



2026 Joint Legislative Budget Hearing on Economic Development

Hearing Room B, Legislative Office Building, Albany
9:30 a.m., Thursday, February 26, 2026

Testimony of Empire State Development President and CEO and Department of Economic Development Commissioner Hope Knight

Good morning, Chair Krueger, Chair Pretlow and distinguished members of the Legislature. My name is Hope Knight, and I serve as the President and CEO of Empire State Development, and as Commissioner of the Department of Economic Development. I am joined today by ESD's Chief Operating Officer and Executive Deputy Commissioner, Kevin Younis.

I also want to congratulate Senator Baskin on her new role as Chair of the Senate Committee on Commerce, Economic Development and Small Business. I look forward to a productive year working with you and Assemblyman Stirpe.

Thank you for the opportunity to appear before you today to talk about Governor Hochul's Executive Budget. As we think about the strategies that we want to utilize in the upcoming budget cycle, it is helpful to reflect on what we have accomplished together over the past year.

Since we last met, Governor Hochul broke ground on Micron's historic semiconductor project and Chobani's food manufacturing facility, and workforce training began in Syracuse where the flagship ON-RAMP center is underway – preparing the next generation of manufacturing workers. Additionally, ESD launched the POWER-UP program to proactively deploy utility access to industrial sites and, just this month, the Governor announced three new programs to revitalize downtown Albany.

Under the Governor's leadership, we are building one of the country's most resilient economies, with New York's private sector job growth rate now outpacing the nation.

Our strategy at ESD is driven by four strategic pillars: fostering innovation, prioritizing placemaking to revitalize our communities, training a future-ready workforce, and expanding high-growth sectors. The Governor's Executive Budget expands on New York's momentum by ensuring we are not just attracting individual companies but building nation-leading industry ecosystems. Through targeted investments, we are ensuring that

the next generation of discovery, from biotech to semiconductors, is researched, manufactured, and commercialized right here in New York.

Governor Hochul recognizes the life sciences sector is one of the fastest growing industries – in New York and globally – with major investments ranging from the new Cell and Gene Therapy Hub at Roswell Park in Buffalo to the announced Biogenesis Park on Long Island. The demand for new therapies, pharmaceuticals, and devices to help people live fuller, healthier lives is rapidly increasing. To that end, the Governor has advanced the \$65 million Bolstering Biotechnology Initiative. This investment will support all phases of the life sciences pipeline, from discovery through commercialization, making New York a global destination for high-tech discovery and industry growth.

The Executive budget also includes \$60 million to establish a series of Quantum Technology Hubs across the state. These hubs will serve as regional incubators for startups to commercialize quantum technologies, creating a new standard for what is possible in healthcare, fintech, and cybersecurity and securing New York's position at the forefront of the next technological revolution.

Building on prior investments in the semiconductor ecosystem, Governor Hochul is proposing a Semiconductor Chip Design Center for downstate New York. This Center will leverage the wealth of engineering and innovation talent downstate with the manufacturing resurgence that is transforming upstate. By combining these regional strengths, Governor Hochul is making all of New York "Chips Country."

To further capitalize on the State's manufacturing potential, the Executive Budget advances the Governor's Manufacturing Modernization Program. This initiative will support small and mid-sized manufacturers throughout the state by providing capital and expertise to remain resilient and globally competitive. Through the program, support centers will offer specialized technical assistance to manufacturers in AI adoption, tariff impact mitigation, and supply-chain optimization. Additionally, grants will be offered directly to small and mid-sized firms to fund capital upgrades and expansions.

In addition to supporting emerging industries and legacy sectors, the Governor and ESD remain committed to removing barriers for our small businesses, and to cultivating a workforce that supports all New Yorkers. While other states are scaling back equity programs, New York has maintained the nation's highest MWBE participation rate at over 32%.

However, a thriving economy requires more than business opportunities. It requires vibrant, livable spaces where those businesses and their employees want to locate. This is why we are focused on creating communities that attract visitors, retain residents, and welcome entrepreneurs. The Governor's economic development agenda includes a suite

of programs to revitalize neighborhoods, support cultural institutions, and improve essential community infrastructure.

To preserve local identity and vitality, the Governor has introduced the Saving Performing Arts and Cultural Experiences initiative, or NY SPACE. This new program helps nonprofit performing arts venues purchase spaces, cementing them as fixtures – and economic and cultural anchors – in their communities.

Expanding upon ESD's "bottom-up" approach to regional economic growth, the Executive Budget includes funding to revitalize Rochester. With a concentration of high-tech industries like optics, photonics and imaging, Rochester is ready to launch a resurgence, building upon these regional anchors and creating vibrant places where people want to live, work and visit.

The economic development agenda the Governor has advanced serves as a blueprint to strengthen New York's global competitiveness and build a sustainable, future-ready economy that benefits every New Yorker.

I look forward to working together on these initiatives. Thank you for the opportunity to join you this morning, and I am happy to answer your questions.