

**NEW YORK STATE SENATE REPUBLICAN CONFERENCE** 

#### CREATING JOBS AND OPPORTUNITIES FOR ALL NEW YORKERS



The Senate Republican Conference is advancing a dynamic, new Blueprint for Jobs plan that will dramatically strengthen New York's private sector economy and help create thousands of new jobs. The Blueprint for Jobs includes:



- A Tax Cut for One Million Small Businesses
- Tax Relief for Manufacturers
- Lower Energy Bills for Every New Yorker and Every Business
- Sweeping Reforms to Cut Red Tape and Bureaucracy
- Job Training to Help New Yorkers Secure Good, High-Paying Jobs
- Common-Sense Budget Reforms
- Investment Funding to Help Launch Start-Ups
- Incentives to Revitalize Downtowns and Main Streets
- Helping New York's Veterans Secure Good-Paying Jobs
- Key Reforms To Reduce the Cost of Doing Business

#### A TAX CUT FOR ONE MILLION SMALL BUSINESSES



New York's small businesses are not only the backbone of our private sector economy, they are also the leading source of new job creation in both our state and national economies. To help New York's small businesses succeed and grow, the Blueprint for Jobs would:

- Eliminate the Corporate Tax entirely for small businesses over the next four years, saving 200,000 small businesses more than \$250 million.
- Provide 800,000 small businesses that pay under the Personal Income Tax (PIT) a 10% PIT exemption for business income.





#### **BOOSTING NEW YORK'S MANUFACTURERS**



For generations, the Empire State was one of the world's greatest centers of manufacturing -- fueling the progress and modernization of an entire nation. Today, New York manufacturers face major challenges and fierce competition both nationally and globally.

The Blueprint for Jobs includes two key provisions that will provide an enormous boost for manufacturers throughout the state, helping them compete, succeed and create thousands of new jobs. These elements include:

- Reducing Manufacturing Taxes -- The Blueprint for Jobs would eliminate the Corporate Tax entirely for manufacturers over the next three years, saving them \$445 million.
- Increasing Sales Tax Relief for Manufacturers -- While
  the state provides certain sales tax breaks on the energy
  used in the manufacturing process, the current law imposes
  cumbersome restrictions that can actually make manufacturers less efficient. The Blueprint for Jobs would reform,
  broaden and improve the current law, to help manufacturers
  substantially increase their sales tax savings.



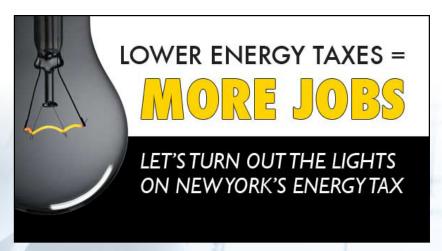


#### LOWER ENERGY BILLS FOR EVERY NEW YORKER



### **Energy Tax Relief**

- High energy costs place a tremendous drain on our economy -- stifling new job creation, and hurting our economic competitiveness.
- To help overcome this problem, and to keep our overall economy moving forward, the Blueprint for Jobs rejects the Governor's proposal to extend the 18-a energy tax, and restores the 18-a assessment back to its pre-2009 level.
- This tax cut would provide \$2.5 billion in relief to families and employers across New York over the next five years.
- According to figures from National Grid, the impact of the Executive's proposed energy tax extension on a typical large business is estimated at \$30,000 per year.
- The added cost on a typical small business would be about \$540 per year. Average household utility bills would increase by \$55 per year.



#### **CUTTING RED TAPE**



### Repeal 1,000 Rules

- New York's regulatory burden is notorious, containing 23 Titles and filling 83 volumes.
- The manual explaining New York's rule-making process alone includes 66 single-spaced pages.
- To address this problem, the Blueprint for Jobs includes legislation that would direct Executive State Agencies to repeal at least 1,000 job-killing rules and regulations.
- The legislation is modeled on a successful effort in the State of Florida that ultimately led to more than 3,000 regulations and rules being identified for repeal and/or revision.
- Industry-specific regional roundtables will be held to gather input from business leaders regarding specific rules and regulations that should be considered for revision.





