

Introduced by Presiding Officer, on request of the County Executive

RESOLUTION NO. 198 -2013, AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE UNITED STATES DEPARTMENT OF COMMERCE, FOREIGN TRADE ZONE BOARD FOR FOREIGN TRADE ZONE-ALTERNATIVE SITE FRAMEWORK DESIGNATION

WHEREAS, a Foreign Trade Zone (FTZ) is a designated location in the United States where eligible companies can access benefits that help encourage U.S. business activity in competition with foreign alternatives; and

WHEREAS, the fundamental benefit of the Foreign Trade Zone program is to allow U.S.-based companies the ability to defer, reduce and/or eliminate customs duties on products admitted to a zone, without effect on a company's tax or other legal liabilities in the County and State; and

WHEREAS, a location that has been granted zone status may not be used for zone activity until the site has been separately approved for FTZ activation by local U.S. Customs and Border Protection (CBP) officials, which supervise zone activity. FTZ sites and facilities remain under the jurisdiction of local, state or federal governments or agencies; and

WHEREAS, under Section 224 of the New York County Law, counties may be authorized to make application to the United States Foreign Trade Zones Board to establish foreign trade zones within their boundaries, to encourage and expedite foreign commerce and to stimulate local economic growth and development through job retention and creation; and

WHEREAS, under Section 224 (18) of the County Law, Suffolk County was authorized to make an application to establish, operate and maintain a foreign trade zone within the County of Suffolk. In 1980, Suffolk County made such an application and presently holds a grant of authority from the Foreign Trade Zones Board to operate a foreign trade zone within Suffolk County and has operated a foreign trade zone since that time; and

WHEREAS, the Suffolk County Foreign Trade Zone includes the general purpose zone adjacent to LI MacArthur Airport, operated through a contract between Suffolk County and the Town of Islip Foreign Trade Zone Authority; and the Special Purpose Foreign Trade Sub-Zone at FESTO Corp. in Hauppauge; and

WHEREAS, the U.S. Foreign Trade Zones Board has amended its regulations to allow grantees to restructure their currently designated FTZ from the Traditional Site Framework defined as set geographic areas where companies must locate and Special Purpose Sub-Zones, to the Alternative Site Framework (ASF) where designation is reviewed and approved based upon the activity that takes place at the site; and

WHEREAS, restructuring to the Alternative Site Framework would allow the County to apply for ASF Usage Driven Designation for eligible companies without the current lengthy federal review and boundary modification process; and

WHEREAS, this reduction in time will allow for companies to access the benefits more quickly, benefiting not only the company but the County overall through the increased economic impacts of production, sales and jobs; and

WHEREAS, this restructuring will give the County a valuable tool to assist with its business attraction and retention efforts in a timely manner; now, therefore be it

1st **RESOLVED**, that the County Executive or his designee is hereby authorized to submit an application in substantially the form attached hereto as "Exhibit A" to the United States Foreign Trade Zones Board, requesting approval to restructure to the Alternative Site Framework under the Foreign Trade Zones Program; and be it further

2nd **RESOLVED**, that the County Legislature hereby authorizes the County Executive or his designee to execute any necessary revised agreement on behalf of the County of Suffolk with the Town of Islip Foreign Trade Zone Authority, providing for continuing participation in the Suffolk County Foreign Trade Zone under the Alternative Site Framework; and be it further

3rd **RESOLVED**, that the Department of Economic Development and Planning, is hereby authorized to review and the County Executive authorized to submit to the United States Foreign Trade Zones Board, future individual company Usage Driven Site applications that may qualify under the Alternative Site Framework; and be it further

4th **RESOLVED**, that Suffolk County acknowledges as part of its application that the County commits to working with U.S. Customs and Border Protection (CBP), as appropriate, to meet current and future CBP automated-systems requirements (such as ACS or ACE) and to meet any CBP security requirement related to activation; and be it further

5th **RESOLVED**, this Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20),(21), and (27) of the NEW YORK CODE OF RULES AND REGULATIONS (NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

DATED: March 19, 2013

APPROVED BY:

/s/ Steven Bellone
County Executive of Suffolk County

Date: March 22, 2013