





BACK TO BUSINESS

The 2017 Legislative and Regulatory Agenda

Working to create economic growth, good jobs and strong communities across New York State.

YOUR VOICE, OUR VOICE, ONE VOICE.

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BACK TO BUSINESS -The 2017 Legislative and Regulatory Agenda



I am pleased to present The Business Council's 2017 Legislative and Regulatory Agenda, which was developed through extensive conversation and collaboration with our diverse statewide membership.

We've made "Back to Business" our theme for the 2017 legislative session. After several years of progress in improving the state's economic climate, 2016 saw passage of legislation imposing billions of dollars in new costs and significant new compliance mandates on the state's private sector employers. Additionally, the 2016 session saw no broad-based business climate reforms, nor did the legislature address any major sector-specific barriers to growth.

New York State has many economic assets, including a world financial center in New York City, a well-educated workforce, first class colleges and universities, significant natural resources and tourism destinations, and a strategic location for regional and international commerce.

We also face major challenges. While the New York City regional economy continues to do well, much of upstate has seen stagnant job growth, and has yet to fully recover from the great recession. New York also continues to lose population to other states with better job prospects.

We can and need to do better. Change starts with eliminating barriers to new investments and new business, and by making the state's business cost structure more competitive.

The following pages contain specific policy ideas that, if enacted, will help promote new private sector investment and spur job creation. We also identify a number of proposals that would inflict unnecessary harm on our state's economy and we will actively oppose them becoming law.

We look forward to working with the Cuomo Administration and the new and returning members of the Senate and Assembly in adopting our "Back to Business" agenda for 2017.

Heather C. Briccetti, Esq.

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President and CEO

The Business Council of New York State, Inc.

The Business Council's 2017 Advocacy Priorities

- 1. Workers' Compensation Reform On the heels of a 9.3 percent loss cost increase that will drive premiums in 2017, our top priority is meaningful workers' comp reform. This includes issuance of updated scheduled loss of use medical guidelines and commencing duration caps at two years after an injury to fully realize the cost savings of duration caps on permanent partial disability benefits. These and other changes would more than offset 2017 premium increases while preserving indemnity and medical benefits for injured workers.
- 2. Promote Energy Infrastructure Investments Expanding access to natural gas for manufacturing facilities, power production, transportation, and other purposes will support the state's economic and environmental objectives. Reforms include: dedicating state energy assessment resources to support pipeline extensions; expediting the state review of applications for expansion of natural gas infrastructure; authorizing real property tax exemptions for the increased assessed value attributable to new natural gas distribution facilities; and others.
- 3. Maintain Budget Discipline New York's fiscal discipline over the past six years has allowed the state to adopt important tax reforms and avoid the significant budget challenges and pressures for new or increased taxes faced by a number of other states. Now, with sagging state tax revenues, slowing job growth, and significant uncertainties regarding federal tax and spending policies, it is increasingly important that the state keep spending growth to 2 percent or lower, and avoid imposing significant new taxes and fees on the state's business sector.
- **4. Eliminate Regulatory Barriers to Growth** The state needs to address outmoded barriers and restrictions in state law that prevents sector-specific growth. Examples include adopting new insurance provisions that allow for the extension of ride sharing services to upstate and Long Island, and promoting innovation in the financial services sector by authorizing minority non-CPA ownership in public accountancy firms.
- 5. Continue with Business Tax Reform Following on state and New York City corporate tax reform adopted in 2014 and 2015, the state should adopt business tax reductions for small businesses organized as pass-through entities, including Sub-S corporations, LLCs, and partnerships; decrease the corporate franchise tax rate for small businesses; and reform the administration of the local utility gross receipt tax and the real property tax.
- **6. Education and Workforce Development** We continue to support the state's commitment to enhanced education standards; and the continued expansion of the New York State P-TECH program. We will also advocate for funding for incumbent employment training; and continued development of CTE and STEM education initiatives.
- 7. SEQRA The Regional Economic Development Councils identified project approval processes as a major impediment to growth. The state needs to reform the State Environmental Quality Review Act (SEQRA) to provide more certainty in project reviews, including: clarifying the standard for complete applications; heightening the standard for issues to be subject to administrative adjudication; making adherence to state review timetables mandatory; and assuring application of statutory and regulatory standards.
- 8. Reduce Costs of Capital Investments With major MTA and transportation capital plans adopted in 2016, and with a focus on the need for additional business, housing and infrastructure investments, the state needs to eliminate antiquated provisions that drive up cost. These include reforming the Scaffold Law by adopting the comparative negligence standard that applies to forms of liability, using a more realistic approach to implementing MWBE targets, and reducing the cost of public capital spending by repealing the Wicks law and reforming prevailing wages calculations.
- 9. Reform HCRA Set to sunset December 31, 2017, the Health Care Reform Act imposes some \$6 billion in taxes on premium payers and others to support a myriad of programs not envisioned in or sanctioned by the law. Intended to support bad debt/charity care for hospitals as well as promoting graduate medical education, HCRA taxes have become more of a slush-fund for health-related programs. Given the intent of the law and with over 2.8 million New Yorkers now insured through NY State of Health (many newly insured), an assessment of the need for further extension of HCRA is overdue. Such assessment must be used to determine whether there is any appropriate justification for this massive set of taxes no longer used for their intended purposes.

