



February 28, 2018

**RE: Funding of Entrepreneurial Assistance Program Centers**

Dear Members of the New York State Legislature,

As you are aware, the New York State Entrepreneurial Assistance Program (“EAP”) was established by law in 1987 to help entrepreneurs create new businesses and provide in-depth assistance to minorities, women, dislocated workers and individuals with a disability start new businesses. The Omnibus Economic Development Law of 1987 authorized Empire State Development (“ESD”), through the EAP, to issue contracts to not-for-profit corporations, community colleges and Boards of Cooperative Educational Services (BOCES) for the development of EAP Centers to provide comprehensive assistance in enterprise development to owners and prospective owners of small businesses.

We, the undersigned, collectively represent the directors of the twenty-four EAP Centers located throughout the state. These centers provide 60-hour intensive training programs that guide would-be entrepreneurs and existing businesses through the step-by-step process of starting, operating and managing a business. Additionally, EAP Centers provide direct assistance to individuals interested in becoming MWBE certified to do business with New York State. EAP Center staff are trained to provide guidance in the preparation of MWBE on-line certification applications.

EAP Centers are funded through a matching grant administered by ESD. These grant funds must be matched with cash and in-kind funding from the host organizations of EAP Centers. Although these centers have a proven record of success in both assisting new businesses and providing in-depth assistance to minorities, women, dislocated workers and individuals with a disability, state funding for EAP Centers has remained relatively flat. As a result, these centers are struggling to keep up with the increased demand for their services, as well as provide the required resources to assist their target populations.

To address the critical need to appropriately fund EAP Centers, we respectfully request that the state alters its funding mechanism for EAP Centers. The state should discontinue funding centers via matching grants and instead provide a \$200,000.00 per EAP Center *no-match* funding allocation, for a total program-wide amount of \$4.8 million dollars per year.

EAP Centers are very successful in growing small businesses, many of which are registered as Minority and Women Owned Businesses. Increased investment by the state would result in additional new businesses, including MWBE and veteran owned businesses in every region of the state, thereby helping New York State to meet the worthy diversity goals it has established.

Thank you for your consideration of this important proposal. We respectfully urge you to support this initiative for inclusion in the final enacted state budget.

Sincerely,

*Adirondack Economic Development Corp.*  
*Allegany County Community Opportunities and Rural Development, Inc.*  
*Binghamton Local Development Corp - SUNY Broome*  
*Business Outreach Center Network*  
*The Business Training Institute Inc.*  
*CAMBA*  
*Capital Region Chamber - Capital Region Chamber Foundation*  
*Chinatown Manpower Project*  
*Hofstra University - Scott Skodnek Business Development Center*  
*Hot Bread Kitchen Incubates*  
*IBERO - Buffalo*  
*IBERO - Waverly*  
*Local Development Corporation of East New York*  
*Queens Economic Development Corporation*  
*Renaissance Economic Development Corporation*  
*Restoration Brooklyn Business Center - Bedford Stuyvesant Restoration Corporation*  
*South Bronx Overall Economic Development Corporation*  
*SoBRO Venture Center*  
*South Side Innovation Center - Syracuse University*  
*Suffolk County Community College - Entrepreneurial Assistance Center*  
*Urban League of Rochester, New York*  
*Washington Heights and Inwood Development Corporation*  
*Women's Enterprise Development Center - Westchester*  
*Women's Enterprise Development Center - Mid-Hudson*