

End of Legislative Session Summary 2017

Administrative Procedures / Rulemaking

Staff Contact: Ken Pokalsky

Passed Both Houses

- S.1643 (Carlucci) / A.5779 (Simotas) Expands content of mandated small business regulatory compliance guides to be issued by state agencies with new rules; gives the ESD Division for Small Business oversight authority. The Business Council Supports
- S.5795-A (Jacobs) / A.8408 (Simotas) Requires state agencies proposing regulations that affect small businesses or local governments to assess the minimum time such entities will need to come into compliance with any new regulatory requirements, requires agencies to proactively seek input from small business and local governments. The Business Council Supports
- S.5721 (Jacobs) / A.7092 (Simotas) Requires state agencies to issue electronic notices of proposed rulemakings to persons requesting such notification. The Business Council Supports

Not Approved

- S.5912-B (Jacobs) / A.8470 (Schimminger) Places additional restrictions on state agency's use of emergency rulemaking. <u>The Business Council Supports</u>
- S.4120-A (Akshar) / A.8205-A (McDonald) Eliminates financial penalties for initial rule violations by small business, except where such violations directly affected public health or safety. <u>The Business Council Supports</u>

Business Corporations

Staff Contact: Ken Pokalsky

Not Approved

 S.6506 (Ranzenhofer) / A.8009 (Dinowitz) Would modernize the New York Business Corporation Law (NYBCL) to allow New York-incorporated companies to hold virtual shareholder meetings that use means of remote communication such as the Internet or teleconferencing, in addition to traditional in-person annual meetings. <u>The Business Council Supports</u>

Construction / Transportation

Staff Contact: Johnny Evers

Passed Both Houses

• S.6639-A (Robach) / A.8427-A (Morelle)

Enacts "Buy American Act," to require that contracts valued at \$1 million or more for surface road and bridge projects, let by the Department of Transportation, the state Bridger or Thruway authority, or other specified entities, contain a requirement that all structural steel and iron be produced in the United States; creates a work group to evaluate the impact of this statute on reciprocal trade agreements and to consider extension of the "buy American" provision to other produce categories.

The Business Council did not take a position on this final bill, as its provisions largely replicate existing law.

Not Approved

- S.2975 (Murphy) / A.5498 (Bronson) Would impose public works prevailing wage mandate on private sector projects receiving any amount of state or local financial assistance. <u>The Business Council Opposes</u>
- S.6576 (Savino) / A.8071 (Abbate) Would impose public works prevailing wage mandate on off-site custom fabrication of woodwork, cases, cabinets or counters and the fabrication of electrical, plumbing, heating, cooling, ventilation or exhaust duct systems, and mechanical insulation. The Business Council Opposes

Contract Procurement

Staff Contact: Amber L. Mooney

Passed Both Houses

- S.3018 (Ritchie) / A.2819 (Bichotte) Eliminates the requirement that certain minority and women-owned business enterprise (MWBE) owners have a personal net worth of less than three million five hundred thousand dollars in order to obtain certification as a minority and women-owned business enterprise. <u>The Business Council Supports</u>
- S.6513-B (Alcantara) / A.8508-A (Hyndman) Would amend the New York City charter in relation to opportunities for MWBEs, allowing agencies to make procurements of goods and services for amounts not exceeding \$150,000.00 from MWBE certified businesses. Contracts would be awarded for goods and services based on best value to bidder or offerer. Agencies awarding construction contracts may also identify a quantitative factor in evaluation of bids for certified businesses.

Not Approved

 S.3984-A (DeFrancisco)/A.6355-A (People-Stokes) Would have restored the State Comptroller's pre-audit authority over contracts by SUNY and CUN, and OGS centralized contracts; requires state authorities to adopt procurement standards consistent to those applicable to state agencies; limits the use of "flow thru" procurement entities. The Business Council was neutral on the final version of this bill.

• S.383 (Robach) / A.2022 (Bronson)

Would impose burdensome and ill-defined analysis requirements on state agencies prior to entering into a consultant services contract anticipated to be in excess of \$750,000 in a 12-month period. The bill specifically requires state agencies to determine whether services can be provided by state employees at an equal or lower cost. In the mandated analysis, the bill requires a consideration of costs associated with the current state employees doing work that would otherwise be handled by a consultant. The Business Council Opposes

• S.6452 (DeFrancisco) / A.8156 (Peoples-Stokes)