Consumer Affairs

New York needs to promote its consumer marketplace and avoid imposing restrictions on materials, goods and services in interstate commerce. The Business Council:

• Opposes legislation imposing state-specific mandates, restrictions, labeling requirements or similar requirements on goods and products sold in interstate commerce.

Campaign Finance Reform

The call for campaign finance reform has been renewed in the wake of additional scandals involving state officials. Many proposals to "fix corruption" focus on creating a taxpayer financed campaign system, similar to the New York City system, and do not address changes necessary for true reform and parity amongst all parties impacted by elections. The Business Council:

- Supports the fair and equal treatment of all participants in political advocacy with regard to the ability to generate and use resources. We oppose proposals to impose significantly disparate rules on participants in political advocacy.
- Supports adoption of four-year legislative terms as a means to reduce campaign spending and fundraising, as an alternative to more onerous "reform" proposals that would limit political advocacy.
- Opposes proposals to use enforcement-related revenues to support public campaign financing.
- Opposes taxpayer financing of campaigns.

Construction Council

Significant investment in public infrastructure is necessary to ensure the efficient flow of goods, services and people. Rebuilding New York's aging infrastructure requires alternatives to the standard approach of financing, constructing and operating our transportation systems. The Business Council:

- Will monitor state mandated MWBE guidelines to insure they are realistic, attainable, and that waivers are fairly applied.
- Supports upstate/downstate parity in state investments in transportation infrastructure.
- Will monitor state public works letting levels to ensure timeliness of both letting and payment schedules.
- Supports expansion and permanent extension of the design-build method of project delivery.
- Supports reforms to ensure that "prevailing wage" determinations accurately reflect regional private sector wage levels.
- Supports efforts to expand workforce development in the skilled trades.
- Opposes any mandatory Project Labor Agreement (PLA) requirement.
- Opposes extension of prevailing wage mandates to private sector activities.

Contract Procurement

The process of selling goods and services to state government is increasingly cumbersome, with many businesses, including Minority and Women's Business Enterprises (MWBEs), bypassing this significant business opportunity. Several business-friendly reforms to the procurement process were included in last year's budget. However, there is more work to be done. To make the procurement process more efficient, The Business Council:

- Supports creation of a state information technology innovation center.
- Supports streamlining MWBE certification and recertification process and revisiting the net worth threshold.

- Supports the leasing of technology equipment by state and municipal government entities.
- Supports amending the Lobby Act definition of "restricted periods" to match newly amended State Finance Law amendments; streamlining the Lobby Act's provisions related to procurement lobbying; oppose legislative or regulatory restrictions on commissioned salesperson exemption.
- Supports standardizing the FOIL process, which varies greatly among agencies.
- Supports clarification that a request for information (RFI) does not trigger a restricted period on communications.
- Opposes legislation to prohibit state contracts from being awarded to vendors using arbitration for alleged Title VII violations.
- Opposes creation of a Chief Procurement Officer (CPO) position within the Executive Branch and/or supports implementation of strict timeframes for CPO contract review.

