



NEW YORK STATE SENATOR

James S. Alesi

## Senator Alesi Legislation to Create Jobs and Support Emerging Businesses in New York State Passes Senate

JAMES S. ALESI June 21, 2011

| ISSUE: **ECONOMIC DEVELOPMENT**

Legislation introduced by Senator Jim Alesi to provide greater resources to assist emerging businesses and to foster job growth passed the Senate today with overwhelming support. Senate bill 5782, introduced in consultation with Empire State Development, would make available millions of dollars to small businesses in New York State to encourage innovation and job creation.

“From January to now, my top priority this Session has been revitalizing New York’s economy and putting people back to work,” said Senator Alesi, Chairman of the Senate Committee Economic Development. “Today’s legislation will provide a mechanism whereby New York’s hundreds of small businesses will be able to access more than \$50 million in federal funds to reinvigorate the state’s dormant Capital Access Program, and to empower emerging businesses through the Innovate NY Fund. Ultimately, these vital funds will further my efforts to revitalize our struggling economy and create new jobs, and no one could argue that New York doesn’t need new jobs right now.”

To support emerging business ideas and products that result in job growth and retention in New York State, this legislation would revive New York’s Capital Access Program by strengthening the statute governing its function and by providing for new funding. This would greatly assist small businesses by enhancing the climate for lending in traditional and alternative financial institutions. In addition to funding the Capital Access Program, funds will be used to finance the Corporation's bonding guarantee assistance program. This program will aid small businesses, including minority-owned and women-owned firms, in obtaining the necessary bonding authority to secure State contracts.

This bill would also establish the Innovate NY Fund that would leverage federal funding by providing monies to entities, including regional and local economic development organizations, technology development organizations, research universities and investment funds, which would use the funding to make seed-stage investments in New York

State small businesses.

Senator Alesi is a former small business owner, and as Chairman of Economic Development, brought real experience and common sense to several of this year's top economic initiatives – most importantly as the Chairman of the Joint Budget Conference Committee on Economic Development, spearheading a state budget that reduces government spending, cuts the deficit, removes crippling regulations on New York's small businesses, and sets New York on the path to economic recovery. For these efforts, among others, Senator Alesi was re-appointed to the New York State Small Business Advisory Board.

In January, the Senate passed Senator Alesi's *2011 Job Creation and Retention Package*, a comprehensive proposal to improve our state's economic climate by providing businesses with a three-year tax credit, up to \$5,000 for every new job created, eliminating taxes for small businesses and manufacturers with 50 or fewer employees, or less than \$2 million in net income, that pay the state corporate franchise tax, and rolling back the income tax surcharge imposed on small businesses during the last legislative cycle. The legislation also places a moratorium on new taxes, fees and regulations.

"The simplicity of my plan is also its strength," said Senator Alesi of the *Job Creation and Retention Package*. "Give businesses incentives and the ability to stay and grow here in New York and then leave them alone as they try and do so. Instead of repeatedly taxing and regulating them, let us reward businesses and manufacturers when they create new jobs and give them incentives to create more!"

Also in January, Senator Alesi voted in favor of Governor Cuomo's property tax cap legislation for all New Yorkers. The proposal would place a cap on the growth of school property taxes at two percent (2%) or the Consumer Price Index (CPI), whichever is less. If passed by the Assembly, New York State will become the 44<sup>th</sup> state to cap local property taxes.

"The high cost of living, from food to gasoline to property taxes, is taking its toll on hardworking, overburdened taxpayers," said Senator Alesi. "The time for action is now. All New Yorkers, from young families to retired seniors, business owners to laborers, must have faith that we hear their concerns about cutting taxes and reducing government spending." Coupled with a property tax cap is mandate relief, and Senator Alesi remains an ardent supporter of not imposing any additional unfunded mandates on taxpayers in Monroe County and across New York State.

"Together, these provisions, the budget, the *Job Creation and Retention Package*, a property tax cap and mandate relief, and today's legislation, will help ensure that New York State remains 'Open for Business,' by creating a climate within

which innovation, creativity and growth can flourish,” concluded Senator Alesi.