Adopts several reforms that were included in legislation vetoed by Governor Cuomo in 2015, including: standardizes "vendor responsibility" processes; allowing for alternative procurement methods for the acquisition of non-construction related commodities and services, and information technology, including competitive negotiations; extending piggybacking provisions, and updating the Lobbying Act definition of "restricted period" to match the State Finance Law language adopted in 2016. The Business Council Supports

Consumer Affairs

Staff Contact: Ken Pokalsky

Not Approved

 S.162 (Rivera) / A.5239 (Dinowitz) Would require "warning labels" on beverage containers, and at point-of-sale locations, for beverages with added sweeteners. <u>The Business Council Opposes</u>

Economic Development

Staff Contact: Ken Pokalsky

Not Approved

- S.6613-A (Croci) / A.8175 (Schimminger) Would impose broad, vague data collection and disclosure mandates on state economic development programs and program recipients, including discretionary capital programs administered through the UDC and a wide range of tax credits and other programs that already have fixed statutory criteria for eligibility and calculation of benefits. <u>The Business Council Opposes</u>
- S.6282-A (Boyle) / A.7615-A (Rosenthal)

Would make an employer that relocates call center operations from New York State to a location outside of the United States ineligible for any "tax benefit," state grant, or other form of "governmental support," for a five year period. This prohibition would apply regardless of the business' ongoing level of in-state employment, wages, capital investment, or other business presence, and regardless of the business reasons for the relocation and any beneficial impact that the relocation would have on overall customer services.

The Business Council Opposes

Education / Workforce Development

Staff Contact: Amber L. Mooney

Passed Both Houses

• S.3789 (Phillips) / A.1956 (Bronson)

Will publish a catalogue of workforce development funding programs, tax credits and annual outcomes. This catalogue would include annually updated information on the purpose of the funding programs, federally assisted programs, governing statutes and regulations, eligibility requirements, any special restrictions, flow of funds, any matching requirements, two years' of historical fiscal data, program contact information, and most importantly, data on the outcomes and effectiveness of the program. The Business Council Supports

 S.5891 (Klein) / A.7697 (Pichardo) Clarifies that the newly enacted Enhanced Tuition Assistance (ETA) awards are for students attending all private degree granting institutions of higher education in New York, including fully accredited, degree granting proprietary colleges, on the same basis as other New York grant and scholarship programs, such as TAP.

The Business Council Supports

Not Approved

- S.1469 (Ritchie) / A.7563 (Nolan) Would increase funding for career and technical education (CTE) teachers at the board of cooperative educational services (B20OCES). <u>The Business Council Supports</u>
- S.5617 (LaValle) / A.7560 (Glick) Would direct community colleges to study the effectiveness of their current full time equivalent (FTE) funding formula and alternatives based on the specific mission, needs and unique regional concerns of such community colleges. <u>The Business Council Supports</u>
- S.5875 (Robach) / A.6177 (Pichardo) Would amend the education law to require the State University of New York (SUNY) and the City University of New York (CUNY) boards of trustees to establish a new common and clear credit articulation policy for granting college credit to high school students who earn passing scores in advanced coursework. <u>The Business Council Supports</u>
- S.6087 (Marcellino) / A.8180 (Nolan) Would add early college high schools and the New York State pathways in technology early college high school program (P-TECH) to the state education statutes and provide for their continued support within the state education department. <u>The Business Council Supports</u>

Energy

Staff Contact: Darren Suarez

Passed Both Houses

• S.5190 (Griffo) / A.6571 (Paulin)

Requires the Public Service Commission to establish 2030 targets for the installation energy storage systems. Requires the Public Service Commission to establish 2030 targets for the installation energy storage systems.

 S.5442-A (Razenhofer) / A.6826-A (Dinowitz) Specifies that a quorum of the Public Service Commission is a majority of the total number of members of the commission and restricts the commission from exercising any powers or duties without a quorum.

Not Approved

- S.3923 (Savino) / A.7293 (Dinowitz) Creates the State Office of the Utility Consumer Advocate to represent residential utility consumers' interests in residential utility matters at the state and federal level. <u>The Business Council Opposes</u>
- S.1255-A (Griffo) / A.1705-A (Woerner)
 Establishes a self-directed or "banking" approach, for large electric customers encompassing all applicable state-imposed Clean Energy charges. The self-directed or banking approach would maximize investments in renewable energy, load reduction and REV related projects while at the same time, moderating rate impacts and reducing competitive inequities associated with current energy assessments. The prosed legislation allows business customers a reasonable opportunity to utilize current energy assessment to meet the State's energy goals and will make the cost of such efforts more manageable.
- S.3747 (Griffo)