Corporate Governance

It is critical that the state promote public confidence in corporate governance while avoiding mandates that make New York uncompetitive with other states. The Business Council:

- Supports updating the Business Corporation Law with respect to veil-piercing provisions, notice requirements for LLCs, age requirements for incorporators and rules for naming a corporation.
- Opposes mandates for remote shareholder participation and proxy voting at shareholder meetings.
- Opposes new compliance burdens on New York State businesses, such as requiring companies to obtain majority shareholder approval for political donations or communications on public policy issues.

Economic Development

As New York works to improve its overall business climate, The Business Council backs measures that support new investment in strategic industries. Specifically, The Business Council:

- Supports lowering the thresholds for Excelsior Jobs program "regionally significant manufacturing projects" to the creation of 10 jobs and capital investment of \$1 million or more (current thresholds are 50 new jobs and \$5 million investment.)
- Supports adoption of a new, refundable, research and development tax credit, with a component for both capital investments and for non-depreciable expenses.
- Supports clarifying industrial development agencies' authority to provide financial assistance in the form of loans and grants.
- Supports legislation to adjust the "tax base growth factor" under the real property tax cap to include value of property subject to PILOT agreements.
- Supports in-state pharma clinical trials through tax and financial incentives.
- Opposes any amendment of eminent domain laws that would apply new, broad definitions of "blight."
- Opposes legislation to impose significant new procedural requirements or wage mandates on economic development assistance provided by state and local public authorities.

Education/Workforce Development

The Business Council supports innovative educational models to better prepare students for entrance into college and/ or career. The Business Council:

- Supports the alignment of the STEM incentive and Masters-in-Education Teacher Incentive Scholarship programs to include private colleges and universities.
- Supports a strong state accountability plan under the Every Student Succeeds Act that includes: a heavy weighting of academic indicators, indicators that can be disaggregated by sub-group and a summative rating for schools.
- Supports increasing the aid-eligible salary for Boards of Cooperative Educational Services (BOCES) Career and Technical Education (CTE) instructor and increasing the amount of special services aid that provided to the Big 5 School Districts for CTE programs.
- Supports continued implementation of higher education standards and aligned assessments.
- Supports continued development of alternative pathways to graduation (i.e., CTE, STEM).
- Supports the expansion of the NYS P-TECH program.
- Supports codifying the NYS P-TECH program in statute.
- Supports providing funding to ensure low-income students have access to cost-free AP STEM exams and expand access to the PSAT in 10th grade.
- Supports the adoption of incentives for STEM companies entering into partnerships with local schools.
- Supports metrics that measure the effectiveness of existing state workforce training investments in meeting regional workforce needs.

Energy

Reducing energy costs and promoting adequate and diverse energy supplies will help support economic growth. With those goals in mind, The Business Council:

- Supports the repeal of Section 18-a energy gross receipts assessment effective 1/1/17, avoiding the collection of an additional \$66.5 million from business and residential ratepayers.
- Supports a significant reduction in ratepayer assessments imposed by the Public Service Commission (PSC).
 Ratepayer funds should support the adoption of more cost effective and market driven solutions to achieving social objectives.
- Supports adoption of measures to reduce electric customer impacts from the Clean Energy Standard (CES), including but not limited to exemptions, tax hedges, and self-directed programs.
- Supports repeal of the statutory requirements for state approval of transportation routes for Liquefied Natural Gas (LNG).
- Supports expanded access to natural gas for employers, including dedicating state energy assessment resources
 to pipeline extensions; expediting the state and local review of applications for expansion of natural gas lines; and
 the authorizing of real property tax exemptions for the increased assessed value attributable to new natural gas
 distribution facilities.
- Supports legislation that would protect the state's economic development power programs administered by the Power Authority from the costs of operating the canal authority and assessments imposed under the state's clean energy standard.
- Supports statewide standards for small scale residential solar installations.

