



## **LEGISLATIVE UPDATE**

### **GOVERNOR CUOMO SIGNED THE HOTSPOT FIX THIS PAST FRIDAY**

The HotSpot Fix Legislation was signed into law this Friday, as **Chapter 246**. Senate Bill 7961 (Razenhofer/Golden) and Assembly Bill 10105 (Schimminger). This new law brings a sigh of relief to startup companies and the incubator operators that support them statewide. A big thank you to Governor Cuomo, Senator Razenhofer and Senator Golden, and Assemblyman Schimminger who passed the Legislation in the State Assembly. Thank you to Steve Taylor in Senator Golden's office and Matt Watson at ESD for their patient advice, and all of our members who advocated with their respective legislators. A special thank you to Bob Herz and the rest of our Legislative Committee.

#### **BACKGROUND:**

The New York State Innovation HotSpot Program has been an extremely successful program in attracting and retaining start up tech companies to New York State. The Hot Spot Program is sometimes confused with another program in New York State, StartUP NY, but it is in fact a completely separate program. In order to create a Hot Spot Regional Program, it has to be initiated by an incubator that is in the Certified Incubator Program of ESD. The Certified Incubator can sign memorandums of understanding with other incubators in their region to extend some of their program and benefits of the HotSpot program to those incubators and the companies in those incubators.

Unfortunately due to human error the manner in which the original legislation was implemented, the interpretation was erroneously deemed to exclude the companies located in the original Certified Incubator that created the Hot Spot Region.

There are companies all across the State who moved into a Certified Incubator specifically to be part of the program and have been denied entry. Even though this is counter-intuitive to the intent of the original legislation setting up the Certified Incubator Programs in New York State and the Hot Spot Programs. This new law (Chapter 246 of 2018) fixes this issue and helps the start up companies in the Certified Business Incubators of New York State.

If you have any questions or suggestions feel free to call me at: 518-689-0553. Or email me at: [marc.alessi@bianys.com](mailto:marc.alessi@bianys.com)

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