



NEW YORK STATE SENATOR

William T. Stachowski

Senate Announces Economic Development Task Force, Partners WITH Business to Initiate New Program to Create Jobs

WILLIAM T. STACHOWSKI May 11, 2009

| ISSUE: **ECONOMIC DEVELOPMENT**

| COMMITTEE: **COMMERCE, ECONOMIC DEVELOPMENT AND SMALL BUSINESS**



(Albany, NY)- Today, the New York State Senate announced a proposal to establish an economic development task force made up of 29 business and community leaders from across the state charged with developing a new incentive-based program that will better attract companies to New York State and encourage businesses to generate jobs.

The current Empire Zones Program is set to expire in June 2010. The proposed task force

would make a draft recommendation on a replacement program by December 2009.

The Senate Majority is working hand-in-hand with businesses from every region of the state to develop a new program that will attract businesses to New York, generate jobs and protect the taxpayers' investment.

The Senate also proposed moving forward the sunset date of the current program in order to implement a more efficient program.

Senator William T. Stachowski (D-C, Lake View), sponsor of the legislation and Chairman of the Senate Commerce, Economic Development and Small Businesses Committee said, "In these difficult economic times it is critical that the resources of the State, dedicated to economic development, are best utilized to create jobs and stimulate growth. The mission of the new Economic Development Task Force is to create a program that does just that and better than anything we have attempted in the past."

The Task Force will consist of 29 members who come from the world of business, universities, unions, business organizations, non-profits and business improvement districts, as well as relevant state agencies.

The goal is to have a well rounded group that will present all sides of the economic development prospective. The task force must submit a preliminary proposal by December of this year, and a new program would be designed for passage in next year's State Budget.

The task force would provide for:

- 9 appointments by the Governor.
- 6 by the Senate Majority Leader.
- 6 by the Speaker of the Assembly.

- 2 by the Senate Minority Leader.
- 2 by the Assembly Minority Leader.
- And include ex-officio members from the Empire State Development Corporation, NYStar, and the Department of Labor.

A replacement program must maximize the existing assets and growth sectors of the State, while looking ahead to our greatest innovative pathways and opportunities. The rules of the next program should be simple and should stay the same throughout the life of the program, so that businesses come to New York with that understanding that the state will maintain its commitment—and with a better, more effective program, there won't be the need for changes as there currently is with the Empire Zones.

Companies that are currently in the Empire Zone program will remain in the current program for the duration of their eligible life in the program as long as they meet the rules of the program.

Brian McMahon, President of the New York State Economic Development Council said, "New York needs a flagship economic development program. That is why the NYS Economic Development Council applauds Senator Smith and members of his conference for recognizing this and acting so quickly to replace the Empire Zones program. The advisory council created by this legislation will provide an intelligent and thoughtful pathway for creating a new program that will allow NYS to compete for 21st century technology projects."

Ken Pokalsky, Senior Director of Government Affairs for The Business Council of New York State said, "The recent changes in the Empire Zone program have created confusion and doubt about the status of zone benefits among businesses that have created jobs and made investments based on the program. The Senate's "clean up" legislation will let these

companies know where they stand and that the state will honor its economic development commitments. The Business Council also looks forward to working with legislature and administration to develop new and effective economic development tools to boost the state's economy. As a result we support the proposed task force."

Brian Sampson, Executive Director of Unshackle Upstate said, "I'd like to thank the Upstate Caucus for identifying that what New York needs now more than ever is consistency and predictability in our economic development programs. The proposed Commission will help create a program that will allow us to compete in a global economy and assist existing New York businesses as well as attract new investment and jobs. Further, the recently passed state budget created a tremendous amount of concern for our businesses that are already in Empire Zones and getting benefits. Repairing the technical errors will ease that concern and allow our businesses to obtain the credits they have rightly earned."

Andrew J. Rudnick, President and CEO of the Buffalo Niagara Partnership said, "Businesses that want to invest and stay in New York shouldn't need a team of lobbyists and lawyers to wade through the current maze of economic development programs. This commission of people from outside the Albany vacuum is a great step toward creating a strategic and comprehensive approach to economic development programs that this state has never had."