- Supports efforts to study and address power quality issues by NYSERDA and the PSC. Power quality is the quality of the voltage in an electrical circuit or the fitness of electrical power to consumer devices. Poor quality can have a material effect on advance manufacturing processes.
- Supports streamlining the regulatory process for the approval of new energy infrastructure. The Clean Energy Standard (CES) obligates the state to significant increases in renewable energy, which will require additional energy infrastructure. The Business Council supports efforts to build needed energy infrastructure in a timely and economically efficient manner.
- Supports the expansion and permanence of the provisions of Chapter 475 of the Laws of 2013, which provide a uniform process of taxation of certain utility-owned properties throughout the state. Expands the coverage of existing law to include privately held public utility mass real property that is used in energy transmission and distribution.
- Opposes legislation creating a "Citizen Utility Board," and imposing intervener funds in rate cases, which create a
 duplicative and costly consumer advocate function within the Department of Public Service, funded by additional
 utility assessments.

Environment

New York has a stringent environmental regulatory program that imposes costs and operational restrictions on businesses and impedes capital investment and job growth. To improve the state's environmental regulatory climate, The Business Council:

- Supports the adoption of legislative reforms to the State Environmental Quality Review Act (SEQRA) to provide more certainty in project reviews, including: clarifying the standard for complete applications; heightening the standard for issues to be subject to administrative adjudication; making adherence to state review timetables mandatory; and assuring the correct application of statutory and regulatory standards.
- Supports the adoption of incentives for asbestos abatement in redevelopment projects.
- Supports the simplification and ease of regulatory compliance by ensuring the state conforms with federal regulations wherever possible.
- Supports reforming air emission regulations, including Part 212 regulation of air toxins, and updating the reportable qualities for release reporting.
- Supports efforts to reduce the carbon intensity of our economy without reducing economic growth.
- Supports maintaining 2016 levels of funding for the Environmental Protection Fund (EPF) to promote economic development; promote "smart" state capital investments that protect the state's air, land, water and natural resources; and expand recreation opportunities.
- Oppose adoption of the so-called "precautionary principle" in setting environmental standards.
- Opposes expanded and unwarranted state-level chemical and product use restrictions, including legislation, which
 would mandate the state implement a complex chemical review process for which it does not have the staff,
 resources or expertise.
- Opposes mandates to require divestiture of holdings in traditional energy companies.
- Opposes efforts to impose new taxes on motor vehicle fuel carbon content or other carbon dioxide emission taxes.
- Opposes state-level efforts to mandate specific biodiesel content requirements in heating oil, while supporting
 market incentives for the use of bio-heat.
- Oppose measures to require medical monitoring for all state superfund sites.

Financial Services

In order to promote continued growth and economic activity in the financial services industry, The Business Council:

- Supports legislation authorizing transportation network companies to operate statewide by addressing liability insurance issues.
- Supports legislation authorizing minority non-CPA ownership in public accountancy firms.
- Supports no-fault insurance reform.
- Supports amending the mortgage foreclosure chapter law of 2016.
- Opposes Secure Choice Savings Program legislation imposing additional compliance burdens on business related to retirement savings accounts.
- Opposes limiting the use of arbitration clauses in financial service agreements.
- Opposes any expansion of the Martin Act, including but not limited to, provisions allowing pension fund initiation of enforcement actions.

Health

The cost of health care remains a top concern of all Business Council members. During a time of unknown federal policy changes in healthcare, we are committed to guaranteeing that any New York State response to changes in the ACA are done in a way that will not harm the financial viability of our members. The Business Council:

