



NEW YORK STATE SENATOR

Patrick M. Gallivan

## Senator Gallivan Leads Major Bi-Partisan Initiative to Cut Red Tape and Eliminate Burdensome State Regulations

PATRICK M. GALLIVAN June 11, 2013

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*Berger Commission-Style Panel To Make Binding Recommendations*

*Regulatory Reform Bills Pass Senate On Monday*

ALBANY - The New York State Senate acted Monday on 14 regulatory reform bills as the first part of a major initiative, that includes statewide public forums, to identify and eliminate thousands of costly and unnecessary government regulations that inhibit job creation and

drive up local property taxes.

The regulatory reform initiative, which was first announced last week by Senate Republican Conference Leader Dean Skelos and Independent Democratic Conference Leader Jeffrey Klein, is highlighted by the creation of a Berger Commission-style Task Force. The panel will have extraordinary power to review state rules, regulations, and public authorities and make recommendations for the repeal of ones that are determined to be unnecessary. The Task Force recommendations would be binding unless they are rejected by the Legislature.

The package is designed to create a more competitive environment for businesses so they can create new jobs and grow for the future. Along with the need to deliver relief from high taxes, burdensome and unnecessary regulations continue to be a major obstacle when it comes to revitalizing New York's economy.

In addition to legislation creating the Berger Commission-style Task Force, the Senate Majority Coalition has introduced 13 bills that are among those to be acted on by the Senate today, including legislation that would:

- Establish a task force to conduct a complete review of the State Administrative Procedure Act (SAPA) and regulatory review process;
- Eliminate 1,000 burdensome regulations on businesses;
- Give the Senate's Administrative Regulations and Review Commission more oversight authority in the rulemaking process to ensure state agencies do not overstep their authority in implementing rules and regulations;
- Stop unfunded state mandates on local governments and school; and
- Require state agencies to provide more information on the costs and benefits of new rules.

Senator Patrick Gallivan (R-C-I, Elma), Deputy Republican Conference Leader for Economic Development, said: "It's no secret that the biggest challenge facing New York's families and businesses is the state's still recovering economy, particularly upstate. This is the result of a myriad of problems, first among them being the state's suffocating regulatory environment. Regulations in New York are tantamount to death by a thousand cuts for small businesses and large employers alike. I am proud to join with my colleagues from both sides of the aisle to eliminate needless red tape and foster an economic environment where existing business can grow and new ones want to locate."

Senator David Valesky (D, Oneida), Chair of the Senate Committee on Commerce, Economic Development, and Small Business, said: "Part of our commitment to creating a more business friendly environment includes easing or eliminating the complicated, unnecessary regulations and mandates that are strangling businesses. This package is a good first step, and I'm looking forward to listening to businesses in the coming months in the hope of developing a long-term solution."

Senator David Carlucci (D, Rockland/Westchester) said: "For far too long, we have allowed state government to act as an adversary instead of an ally, embracing a convoluted system more concerned over navigating rule-making instead of embracing cost efficiency and accountability. As past Chairman of the Senate's Administrative Regulations and Review Commission, I saw firsthand the need to expand oversight of our state agencies. Through this bipartisan initiative, we will ensure that ordinary New Yorkers have their say and weed out unnecessary burdens that have outgrown their usefulness."

Senator Kathleen Marchione (R-C, Halfmoon), Co-Chair of the Administrative Regulations Review Commission (ARRC), said: "New York is tangled up in approximately 12 miles of state rules, regulations and red tape – almost enough to stretch from Albany to Halfmoon – that stifles innovation, hurts our economic competitiveness, and sends a message that the Empire

State isn't open for business. There is no arguing the fact that our state is over-regulated, urgently needs regulatory reform and far greater oversight of unaccountable state agencies that produce hundreds of new rules and regulations annually. I am proud to be part of this unprecedented effort to rein in state agency rule making, get bad regulations off the books, and start cutting bureaucratic red tape that's strangling our private sector job creators, local governments, and taxpayers."

Senator Joseph A. Griffo (R-C-I, Rome) said: "These proposals are about bringing commonsense approaches to governing. We should undertake regular, ongoing reviews of mandates to municipalities and regulations on businesses to provide relief. Any successful organization continually re-examines the effectiveness of its policies and rules. New York's businesses, schools and local governments deserve the same consideration because they continue to strain under state regulations and mandates. If everyone is sincere about the reform rhetoric, let's work to get real results."

