



NEW YORK STATE SENATOR

Sean M. Ryan

Senator Sean Ryan And Senate Majority Pass Bills To Help Small Businesses And MWBEs Innovate And Expand

SEAN M. RYAN February 7, 2023

| ISSUE: **NYS SENATOR SEAN RYAN, NYS SENATE DISTRICT 61, ECONOMIC DEVELOPMENT, COMMERCE AND SMALL BUSINESS, MWBE**

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



SENATOR SEAN RYAN AND SENATE MAJORITY PASS BILLS TO HELP SMALL BUSINESSES AND MWBEs INNOVATE AND EXPAND

Package of Legislation Advanced by Senate Majority to Support New York's Small Business and MWBEs Includes Two Bills Sponsored by Senator Ryan

ALBANY – Today, February 7, 2023, New York State Senator Sean Ryan announced that two bills he sponsored to fund research and development that will help small businesses grow have passed the Senate. Both bills would establish new economic development programs in New York that have proven successful in other states. The bills were part of a package of legislation advanced by the Senate Majority to boost investment in small business and help grow minority- and women-owned business enterprises (MWBEs).

One of the bills ([S.1824](#)) will establish a matching grant program that will promote commercialization and job growth by funding some of New York’s most promising small businesses. New York is currently one of the few states that does not provide a matching program for federal grants received by small businesses through the Small Business Innovation in Research program. These grants fund research and development with the potential for commercialization – a primary way by which small high-tech businesses finance their operations and engage in growth.

By providing support to businesses that have already been approved by this rigorous federal program, New York can bolster its economic development efforts in targeted regions and improve the transition from invention to product, successful commercialization, and job creation. Importantly, the bill requires businesses receiving these matching grants to remain headquartered in New York for at least five years.

Another barrier to growth faced by many promising small businesses is a lack of the resources needed to connect with experts in research and development. Meanwhile, research facilities that have the capacity to help these businesses often lack funding and the wherewithal to connect with them. Creating the New York State Innovation Voucher Program ([S.1862](#)) would solve both of those problems by investing in projects that bring both groups together.

Under this program, small businesses could apply for Innovation Vouchers, which would be issued based on the strength of their proposals. Those receiving vouchers would be required to provide matching funds of their own. The sum of the public and private monies would be directed toward universities, national laboratories, and public research institutes for their assistance with technical challenges that hinder innovation.

Senator Sean Ryan said, “New York’s homegrown businesses are the backbone of our state. As we navigate our economic development policy in the wake of the pandemic, we must work to best serve the interests of small business owners. In order to do that, we have to find new ways to support small businesses in communities across the state. Accelerating MWBE growth and unlocking funding to spur innovation are two key strategies to generate new businesses and help existing businesses expand, creating jobs in every region throughout the state. I thank Majority Leader Andrea Stewart-Cousins and my colleagues for putting forward these important pieces of legislation.”

In addition to Senator Ryan’s bills, the legislation passed by the Senate Democratic Majority includes:

- **Growth Plan for MWBEs Participation in State Contracts:** This bill, [S.1424](#), sponsored by Senator Jamaal Bailey, directs contracting state agencies to develop a three-year growth plan to increase participation of MWBEs with respect to state contracts and subcontracts.
- **Expand Eligibility of Grant Programs of the Urban Development Corporation Act:** This bill, [S.702](#), sponsored by Senator Leroy Comrie, expands eligibility of the Urban Development Corporation Act to allow dry cleaning businesses, nail salons and other small businesses to access grants and flexible financing programs to make capital improvements to comply with new environmental protection and workplace safety regulations.
- **Written Statement of Rejection for MWBEs Bids:** This bill, [S.1419](#), sponsored by Senator Leroy Comrie, would require state agencies to provide certified MWBEs that unsuccessfully bid for a state contract a written statement outlining the reasons for rejection and provide guidance for improving future bids.
- **Exception to Qualification for the Small Business Seed Funding Grant Program:** This bill, [S.579](#), sponsored by Senator Brad Hoylman-Sigal, amends the NYS Urban Development Corporation Act to provide an exception that eases the path for independent arts contractors to qualify for the small business seed grant funding program.
- **Maximum Number of MWBEs Employees During a Declared State of Emergency:** This bill, [S.1873](#), sponsored by Senator Lea Webb, amends the Executive Law to clarify that an MWBE may have a maximum of 300 employees who work 30 hours or more per week during a declared state disaster emergency. This clarification would allow MWBEs to address unanticipated emergency staffing needs during a declared state of emergency without losing their certification.

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RELATED LEGISLATION

2023-S1824

- Introduced
 - In Committee Assembly
 - In Committee Senate
 - On Floor Calendar Assembly
 - On Floor Calendar Senate
 - Passed Assembly
 - Passed Senate
- Delivered to Governor
- Signed By Governor
-

Establishes a matching grant program for certain small businesses receiving funding under the federal small business innovation research program or the small business technology transfer program

January 17, 2023

In Senate Committee [Commerce, Economic Development and Small Business](#)

Sponsored by [Sean M. Ryan](#)

Do you support this bill?

2023-S1862

-
- Introduced
 - In Committee Assembly

- In Committee Senate
- ◦ On Floor Calendar Assembly
- On Floor Calendar Senate
- ◦ Passed Assembly
- Passed Senate
- Delivered to Governor
- Signed By Governor
-

Relates to establishing the New York state innovation voucher program

January 17, 2023

In Senate Committee **Finance**

Sponsored by **Sean M. Ryan**

Do you support this bill?