

VETO MESSAGE - No. 46

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bill:

Assembly Bill Number 251-A, entitled:

"AN ACT to amend the public authorities law, in relation to creating a regional commercialization technology fund in the New York state foundation for science, technology and innovation; and to amend the executive law, in relation to the research development plan"

NOT APPROVED

Under this proposal, the New York State Foundation for Science, Technology and Innovation (NYSTAR) would have to allocate between \$500,000 and \$1 million to each eligible project to be used to accelerate the commercialization of discoveries that could potentially have a positive impact on existing companies or lead to the formation of new companies in New York. Grants would be awarded competitively to academic research institutions or other regional technology development organizations.

According to the sponsors' memorandum, the establishment of the Regional Technology Commercialization Fund (RTCF) would assist "entrepreneurs to 'bridge the gap' from having an idea to creating a commercialized product." However, there is no appropriation authority for this program and it would create a significant undefined obligation. Furthermore, the bill eliminates the highly successful Technology Transfer Incentive Program (TTIP) administered by NYSTAR. TTIP is one of NYSTAR's major economic development programs that awards funds to institutions of higher education which work with various industries to accelerate commercialization efforts. Competitive awards under TTIP are made through a peer review process that ensures that all awards are measured by their economic development potential and scientific feasibility.

Earlier this year I appointed the Task Force on Industry-Higher Education Partnerships under the leadership of David Skorton, the President of Cornell University. One of the matters the Skorton Commission is investigating is the most effective means of "bridging the gap" from innovation to commercialization. It may not be through direct government financing, which too often can create needless obstacles and conditions.

In light of the State's grave financial condition, I simply cannot allow enactment of legislation that negatively impacts the State's fisc - whether upon enactment or in the future. The appropriate place for discussing such a proposal is in the budget process, where any expenditure can be weighed against other outlays and available revenues. Furthermore, I see no compelling reason to eliminate TTIP, which has proven effective at accelerating commercialization efforts.

The bill is disapproved.

(signed) DAVID A. PATERSON