#### **CUTTING RED TAPE**



### **Red Tape Veto Power**

- The Blueprint for Jobs includes a Constitutional Amendment that would empower the Legislature to exercise veto power over any new regulations that negatively impact on job creation and retention efforts.
- The Administrative Regulations Review Commission (ARRC) would conduct regular reviews and make recommendations to the full Legislature.
- In addition to the Constitutional Amendment, a separate bill will also be introduced to ensure that Executive Agency rules and regulations do not overly burden small businesses.
- The measure would enable ARRC to provide greater guidance during the regulatory process and oversight of implemented rules and regulations.



#### **CUTTING RED TAPE**



### **Reducing Paperwork**

- (S.2313) This bill would eliminate the burdensome and unnecessary annual wage notification requirements mandated by a 2010 law, which Senate Republicans opposed.
- An independent employee benefit firm has calculated that with 7.3 million people employed in New York State, more than 51 million pages of paper are needed to comply with this law -- a massive, costly mandate on every employer in the state.
- Other than causing businesses to lose countless hours and waste millions of dollars, this mandate has done nothing to help employees or create new jobs.
- Eliminating unnecessary mandates like this will make New York more competitive so that businesses can focus on creating jobs rather than shuffling endless reams of paper.



#### **CUTTING RED TAPE**



### **Fast-Track Permit Processing**

- For years, many small business owners have expressed concern about unresponsive state agencies especially when it comes to the permitting process.
- When someone applies for a professional license or a permit, they should not be left hanging for months on end.
- The Honesty in Permit Processing Act (S.968) requires agencies to publicly disclose their response times, and to tell applicants how long they can expect to wait for approval.
- If approval takes more than 134 percent of the average processing time, applicants would get a refund. This will improve New York's economic climate, empower taxpayers, and help break through bureaucratic logjams.
- In addition, the Blueprint for Jobs package will seek to improve transparency and provide more definitive timelines in the State Environmental Quality Review (SEQR) process.



#### TRAINING FOR SUCCESS



### **Access To Job Training for All New Yorkers**

The Blueprint for Jobs includes new initiatives and increased funding to help ensure that every New Yorker -- in every region of the state -- has access to job training services that can help them to succeed in a rapidly changing economy. The plan includes:



#### **FAST-START NY:**

 Based on the successful "ready-workforce" programs used in a number of states in the Southeastern U.S., this initiative will help attract and retain tens of thousands of jobs by providing comprehensive, targeted training that is specifically tailored to meet the needs of individual employers. In recent years, these types of customized, employer-specific programs have helped states such as South Carolina, Georgia, Louisiana and Alabama attract major manufacturers like Mercedes Benz, Boeing, Caterpillar, Honda, KIA and others.

#### **Double Funding for Workforce Training:**

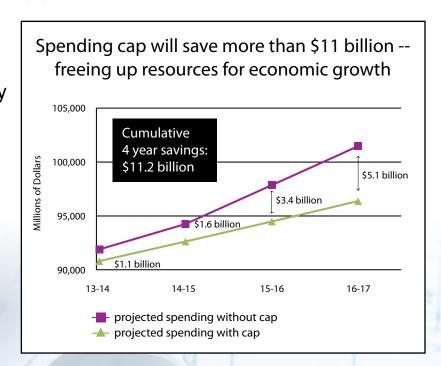
- SUNY / CUNY Workforce Development Initiative: SUNY and CUNY's Workforce Development Initiative provides targeted training to help employers refine the skills of their new hires, and enable more experienced employees to upgrade their skills. These programs have proven highly successful, but the demand for them in some communities is currently outstripping their availability. The Blueprint For Jobs would double funding -- from \$3.8 million to \$7.6 million -- to increase access to the programs.
- Workforce Development Institute (WDI): The WDI is a not-for-profit that works with businesses and the AFL-CIO to provide focused training for workers, and workforce transition support to help prevent jobs from being outsourced to other states. In the 2012-13 State Budget the Senate worked to provide \$2.3 million in funding for the WDI. The Blueprint For Jobs Plan would double funding levels to \$4.6 million.