- Supports an assessment of impact of the ACA on bad debt/charity care. Such assessment must be used to
 reassess the need for the \$6 billion New York Health Care Reform Act taxes, set to sunset December 31, 2017.
 The Business Council strongly supports the repeal of this massive set of taxes, which are no longer used for their
 intended purposes.
- Supports efforts to ensure that the Department of Financial Services (DFS) adheres to state laws, specifically the State Administrator Procedure Act (SAPA), and not utilize non-SAPA documents to implement the law. To that end, we support amending SAPA to require that prior to publication of a proposed rulemaking, the agency head must attest in writing that true stakeholder outreach, economic impact and job impact analysis have occurred.
- Supports efforts to amend the Insurance Law Section 311(b)(1) to require that DFS's draft reports on insurance companies expressly state whether a fine or regulatory action will be imposed as a result of DFS' examination, as well as the specific amount and/or nature of the regulatory action. If DFS fails to include this information, it would be prohibited from imposing any fine or taking any regulatory action against the insurer as a result of the examination.
- Supports transparency in rate-setting by DFS.
- Supports amending antiquated Insurance Law Section 1101 to allow for NYS based insurance call centers that service out-of-state customers, currently prohibited by DFS interpretation of the statute.
- Opposes any unfunded mandates on private insurance that lead to cost increases, including mandates on nursing staff ratios and healthcare provider reimbursement mandates.
- Opposes any attempt by the state to force a private business to unnecessarily divulge trade secrets and proprietary
 information, especially in order to impose further price controls on those same private employers. This includes
 opposition to DFS's methods of prior approval for health insurance premiums as well as opposition to measures
 which seek to require private industries, including prescription drug manufacturers, to report proprietary
 pricing information.
- Opposes unnecessary and duplicative state efforts to regulate FDA-regulated products such as the imposition of mandatory warranties on medical devices.

- Opposes state demands for proprietary data from businesses (ERISA data for example) when such demands have been deemed outside of state jurisdiction by federal courts, including the Supreme Court, for ERISA plan information. Such demands cause unnecessary costs to employers.
- Opposes legislation creating specific staffing ratios for nurses and other direct care staff in hospitals and nursing homes.

Labor/Human Resources

Employers need a stable Labor Law environment and the ability to design pay and benefit programs that fit their industry, size, location, profitability and competitive environment. To achieve these objectives, The Business Council:

- Supports workable regulations and standards for implementation of the 2016 Paid Family Leave law; assuring that DFS rules provide that 100 percent of premium costs are collected through employer wage withholdings.
- Supports legislation to allow employers of any size to have biweekly payrolls for manual workers.
- Supports additional reforms to NYS Department of Labor wage orders.
- Supports legislation adopting workable definitions of employee and independent contractor to reflect practical issues relative to "sharing economy" employers.
- · Opposes legislation imposing restrictions or pay mandates on the use of "on-call scheduling."
- Opposes proposed increases in disability benefit law levels.
- Opposes restrictions on employer's ability to conduct reasonable and relevant background checks in the employment process; these include proposals to limit the use of credit checks, criminal backgrounds, prior wages and others.
- Opposes significant additional restrictions or mandates on use of non-compete agreements.
- Opposes increasing the wage threshold for overtime exempt employees above the federal threshold.
- Opposes proposals for mandated leave including sick time, vacation time and other time-off.
- Opposes legislation to impose expansive new workforce demographic reporting requirements on state contractors.
- Opposes legislation authorizing the Department of Labor to enforce conditions of contracts with independent contractors.
- Opposes legislation to extend state labor law provisions on collective bargaining, overtime and disability to farm employees.

Legal Reform

A states framework and policies for dealing with lawsuits and legal issues can have a significant issue on the state's overall business climate. To improve the state's legal climate for investment and growth, The Business Council:

- Supports reforming the antiquated Scaffold Law by adopting a standard that assigns comparative negligence similar to that in place for other forms of liability.
- Supports legislation which 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.
- Opposes any legislation creating new private rights of action and any further expansion of the Martin Act.
- Opposes expansion of general jurisdiction of the state's courts for actions involving non-New York companies in activities completely unrelated to their activities in New York.

Manufacturing

The Manufacturing sector remains a critical component of the state's economy. It is incumbent on lawmakers to enact policies and regulations that promote growth within this sector. With that in mind, The Business Council:

