
EDC STANDING COMMITTEE
05/26/10

MEETING AGENDA

- I. EDC Annual Report
- II. CEG/EDC Expert Roundtable
- III. Cuomo Proposal for Economic Development
- IV. Centurion Cycling Event

Len Fosbrook

From: Brian McMahon [mcmahon@nysedc.org]
Sent: Monday, May 24, 2010 4:10 PM
To: mcmahon@nysedc.org
Subject: Cuomo releases Action Plan for NY

To NYSEDC members:

Yesterday, Gubernatorial candidate Andrew Cuomo released his policy document for reforming NY, "The New NY Agenda: A Plan For Action." The program focuses heavily on government and political reform, as well as economic development. The following summary of the business climate and economic development provisions are provided by NYSEDC's lobbying firm, Patricia Lynch Associates. Click [here](#) to download the full report.

Brian

ECONOMIC DEVELOPMENT

New York businesses face significant problems because of policies dealing with economic development projects:

- State is wasteful in how dollars are allocated.
- Process is not transparent, and does not truly reveal how wasteful existing policies are. What is the return on our investment?
- Existing programs (Brownfield's, Empire Zone, IDA tax exemptions) are highly politicized, poorly targeted and are inefficient
- Should model other States' practices in competing for jobs (i.e. better financial incentives, more targeted tax incentives)
- Process is too fragmented (e.g.: New York has over 600 local IDA's, 72 Empire Zone boards, 50 BID's, etc). New York's economic development efforts need to be more centralized.
- Propose reforming the existing system for legislatively directed capital funding.
- New York's Economic Development Strategy needs to be restructured around a "regional industry" cluster approach. This would be coordinated by regional economic councils, which would require transforming the IDA's
- Authority for economic development programs needs to be in a single office directly reporting to the Governor.
- Expand access to capital: Cuomo proposes expanding the Linked Deposit Program which would assist small businesses with low rate loans.
- Proposes creating a New York version of California's "CalCap" program which would encourage banks and other financial institutions to make loans to small businesses that don't fit most conventional underwriters standards.
- Create the "New York Business Express" which would be an online, one stop shop for required permits and documentation for all state agencies.

The Cost of doing business in New York State is too high

- Businesses have the second highest tax burden, the second highest cost of doing business index, etc.

- Replace Ineffective Tax Credit Programs with Targeted programs. Cuomo proposes a new “Jobs Now” tax credit for the unemployed. This would provide a maximum credit of \$3,000 to a business who hires an unemployed person.
- Expand “work sharing “ programs to reduce layoffs
- Create a “move to NY” job incentive program, which would replace the Empire Zones program. Under this program, select businesses in key industries would be granted tax credits for creating new jobs. Businesses would be eligible for a rebate of up to 80% of the amount of personal income tax withheld on the additional jobs they create.
- Workers Compensation reforms would provide more than \$1 Billion in annual savings in Workers Compensation premiums.
- Make health insurance more affordable by restoring prior approval of insurance premiums, capping broker commissions and establishing a commission to review insurance mandates.
- Address high energy costs - power for Jobs should be permanent.
- Leverage New York’s Higher Education institutions to create jobs. This would include skilled workforce training partnerships.
- Effort to “go green” presents many opportunities for job creation. NYPA and LIPA must be made full partners in advancing energy related projects.
- Take advantage of the growing solar industry.
- Support the “Green Jobs/Green New York Act”
- Support the State’s agricultural industries by allowing farmers to benefit from emerging technologies, and investing in agricultural research.

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