Allows electric load serving entities (utilities or energy service companies) to offer business customers electricity that is exempt from their obligation under the Clean Energy Standard. The Clean Energy Standard (CES) as proposed by Governor Cuomo would mandate that 50 percent of all electricity consumed in New York by 2030 result from clean and renewable energy sources. The Business Council Supports

Environment

Staff Contact: Darren Suarez

Passed Both Houses

• S.5197-B (Serino) / A.6825-A (Barrett)

Directs the Commissioner of Environmental Conservation to establish minimum conditions for petroleumbearing vessels on the Hudson River. Including the establishment of tanker-avoidance zones, where it shall be unlawful for petroleum-bearing vessels as defined in section one hundred seventy-two of this chapter, to enter, move or anchor upon the navigable waters of the Hudson.

 S.5422-A (Boyle) / A.6954-A (Englebright) Requires that all heating oil sold in Nassau, Suffolk, and Westchester counties contain at least five percent biodiesel by July 1, 2018.

Not Approved

A.8266 (Englebright)

Mandates the Department of Environmental Conservation to undergo a chemical review process to make concrete determinations about the toxicity of chemicals and their potential harm to the public. <u>The Business Council Opposes</u>

 S.6617-A (Avella) / A.8270-A (Englebright) Provides the Department of Environmental Conservation (DEC) with the mandate to eliminate all greenhouse gas emissions from any emission source in the state by 2050. <u>The Business Council Opposes</u>

- S.5287 (Carlucci) / A.6279 (Englebright) Adopts a State Constitution amendment to provide a right to clean air and water and a healthful environment. <u>The Business Council Opposes</u>
- S. 2837 (O'Mara) / A.7757 (Englebright) Would require that manufactures of solar panels provide a program to collect end-of-life panels. <u>The Business Council Opposes</u>

"Ethics" / Lobbying / Elections Reforms

Staff Contact: Ken Pokalsky

Not Approved

 S.496 (Squadron) / A.1926 (Kavanagh) Would impose \$5,000 annual aggregate limit on campaign contributions made by limited liability companies. <u>The Business Council Opposes</u>

Financial Services

Staff Contact: Cate Tully

Not Approved

- S.3851 (LaValle) / A.3046 (Moya) Allows public accounting firms to incorporate in NYS with minority ownership by individuals who are not CPAs.
 <u>The Business Council Supports</u>
- S.3897-A (Carlucci) / A.3246-A (Brindisi) Requires home improvement contractors to have insurance coverage and regulates their conduct when making repairs covered by homeowner's insurance. <u>The Business Council Supports</u>
- S.5208-A (Gallivan) / A.6771-A (Morelle) Clarifies the rules and requirements for using pay cards as a method of payment of wages under New York State Labor Law. The Business Council Supports
- <u>S.242 (DeFrancisco) / A.921 (Bichotte);</u> <u>S.6556 (Seward) / A.8004 (Weinstein);</u> <u>S.6643-A (DeFrancisco) / A.2831-A (Weinstein)</u> Create a private right of action against insurance companies for unfair claim settlement practices. The Business Council Opposes
- <u>S.6484 (Lanza) / A.7445 (Titone);</u> <u>A.5240 (Dinowitz);</u> <u>A.5248 (Dinowitz);</u> <u>A. 7175 (Kavanagh)</u> Prohibit the use of arbitration clauses in consumer and employment contracts. The Business Council Opposes

- S.4344-B (Savino) / A.4982-B (Rodriquez) Creates a state-administered retirement savings program for private sector employees permitting employers to opt in to plan. <u>The Business Council Opposes</u>
- S.5644-B (Seward) / A.8519-B (Morelle) Requires automobile insurance policies to provide supplementary uninsured/underinsured motorist (SUM) coverage equal to a policy's bodily injury liability limits unless policyholder selects a lower or opts out of coverage. <u>The Business Council Opposes</u>

Health / Health Insurance

Staff Contact: Lev Ginsburg

Passed Both Houses

• S.6750 (Hannon) / A.387-B (Gunther)

Would mandate "chain pharmacies" to operate disposal sites for unused controlled substances. We are looking for further amendments as offered by our coalition with retail pharmacies, retail council, food industry alliance et al, which most importantly include preemption on all matters pertaining to drug disposal of controlled substances.

