MEMORANDUM OF SUPPORT

May 11, 2015

S.4054 (Golden) / A.4016 (Morelle)

An act to amend the economic development law, the urban development corporation act, the state finance law and the tax law, in relation to establishing the New York state digital game development and incentive.

New York University (NYU) strongly supports S.4054 (Golden) / A.4016 (Morelle), which would establish the New York State Digital Game Development and Incentive Act. This bill would allow for the creation of eleven gaming clusters, provide for a tax credit, and create a digital gaming competition.

NYU is home to the NYU Game Center and MAGNET (Media and Games Network), which focus on educating the next generation of game designers, developers, entrepreneurs and critics to advance the field of games. Digital gaming is a rapidly growing industry that has already outpaced the sale of movies and music in the U.S, and has an economic impact of $276 million per year (2009) in New York State. New York is already fourth in the nation for jobs and companies associated with digital gaming, with 71 developers and publishers residing in the state, creating 5,474 direct and indirect jobs. With more investment in digital gaming, New York State could become the national leader in digital gaming development, which would improve the State’s economy and position as an international center for technology.

The bill would create eleven game clusters, with one cluster placed in each of the State’s economic development regions, and two in New York City. Sponsors of the clusters would be private or public colleges and universities that are eligible for the START-UP NY program, and which offer a BA or master’s degree in game design, or a specialization in game programming as part of its computer science offerings. The clusters would also be required to be affiliated with an existing New York State incubator or hot spot. Each of the anchor tenants would be eligible for a tax credit of 15% on eligible expenditures over a four-year period. This credit is intended to encourage more digital gaming start-ups to locate in New York and increase the already positive economic impact by the digital gaming industry.

There would also be a New York State digital game development competition for early stage companies that are committed to remaining in New York and a Digital Game Summit, and associated regional events. Each of these events would help to foster innovation and technological advances, and help to make the State the center of new developments in the digital gaming industry.

NYU strongly supports S.4054 (Golden) / A.4016 (Morelle), and urges the Legislature to pass this bill.

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