



## Joint Legislative Budget Hearing

### Testimony of Empire State Development President and CEO-Designate and Department of Economic Development Acting Commissioner Eric Gertler

9:30 a.m., Thursday, February 13, 2020

Good morning Chairwoman Krueger, Chairwoman Weinstein, and distinguished members of the Legislature. My name is Eric Gertler, and I serve as the Acting Commissioner of the New York State Department of Economic Development, and as President and CEO-designate of Empire State Development (ESD). It is a privilege to have been selected for this role, and I am honored to appear before you today to discuss the Governor's Fiscal Year 2021 Executive Budget alongside ESD's Chief Operating Officer Kevin Younis.

ESD, as the state's chief economic development agency, continues to grow New York's economy using a strategy built on four pillars: creating vibrant communities; training our workforce; incentivizing the growth of export-oriented industries; and fostering innovation to create the jobs of the future.

For our communities, this budget proposes funding for a 10th round of the Regional Economic Development Council (REDC) initiative, the state's "bottom-up" approach to economic growth that has supported more than 8,300 projects and will create or retain at least 240,000 jobs statewide. Additionally, the Executive Budget supports a fifth round of the Downtown Revitalization Initiative (DRI), enabling more communities to recreate their urban centers.

ESD is also investing in people to ensure every New Yorker has an opportunity to participate in our growth. Beyond our continued partnership on the Workforce Development Initiative, recently completed projects like the Northland Workforce Training Center in Buffalo and the Center for Advanced Manufacturing Skills in Troy are improving regional talent pipelines.

Our state's diversity is also our strength, and ESD will continue to improve New York's Minority- and Women-Owned Business Enterprise (MWBE) program by reducing red tape and maximizing participation. During this administration, nearly \$16 billion in state contracts has been awarded to MWBEs, more than 8,000 firms have been certified, and our contract utilization rate of over 29% is the nation's highest.

To attract the export-oriented industries of the future, the Governor's budget proposes to extend the performance-based Excelsior Jobs Program, under which nearly \$1.4 billion in tax credit awards have secured financial commitments of almost \$10 billion and the

creation of roughly 82,000 jobs. The Executive Budget would also establish enhanced benefits for green economy projects to help ensure that the State's ongoing transition to carbon-neutrality will benefit both our economy and environment.

ESD also continues to grow the innovation economy. Our Division of Science, Technology and Innovation (NYSTAR) supports more than 70 funded centers that foster the commercialization of technology and ideas. The Executive Budget would transition NYSTAR's Centers of Excellence to the Centers for Advanced Technology framework, ensuring that future designations are awarded competitively and maximizing the State's return-on-investment. Furthermore, a newly-established Innovation Hub would encourage greater collaboration among the centers.

Investing strategically in communities, workforce development, tradable sectors and innovation enables ESD to continue generating opportunities for New Yorkers across the state. We look forward to working with you, as our legislative partners, to build on our nine year-record of sustainable, bottom-up and regionally-led economic growth.

With that, I am happy to take your questions.

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