Not Approved

- S.3484 (Golden) / A.4786 (Joyner) Would limit pharmacy mail order options for health insurance prescription plans. This bill will unquestionably result in increased pharmaceutical costs for New York's consumers and employers, who provide benefits for their employees. The Business Council Opposes
- S.5717-A (Hannon) / A.387-A (Gunther) Would mandate "chain pharmacies" to operate disposal sites for unused controlled substances. We are looking for further amendments as offered by our coalition with retail pharmacies, retail council, food industry alliance et al, which most importantly include preemption on all matters pertaining to drug disposal of controlled substances. <u>The Business Council Opposes</u>

Information Technology and Telecommunications

Staff Contact: Johnny Evers

Passed Both Houses

 S1121-A (Funke) / A.1713-A (Hevesi) Creates a state information technology innovation center or iCenter to develop and demonstrate technology solutions with potential benefit to the state and its citizens. <u>The Business Council Supports</u>

Not Approved

• S.618-B (Boyle) / A.8192 (Morelle)

Mandate that original equipment manufacturers of digital electronic equipment that is sold or leased in New York must make available for purchase that equipment's diagnostic and repair information, embedded software, tools and other parts to owners of the equipment and to independent repair providers not associated with the manufacturer. The Business Council Opposes

• S.5603-A (Carlucci) / A.7191-A (Wallace)

Prohibits the disclosure of personally identifiable information by an internet service provider without the express written approval of the consumer. This proposed legislation, as well as others similar to it (S.5516 / A.7495-A and S.5576 / A.7236), are a reaction to Congressional action to overturn FCC rules. Even so, a state-by-state approach proposed in this bill risks creating 50 different systems. Since networks are not defined by state lines, providers would be faced with a patchwork of regulations as well as federal rules. Consumers would be faced by uncertainty between networks, states, and federal rules. The Business Council Opposes

- S.6111 (Gallivan) / A.7543 (Lifton) Requires the public service commission (PSC) to establish a plan for all copper [wire] telephone systems. As the PSC is currently undertaking a proceeding regarding the issues raised in this legislation, this legislation would usurp the PSC regulatory process. <u>The Business Council Opposes</u>
- S.6114 (Gallivan) / A.7530 (Ryan)

Would require the public service commission (PSC), within six months of passage of legislation, to identify the areas of the state "in which insufficient telecommunications services has caused social or economic impacts" and once identified, mandate the "construction or installation of broadband and fiber optic services by an internet service provider" in these communities. The Business Council Opposes

Labor / Human Resources

Staff Contact: Frank Kerbein

Not Approved

- S.579 (Peralta) / A.628 (Rosenthal)
 Would allow for an "employee lien" as a remedy for failure to pay wages owed to employees in violation of certain provisions of the labor law. Both State and Federal labor law provide opportunities for employees to be compensated by rogue employers who ignore wage and hour requirements. Allowing employees to put liens on personal or company property merely on a claim of wage and hour violations as done under this bill will create confusion and redundancy that is not needed.
 The Business Council Opposes
- S.2425-A (Carlucci) / A.2343 (Aubry)
 "Ban the Box" legislation would require employers to make a conditional offer of employment before inquiring about any criminal convictions of a prospective employee. <u>The Business Council Opposes</u>
- S.3486 (Peralta) / A.2007 (Fahy)

Would amend the labor law to put substantial restrictions on the ability of New York employers to maintain a flexible work arrangement for the benefit of the employer and the employee. The bill creates bargaining obligations on employers where there is no union representation - resulting in one-on-one negotiating sessions with individual employees regarding the terms and conditions of employment. The Business Council Opposes

• S.3749-A (Parker) / A.1797-A (Kim)

Would amend the labor law and education law to mandate up to 16 hours of employee unpaid leave for school conferences and classroom activities for employers of fifty or more employees. Formal parent/teacher meetings are historically scheduled after traditional business hours or during evening hours. Most employees work during the day with many working a traditional 7 to 3 shift making it possible to frequent these important school/teacher events. The Business Council Opposes

- S.6554 (Young) / A.7864 (Dinowitz) at the request of the Attorney General prohibits non-compete agreements and certain restrictive covenants for employees earning less than \$75,000 annually. (See also: S.4610 (Savino)/A.1139 (Dinowitz) prohibits employers from requiring lowwage employees to enter into covenants not to compete and requires employers to notify potential employees of any requirement to enter into a covenant not to compete. <u>The Business Council Opposes</u>
- S.6563 (Klein) / A.5310 (Dinowitz) Enacts the "credit privacy in employment act" to prohibit the use of consumer credit reports in hiring and employment determinations. <u>The Business Council Opposes</u>
- S.2191 (Parker) / A.4836 (Titus) Would amend the state labor law and civil service law and require employers to allow access to employee's personnel records, and require employers to copy or provide the equipment to copy personnel records. The Business Council Opposes
- S.5233 (Carlucci) / A.6707 (Galef) Prohibits employers from seeking salary history from prospective employees. <u>The Business Council Opposes</u>

