

VETO MESSAGE - No. 83

TO THE ASSEMBLY:

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

Assembly Bill Number 7985-B, entitled:

"AN ACT to amend the tax law, in relation to program six certified capital companies and to repeal section 84 of part A of chapter 62 of the laws of 2011 relating to constituting chapter 18-A of the consolidated laws relating to financial services, relating to making certain provisions permanent"

NOT APPROVED

This bill would create New York's sixth Certified Capital Company ("CAPCO") program by authorizing \$150 million in tax credits for insurance companies that provide financial resources to Certified Capital Companies for the purpose of investing in qualified New York State businesses.

I support the goal of spurring economic development by encouraging venture capital investment in the State. That is why this year, as part of the State Budget, we created and funded the Regional Economic Development Council program. This past week, I announced hundreds of millions of dollars in capital grants and tax credits for business investments in

targeted industries that will create or retain jobs and leverage private investment throughout the State. Much of those State resources will support the same New York companies -- directly or indirectly -- that would be eligible for CAPCO venture capital.

A program seeking a significant investment would be more appropriately considered in the context of the State Budget negotiations, where the performance of the first five CAPCO programs, including job creation and private co-investment, can be fully discussed and evaluated.

The bill is disapproved.

(signed) Andrew M. Cuomo

---