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The Business Council of New York State, Inc. urges the members of the NYS Legislature to increase funding for the 15 Centers for Advanced Technology (CATs) and 14 Centers of Excellence (COEs) is increased to \$1.5 million, each, in the FY 2024-25 budget. Our state needs to be committed to fully funding the CATs and COEs as it aligns with our state's commitment to invaluable work and moving New York State towards a brighter and more prosperous future.

The CATs and COEs played a significant role in the state's response to the COVID-19 pandemic, collaborating with industries on numerous projects related to testing, PPE, HVAC, and therapeutics. They supported our state in one of its most vulnerable times. Furthermore, in the three years preceding the pandemic, our centers helped create and retain 9,816 jobs and generated \$2.57 billion in economic impact, showcasing their significant contributions to the state's economy.

In 2022 alone, the CAT/COE centers played a crucial role in creating and retaining significant employment opportunities and generated a staggering \$571,377,581 in economic impact, including an exceptional return on investment, with a ratio exceeding 20:1 annually. However, despite the remarkable achievements and undeniable importance of the CATs and COEs, the FY 2024-25 Executive Budget Proposal presents a concerning 12% cut in funding, resulting in a budget reduction from \$29 million to \$25,584,325. This decrease jeopardizes the ability of these centers to continue their essential work effectively.

The impact on workforce development is a critical aspect that cannot be overlooked. Increasing funding to \$1.5 million for each center will enable our state to intensify our workforce training activities, including internships and industrial training programs, which are vital for filling skilled and high-tech positions. Additionally, increasing funding for CATs and COEs will strengthen regional economic development efforts. These centers serve as catalysts for innovation and entrepreneurship, driving workforce development and attracting investments to all communities across New York State. By expanding funding, we can empower CATs and COEs to accelerate the commercialization of new products and technologies, thereby spurring economic growth and revitalizing local economies.

The Centers for Advanced Technology and Centers of Excellence have been operating under budget constraints in recent years, with previous and proposed funding cuts. It negatively impacts the opportunity for growth and academic excellence which the CATs and COEs consistently produce. Continued budget cuts affecting the CATs and COEs cannot persist.

The Business Council supports increasing total funding in the FY 2024-25 Budget to \$36.25 million for the 29 centers (\$18.75 million for CATs and \$17.5 million for COEs) as it will strengthen the economic and educational viability of New York State.