Lawsuit Reform

Staff Contact: Lev Ginsburg

Not Approved

- S.2511 (Bonacic) / A.6032 (Simotas) Creates transparency between asbestos trust claims and asbestos tort actions by requiring the disclosure of all past, pending, and anticipated asbestos trust claims by a plaintiff. Currently, New York does not require plaintiffs in asbestos actions to disclose whether they have previously recovered from trust funds or will in the future. The Business Council Supports
- S.5889 (Bonacic) / A.5918 (Weinstein)
 Would provide that a non-New York business or non-profit that secures authorization to conduct business
 in New York could be sued in New York State courts for an action completely unrelated to its activities in
 New York (i.e., be subject to the general jurisdiction of the state's courts.) This bill would add needlessly to
 the work of an already overburdened state court system a problem that was discussed extensively in this
 year's joint Senate/Assembly hearing on the judiciary budget.
 The Business Council Opposes
- S.4868-A (Bonacic) / A.5919-A (Weinstein)
 This would needlessly tamper with common law and statutory laws on hearsay. By allowing an exception
 to the rule for statements made by a company's agent or employee on matters within the scope of the
 employer-employee relationship opposing party's statements, we upend the sound legal reasoning in
 demanding statements being made by a witness under oath, rather than third parties, for whom there is no
 recourse.

The Business Council Opposes

Taxation / Revenue / Tax Credits

Staff Contact: Ken Pokalsky

Passed Both Houses

• S.5892 (Klein) / A.7370 (Galef)

Establishes an energy-related public utility mass real property pilot program for Westchester County, authorizing the Department of Tax and Finance to uniformly assess utility-owned real property located on privately owned land in Westchester that is used in the transmission and distribution of electricity and gas. The Business Council Supports

Transportation

Staff Contact: Johnny Evers

Passed Both Houses

- S.5814 (Ranzehofer) / A.7624 (Cahill) Relates to the effectiveness of the regulation of transportation network company services. Accelerates the effective date of part AAA of Chapter 59 of the Laws of 2017 by ten days to allow ride sharing over the Fourth of July weekend.
- S.2083-A (O'Mara) / A.7074-A (Brindisi) Relates to establishing the temporary advisory board for upstate transit state funding. <u>The Business Council Supports</u>

Travel and Tourism

Staff Contact: Johnny Evers

Passed Both Houses

- S.10778-A (Valesky) / A.1078-A (Magee) Expands the items which may be sold by a licensed farm cidery and the licensees to whom a farm cidery may sell its cider for resale.
- S.2481 (Amedore) / A.2994 (Fahy) Relates to the tastings of and selling at retail for consumption on or off the premises of certain beverages (distilled spirits, beer, cider, wine)

Not Approved

 S.5962 (Murphy) / A.7906 (Schimminger) Makes permanent certain provisions of the alcoholic beverage control law authorizing allowing manufacturers to transport alcoholic beverages to their retail establishments and other provisions (current provisions expire 11/9/19). <u>The Business Council Supports</u>

Unemployment Insurance

Staff Contact: Lev Ginsburg

Not Approved

• S.905 (Amedore) / A.8012 (Fahy)

Ensures that an employer's unemployment insurance account will not be penalized for the dismissal of a temporary employee, hired to fill-in for an employee who is talking paid family leave time. <u>The Business Council Supports</u>

• S.1410 (Avella) / A.6989 (Jaffee)

Would make employees eligible for unemployment insurance based on their "need . . . to provide child care to the individual's child if such individual has made reasonable efforts to secure alternative child care." Generally speaking, employees are ineligible for UI benefits if they voluntarily leave their employment without good cause. The bill's broad and vague provisions would allow for UI benefits based, apparently, on the cost, convenience and/or location of child care providers, or other factors, limited only by what a UI division's administrative law judge would determine qualifies as a "reasonable effort" to secure child care on behalf of the claimant.

The Business Council Opposes

Workers' Compensation

Staff Contact: Lev Ginsburg

Not Approved

- S.6495 (Alcantara) / A.8240 (Abbate)
 Would cancel out a portion of recently adopted cost-savings by lowering the standard for awards related to mental health claim of any employee, opening up a flood of new claims with little to no merit.
 The Business Council Opposes
- S.5782 (Peralta) / A.15 (Cahill) Would render medical treatment guidelines and newly mandated pharmaceutical formulary moot because it basically demands payment for the first scrips, whether they were truly warranted or not. <u>The Business Council Opposes</u>