- Supports the adoption of meaningful workers' compensation cost savings and reforms.
- Supports lowering the thresholds for the Excelsior Jobs program "regionally significant manufacturing projects" to the creation of 10 jobs and capital investment of \$1 million or more (current thresholds are 50 new jobs and \$5 million investment).
- Supports repeal of Section 18-a energy gross receipts assessment effective 1/1/17, avoiding the collection of an additional \$66.5 million from business and residential ratepayers.
- Supports the adoption of a new, refundable, two-part research and development tax credit, with a component for capital investments modeled on existing Article 9A ITC language and a component for non-depreciable expenses based on the federal R&D credit, using current year R&D spending.
- Supports the continued expansion of the P-TECH program, where 16 of the initial 26 schools provided an advanced manufacturing career pathway; increase funding for summer youth employment in manufacturing and advanced manufacturing occupations; and provide funding for incumbent manufacturing employment training.
- Supports expanded access to natural gas for manufacturing facilities, including: dedicating state energy
 assessment resources to pipeline extensions; expediting the state review of applications for expansion of natural gas
 infrastructure; authorize real property tax exemptions for the increased assessed value attributable to new natural
 gas distribution facilities; and repealing outdated requirement that the Department of Transportation create certified
 LNG transport routes.
- Supports the adoption of legislative reforms to the State Environmental Quality Review Act to provide more certainty
 in project reviews, including: clarify the standard for complete applications; heighten the standard for issues to be
 subject to administrative adjudication; make adherence to state review timetables mandatory; and assure application
 of statutory and regulatory standards.
- Supports the adoption of measures to provide price protection to large energy consumers from energy assessments. Adopt a self-directed energy program with a cap on percentage energy assessments as a percentage of energy assessments. Exclude large energy consumers from the cost associated with residential customer system upgrades associated with REV.

Taxation

The Business Council supports broad-based tax reform, as well as enhanced credits focused on key business sectors. Our major tax reform proposals include the following:

INCOME/FRANCHISE TAXES:

- Adopt small business income tax reform by increasing the PIT business and farm income tax exclusion and allowing
 all small businesses and small farms to claim the exclusion; and decrease the Article 9-A net income tax rate for
 small businesses.
- Adopt a "safe harbor" provisions under Article 9-A corporate franchise tax market sourcing hierarchy.
- In rule or statute, assure Article 9-A taxpayers' ability to use the 8 percent fixed income percentage sourcing option for all "other" categories of financial instruments.
- Adopt legislation prohibiting use of contingent fees for audits of local gross receipts taxes (and potentially other categories of taxes and fees); provide for state-level administration of local gross receipts taxes.
- Amend the Article 9-A definition of "investment income" that limits investment income to 8 percent of a taxpayer's entire net income

- Repeal the provision in the definition of "Investment Capital" which requires that for stock purchased after October 1, 2015, the taxpayer identify it as being held for investment purposes by the close of the business day on which the stock was purchased.
- Amend the Article 9-A apportionment of trucking companies to eliminate "pass-through miles."
- Require timely promulgation of the Article 9-A MTA surcharge rule, and amend the statute to adopt a fixed percentage rate for the MTA surcharge.
- Support full implementation of personal income tax reform adopted in 2016.
- Allow a taxpayer to elect to compute its base business allocation percentage ("BAP") for the prior net operating loss
 conversion subtraction amount ("PNOL") based on an average BAP over a prior period (10 to 15 years) ending with
 the 2014 tax year as an alternative methodology of calculating the PNOL.

SALES TAX:

- Oppose legislation imposing sales tax collection mandates on "marketplace providers."
- Adopt requirement that, when the Tax Department uses external indices to determine sales and use tax due, such
 indices reflect local economic conditions

TAX CREDITS:

- Support the adoption of a new and refundable research and development tax credit.
- Expand small business eligibility for Excelsior job credits by lowering the job creation and capital investment thresholds.

OTHER ISSUES:

- Support the improvement and streamlining of real property tax administration.
- Expand and make permanent the provisions of Chapter 475 of the Laws of 2013, which provide a uniform process of taxation of certain utility-owned properties throughout the state. Expands the coverage of existing law to include privately held public utility mass real property that is used in energy transmission and distribution.
- Support the restoration of the five UI tax table brackets repealed in Chapter 57, Laws of 2013, to reflect the lower costs imposed by stable employers.
- Repeal the extension of the state False Claims Act to tax controversies.
- Repeal the ton-mile and certificate of registration components of the Highway Use Tax.