#### **KEEPING NEW YORK'S FISCAL HOUSE IN ORDER**



#### **Fundamental Fiscal Reforms**

- To build upon the past two consecutive State Budgets that have controlled spending and avoided tax increases, our Jobs Plan includes two critical fiscal reforms:
  - ✓ A 2/3 super-majority vote requirement to help prevent future tax increases.
  - ✓ A 2% cap on spending growth (Over the past two years, we've saved \$18.6 billion by adhering to a self-imposed 2% cap. By making a cap permanent going forward, New York will save \$11.2 billion over the next four years.)
- These fundamental reforms would provide corporate leaders and investors with greater long-term confidence that New York State has changed the way it conducts business.



#### **LAUNCHING START-UPS**



### **Funding to Get New Businesses Off the Ground**

One of the biggest problems facing small businesses today is the lack of access to capital. And with banks being more stringent on lending in response to the financial crisis, it has made things tougher for many promising small entrepreneurs. To help address this problem, the Blueprint for Jobs will:

- Provide \$100 million in new low-interest loan funding to promising new high-tech and small business start-ups.
- Make improvements to the State's current Linked Deposit Loan Program, expanding access to the program, generating additional economic activity, and stimulating more investment and more jobs across the State.
- Strengthen the Excelsior Jobs Program, by increasing the amount of the program from \$50 million to \$70 million per year, enhancing the investment tax credit and the real property tax credit, and amending the job creation and retention thresholds.
- Create the New York State Incubator Program (\$5 million). There are currently over 40 business incubators across the State. This program would provide operating grants to these incubators to provide business support services to start up businesses, and to facilitate the transfer of technology from research and development to commercialization.







#### **REVITALIZING DOWNTOWNS & MAIN STREETS**



### **Turning Empty Buildings into New Opportunities**

The Senate Republican Conference is committed to encouraging new private sector investment in hometowns, downtowns and Main Streets across New York State.

- The Blueprint for Jobs would help to spur investment on Main Streets and in downtowns throughout New York by enhancing the Historic Properties Tax Credit Program -- incrementally boosting the cap on credits from \$5 million to \$12 million.
- The Blueprint for Jobs also includes legislation establishing a tax credit for the rehabilitation of distressed commercial properties.



#### **HELPING OUR HEROES**



#### "HIRE-A-VET" Enhanced Credit

- When New York's heroic servicemen and women return home, they should be welcomed with the promise of economic opportunity.
- That's why the Blueprint for Jobs plan includes a bi-partisan proposal that would provide a tax credit to any business that hires a veteran returning home from military service. That credit will equal 10 percent of wages paid -- increasing to 15 percent of wages if the veteran is also disabled. (S.3043)
- The plan will also include legislation to help small businesses owned by service disabled veterans by increasing their access to government contracts. (S.2803)
- After they have sacrificed so much to serve our nation, our veterans deserve the opportunity to secure good paying jobs.



#### REFORMING TWO KEY PROBLEMS HURTING JOB GROWTH



### **Curbing Unemployment Insurance and Workers' Compensation Costs**

- High Unemployment Insurance & Workers' Compensation costs are frequently cited by New York employers as major barriers to new job creation.
- The Senate Republican Conference is committed to reducing these costs to help make our state a more attractive place to do business.
- The Governor has submitted constructive proposals to help address these costs, and the Senate Republican Conference will work together with him and our legislative colleagues to reach consensus on reform legislation that can be enacted during this year's session.





# **Building on Two Years of Accomplishments**



Over the past two years, the Senate Republican Conference has successfully taken a number of key steps to improve New York's business climate to help create jobs. These include:

- ✓ Passing two consecutive on-time state budgets;
- Closing approximately \$13 billion budget deficits -- without raising taxes or fees in the budget;
- ✓ Reducing state spending for two consecutive years;
- Cutting taxes on small businesses;
- Enacting a landmark property tax cap;
- ✓ Approving the UB2020/SUNY2020 economic development plan;
- ✓ Repealing the MTA payroll tax for 80 percent of the businesses that paid it;
- Enacting the Recharge-NY power-for-jobs plan and the Power-NY (Article X) power plant siting law;
- ✓ Cutting taxes for middle class families and reducing tax rates to the lowest level in more than half a century; and
- ✓ Helping to launch the NY-Works initiative to revitalize New York's infrastructure.