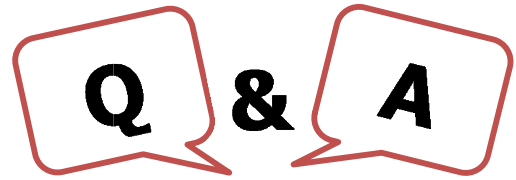


# START-UP NY



## SUNY Tax-Free Areas to Revitalize and Transform Upstate NY

### What is START-UP NY?

START-UP NY was introduced by Gov. Andrew Cuomo to promote business growth and job creation on or near SUNY and community college campuses. START-UP NY was officially launched Oct. 22, 2013.

Although START-UP NY is in its beginning stages, UUP has a number of questions about the program.

We do not know:

- If START-UP NY will enhance SUNY students' college experience or the campuses' academic missions;
- If START-UP NY companies will increase opportunities for students;
- If curriculum will be impacted by START-UP NY companies;
- If SUNY campus resources will be impacted;
- If START-UP NY provides restrictions to prevent companies from privatizing services and jobs done by UUP members; or
- If START-UP NY will have an impact on the workload of academics and professionals.

**UUP believes the criteria for business participation in the START-UP NY legislation are vague. In most instances, it is not clear that selected businesses are truly enhancing the academic missions of SUNY campuses, as required by the START-UP NY law.**



## ◆ What is the purpose of START-UP NY?

To bring new, relocating or expanding businesses to the state. **START-UP NY** businesses are expected to align with SUNY's academic mission,

create new private-sector jobs, and generate positive economic and community benefits.

## ◆ What are the economic development incentives offered by START-UP NY?

Businesses will not pay income, business or corporate taxes, state or local taxes, property tax or franchise fees. Employees of **START-UP NY**

businesses will not pay income taxes for the first five years; there will be caps for certain income levels after five years.

## ◆ What happens to the money earned through contracts/lease agreements between a SUNY college and a business?

All lease/contracts profits will be allocated by the SUNY Board of Trustees to the campus or college to which the contract or lease applies. The funds will be deposited into the

campus general fund and used for purposes including, but not limited to, student financial aid and support of additional full-time faculty positions.

## ◆ Can research foundation and/or campus foundation property be designated as Tax-Free Areas?

Yes. **SUNY Canton's** Properties for Designation as Tax-Free Areas plan includes college-owned space and two tracts of land known as "Hemlock

Acres LLC," which is owned by the Canton College Foundation.

## ◆ Are selected companies new or just local businesses relocated?

**Binghamton University, the University at Albany, Stony Brook University, the University at Buffalo** and **SUNY Downstate Medical Center** have selected businesses to

sponsor. The majority of these businesses are not new, but are expanding or relocating in a technology sector.

## ◆ Can SUNY businesses provide services or work performed by UUP members?

Yes. Some concerns are: **Upstate Medical University's** campus plan describes features expected in public-private partnerships, including "training students from medical and health professions schools, graduate physicians in residency, and radiation oncologists and

technicians." This training will be done through "simulation and classroom instruction." This feature could shift services typically provided by SUNY faculty and professionals to these private businesses.

◆ **Can UUP members be compensated by START-UP NY businesses for services provided? Can they enter into agreements with these businesses?**

Yes, but the work must not interfere with their professional campus obligations. They must also

inform the employer of the agreement and the hours worked.

◆ **Does START-UP NY impact college curriculum development?**

**START-UP NY** legislation does not address the impact businesses may have on curriculum development. However, some campuses have indicated that businesses would participate in curriculum development and expansion in related program areas. How this participation might affect faculty's control over these areas is

hazy. **SUNY Cobleskill's** campus plan states that businesses will collaborate with college faculty on "design of novel courses and programs" as well as on the "design and implementation of student research and/or class projects." It's also unclear if there is a standard plan or agreement between the business and faculty to work this out.

◆ **Do START-UP NY plans include "academic mission" as part of the criteria for the business selection process?**

Campuses are required to provide a description of their academic mission and explain how businesses will align or further that mission, as part of their **START-UP NY** plans for Properties for Designation as Tax-Free Areas. However, campuses have been inconsistent in addressing

this. Most approved plans are ambiguous about whether academic mission alignment is the priority for business selection. The plans also fail to include how academic alignment will be weighted in comparison to other selection criteria, such as economic and community benefit.

◆ **Would START-UP NY have an impact on the workload of UUP academics and professionals?**

Workload may be increased due to the potential collaboration between a business applicant

and sponsor; most campus plans do not address this.

◆ **Are campuses concerned that START-UP NY businesses will strain campus resources?**

Many campuses cited services and support access—provided by the institution—as a benefit for potential **START-UP NY** businesses. This

would increase demand for on-campus resources and could affect the availability of these services for students, for whom this support is intended.

## Ask your campus leadership:



- Q:** How does the proposed plan **align** with the academic mission of the campus?
- Q:** Will SUNY academics and professionals be consulted about proposed business alignments with campuses **before and after** plans are finalized? What role will they play?
- Q:** Are businesses required to conduct **impact studies** to measure potential strain on campus resources?
- Q:** Will this collaboration create and increase workload for UUP members?
- Q:** What role, if any, does the **research foundation** (SUNY or campus) play in **START-UP NY**?
- Q:** Will the selected business pay an “impact fee” to cover operation and maintenance costs incurred by the campus for hosting the business?
- Q:** What would the campus **get in return** for “sponsoring” businesses? Will there be:
  - Economic benefits that **enhance** the academic mission?
  - Internship and/or co-op opportunities for students that enhance their **experiential** education?
  - Opportunities for faculty to enhance **research** through interactions with the companies?
- Q:** Who will do the work proposed in the campus plan?
- Q:** Do the businesses selected provide services that are similar in scope and nature to work performed by public employees of SUNY, CUNY and the Community Colleges?
- Q:** **How many** and **what kinds** of jobs will be created?