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## Bulletin Notice

**Headline:** Linked Deposit Program

**Agency:** Economic Development, NYS Dept. of

**Submitted By:** Cindy Shannon

**Description:** The Linked Deposit Program (LDP) is an interest rate subsidy program that encourages and assists eligible businesses within the state to make investments that contribute to improved performance and competitiveness, leading to a stronger economic climate for New York State.

Eligible businesses can obtain loans from participating lenders at an interest rate that is up to two or three percentage points lower than the prevailing rate, thereby making borrowing less expensive. Lenders are compensated by deposits of state funds at comparably reduced rates. The lender makes the credit decision and if the applicant is eligible, submits the application for review on behalf of the business.

### Eligible Businesses

Borrowers must be an existing New York State business, a manufacturer employing 500 or fewer or service company employing 100 or fewer, and must be undertaking an expansion project that will improve its competitiveness.

Professional, personal service and retail businesses are not eligible for assistance unless they employ 100 or fewer and are located in a highly distressed census tract, or are a zone-certified business employing 100 or fewer and undertaking a project that will create or retain jobs at a certified Empire Zone location. LDP cannot assist startups or companies that are not currently headquartered in New York State.

### Eligible Projects

- Projects that result in the retention or creation of permanent private sector jobs within the state;
- Preparation of strategic plans for improving productivity and competitiveness;
- Introduction of modern equipment, construction or an expansion of a facility;
- Introduction of advanced technologies;
- Improvements in production processes and operations;
- Introduction of computerized information, reporting and control systems;
- Development and introduction of new products;
- Identification and development of new markets, including entry into foreign markets;
- Buyouts of viable companies by employees or local owners residing in the state;
- Provision of working capital that will improve the competitiveness and

- productivity of a business and result in the creation or retention of jobs; or
- Projects designed to increase the business' export activities.

For more information visit:

<http://www.esd.ny.gov/BusinessPrograms/LinkedDeposit.html> or contact the LDP office at 518-292-5261 or [linkeddeposit@esd.ny.gov](mailto:linkeddeposit@esd.ny.gov).

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