapter 182 Laws of 2017	Assists businesses during the licensing process with the State Liquor Authority
A.4972-A Magee	S.1078-A Valesky	Chapter 171 Laws of 2017	Expands the items sold by a licensed farm cidery and the licensees to which the farm cideries may sell cider to
A.6893-A Thiele	S.5385-A Lavelle	Chapter 478 Laws of 2017	Establishes the New York Seafood Marketing Task Force
A.7004 Jenne	S.730 Ritchie	Chapter 482 Laws of 2017	Allows a certain establishment in Jefferson County be given an exemption to the Alcoholic Beverage Control Law's 200 foot rule
A.7391 Lupardo	S.5636 Akshar	Chapter 47 Laws of 2017	Allows an establishment to obtain a liquor license for on-premise consumption while located within 200 feet of a church
A.7593-A Schimminger	S.5844-A Murphy	Chapter 360 Laws of 2017	Allows off-premise licensees to conduct educational seminars
A.7878 Morinello	S.5981 Ortt	Chapter 362 Laws of 2017	Authorizes a full liquor license for the on-premises consumption of alcohol beverages at a firehouse in the town of Lewiston
A.8107 Bronson	S.6536 Ortt	Vetoed Message 215	Establishes the strategic investment in workforce development program
A.8242 Barrett	S.6120 Murphy	Chapter 369 Laws of 2017	Authorizes electronic filing of an application for the registration of a brand name or trade name label