Brian Sampson, Executive Director of Unshackle Upstate, said: "It will come as no surprise to anyone in New York that our businesses are saddled with layers of regulations that add to the cost of doing business and make them less competitive with out-of-state companies. It is time to reverse that trend. The Senate Majority Coalition understands that challenge and has presented a number of changes to help alleviate the pressure on our businesses. It is now time for the Assembly leadership to follow their lead, take up these bills, and pass them this session. If we can do that and not pass any misguided legislation for the rest of the session, then there is hope for our future. If not, then we will continue to see job loss and an outmigration of our people to states that are proactive in helping their businesses survive and flourish."

Mike Durant, NFIB/NY State Director, said: "The constant flood of onerous regulations continues to be a significant barrier for small business and economic development across

New York. The systematic review and elimination of senseless regulations needs to be a priority in Albany. This legislative package will be a first step in eliminating unnecessary regulations and help to create a more business friendly climate which provides for sensible regulatory oversight.”

Stephen J. Acquario, Executive Director of the New York State Association of Counties, said: “This would end new unfunded state mandates on local governments which in turn can reduce pressure on property taxes. Taken together, these laws will reposition New York’s business environment and improve the state’s economic competitiveness. I commend the Senate for advancing this legislation and encourage the legislature to approve it this session.”

The following bills are among those that will be acted on by the Senate on Monday, June 10, 2013:

(S5519A, Sponsored by Senator Griffo) Establishes an 11-member, Berger Commission-style joint Task Force to perform a review and make recommendations relating to the necessity for each rule, regulation and public authority. The Task Force would be established every 10 years, beginning in 2014, to review current rules, regulations and public authorities. The panel would make recommendations the following year to eliminate rules and regulations it deems unnecessary. The Task Force recommendations would be binding, unless the Legislature rejected them, all or in part, by concurrent resolution.

(S5657, Senators Gallivan, Marchione and Carlucci) Creates a 19-member joint task force to undertake a thorough review of the 142-page State Administrative Procedure Act (SAPA) and regulatory review process since the Governor’s Office of Regulatory Reform has been disbanded for over two years. This law, which sets out the process used by state agencies to establish rules and regulations, was enacted in 1975 and since then, there has been no

comprehensive review of the law.

(S5166, Senator Marchione) Directs the Governor to repeal at least 1,000 regulations that place a burden on economic development and business by April 1, 2014. This measure was included in the Senate Republican's "Blueprint for Jobs" economic development plan earlier this year. When this process is complete, the Berger Commission-style Task Force will begin its own review of existing rules and regulations.

(S1294, Senator Griffo) Prohibits state mandates on local governments and school districts unless they are fully funded by the state.

(S5161, Senator Marchione) Gives the Administrative Regulations Review Commission (ARRC) more oversight authority in the rulemaking process and would give ARRC the authority to bring suit against an agency for a regulation that is in violation of state law.

(S3462, Senator James Seward, R-C-I, Oneonta) Proposes a constitutional amendment to allow the Legislature to invalidate regulations that are not consistent with legislative intent or which are likely to have a substantial unanticipated fiscal impact on the state or local governments.

(S1564, Senator Kenneth LaValle, R-C-I, Port Jefferson) Requires the Regents to include certain information with respect to increased costs when altering or amending rules or regulations.

(S4302A, Senator Patty Ritchie, R-C, Heuvelton) Streamlines the license application and renewal process for supermarket chains and other food chain stores.

(S5536, Senator George Maziarz, R-C, Newfane) Provides new incentives to facilitate the extension of existing natural gas lines to under-served businesses and consumers to spur

economic development and job creation.

(S5553, Senator David Valesky, D, Oneida) Requires state agencies to provide expanded information on the costs and benefits associated with an agency proposal.

(S1784, Senator Carlucci) Amends SAPA to authorize a group of businesses that are regulated by a state agency, or a representative of such businesses to petition a state agency for alternate methods of implementing a regulatory mandate that restricts the conducting or management of a business.

(S3246, Senator Carlucci) Facilitates electronic submission of documents by allowing state agencies to substitute affirmations for sworn oaths in permit applications.

(S3245, Senator Carlucci) Eliminates the requirement to provide free hard copies of the State Register to entities that opt to receive a free online version instead.

(S2160, Senator Valesky) Requires state agencies to actively solicit comments from those who may be adversely affected by a rule proposed by SAPA and seek opinions on the administrative and/or financial burdens it may place on a regulated entity.

In addition to the reform legislation, the Senate Majority Coalition will conduct industry-specific public hearings across the state, led by Senators Gallivan, Valesky, Carlucci and Marchione. The hearings will

provide the opportunity to listen to businesses and local officials and learn which rules, regulations and mandates affecting their industry are the most useless, most costly, and should be eliminated.

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