Technology/Telecommunications

To promote continued reinvestment in New York's technology and telecommunications sectors, The Business Council:

- Supports legislation to expedite the approval of wireless facility upgrades.
- Supports legislation that would prohibit the state from imposing new regulations on phone services that use Voice over Internet Protocol (VoIP) technology.
- Supports the promotion of computer science in high school curriculum.
- Opposes call centers mandates.
- Opposes online consumer data restrictions.
- Opposes ban on employer access of employee personal accounts in specific work-related circumstances.
- · Opposes Data Security Legislation.
- Opposes Kill Switch Legislation.
- Opposes the creation of the Office of the Utility Consumer Advocate.

Transportation

To support the state's transportation industry and the statewide transportation infrastructure, The Business Council:

- Supports legislation to eliminate the Highway Use Tax/Ton Mileage Tax.
- Supports upstate/downstate parity in state investments in transportation infrastructure.
- Supports the NYS Emergency Responder Act.
- Supports legislation to exempt transit authorities from bond issuance charges.
- Opposes regulations to implement truck route restrictions across the state, which will significantly increase the cost and time to operate a truck in New York.
- · Opposes legislation that imposes mandatory infrastructure railroad investments without industry input and/or study.
- Opposes legislation that usurps federal railroad authority.
- Opposes legislation that requires public transit authorities and their employees to submit all unresolvable contract negotiations to binding arbitration.

Travel and Tourism

New York has a broad tourism industry, including culture, history, restaurants, entertainment, destinations, parks and more. To help this statewide industry, The Business Council:

- · Supports an increase in the discretionary program spending thresholds in the "I Love NY" program.
- Supports the streamlining brand label approval of alcoholic beverage control products to conform with Federal rules.
- Supports legislation to clarify the treatment of service charges added to dining bills, as to when such charges are
 considered receipts versus gratuities.

Unemployment Insurance

All employers pay for the state's unemployment insurance program. Reforms enacted in 2013 have brought the state's UI fund back into solvency, and may result in an across the board tax reduction in 2017. The state should assure that benefits are based on significant labor force participation and that employers pay UI taxes based on their experience. To that end, The Business Council:

• Supports the reestablishment of the six lowest tax brackets in the state's UI tax table as eliminated in the FY 2014 budget (returning the tax rate for the most positive experienced-rated employers to 0.9 percent from the current 1.5 percent).

Workers' Compensation

The costs of the state's workers' comp system continue to grow year to year due to the more than doubling of maximum benefits and slow implementation of cost-saving reforms. Additional reform measures are needed to ensure that intended cost savings are achieved. The Business Council:

- Supports the immediate release of the Workers' Compensation Board's (WCB) updated scheduled loss of use awards' impairment guidelines.
- Supports closing the loophole in PPD durational cap classification by amending the WCL to have caps begin to run at date-of-injury.
- Supports mandating the use of panel providers for the first one hundred twenty days of medical treatment.

- Supports modifying workers' compensation attorney fees to allow claimants to keep more of their awards by ensuring that the amount of the legal fee will be commensurate with the services rendered, and having due regard for the financial status of the claimant.
- Supports creation of a mechanism by which non-defaulted self-insured trusts may avail bond funds in order to purchase assumption of liability policies.
- Supports the immediate repayment by the Workers' Compensation Board of all assessment levied upon all private self-insured employers during the trust crisis.
- Supports measures that would ensure timely updating of medical treatment guidelines, including the adoption of nationally recognized guidelines.
- Supports repealing the Aggregate Trust Fund Deposit.
- Supports reexamination of the use of state-wide indexing for computing the workers' comp program maximum weekly benefits, or the elimination of high and low-wage outlier sectors from index calculation.
- Supports allowing apportionment of death benefits in cases where a non-compensable disability/injury is the basis
 of apportionment.
- Supports the adoption of an offset provision for claimants who begin to receive non-workers' compensation disability benefits similar to offset provisions for retirement already codified in the WCL.
- Opposes any rollback of 2007 cost-savings measures, such as restrictions or delays in permanent partial disability classifications, restrictions on the use of pharmaceutical networks and others.

The Business Council Government Affairs Team

The Business Council's government affairs team advocates for our members on both industry-specific and broad-based business issues. For additional information, please call **518.465.7511** or **800.358.1202** or visit our website **www.bcnys.org**.



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