

The Business Council of New York State, Inc.



THE 2014 LEGISLATIVE SESSION: FISCAL DISCIPLINE

"This January we issued our 2014 Legislative and Regulatory Agenda, which presented a plan to improve the state's business climate, promote new private sector investment and job creation, and maintain the state's recent fiscal discipline. We accomplished much of that agenda. We saw the adoption of a fourth consecutive sustainable growth budget – the state's return to fiscal discipline produced its highest credit rating in 50 years. I am also proud to have served on Governor Cuomo's Tax Relief Commission, whose work was the basis for the most significant broad-based business tax reform adopted in New York in the past 20 years.



End of session efforts saw extensions of state procurement law reform and of the brownfield redevelopment tax credits, with commitments to work toward broader reform packages. In addition, the session ended without imposition of significant new compliance burdens on the private sector. In our view, the 2014 session kept New York's economy on a new, positive path forward."

Heather C. Briccetti, Esq., president and CEO

WE SUPPORTED

- **\$560 million/year business tax reform package**, including franchise tax modernization, net income rate reduction from 7.1 percent to 6.5 percent, elimination of the alternative minimum tax, a phase-out of the capital based alternative tax, and new manufacturing tax credits. These changes will reduce compliance costs, lower tax burdens on key sectors of the state's economy, and improve New York's economic climate.
- **Estate tax reform, increasing the exemption** from \$1 million to \$5 million (with inflation indexing), which will eliminate liability for the majority of small businesses and residents now subject to the tax.
- **The first time two-house passage of reforms to the "Wage Theft Prevention Act,"** which eliminated the annual notice/acknowledgement mandate and extended affirmative defenses to employers making full and timely wage payments.
- **Expanded NYS P-TECH**, with increased state funding and broader business support. Sixteen new school programs are set to open in the fall of 2014, providing joint high school/associate degree programs that match up with workforce needs in local business communities.

WE STOPPED

- **New limits on businesses' ability to do political advocacy and support pro-growth candidates**, such as an 80 percent reduction in allowable corporate contributions, significant limits on LLC contributions, and others.
- **Costly new or expanded wage and benefit mandates**, including paid leave, a four-fold increase in maximum disability benefits, further minimum wage increases, and authority for municipal-level wage and hour standards.
- **Further restrictions on state economic development programs**, including those financed through the Urban Development Corporation and local industrial development agencies – which are among the state's most effective project support programs.
- **Expanded lawsuit liability**, including legislation that would allow a plaintiff to collect damages from third parties who were never named in the initial lawsuit.
- **An array of bills aimed directly at the financial services industry** that would impact other industries and businesses as well, including proposals to limit the use of annuities to secure benefits of terminated pension plans, unreasonable restrictions on the use of payroll cards, and others.

The Business Council advocates for business all year

The Business Council's advocacy team focuses on business issues before the New York State Legislature and its regulatory agencies. However, our member support efforts go beyond lobbying on legislation and proposed rulemakings. We help businesses – especially small businesses – deal with regulatory compliance issues. We support Business Council members involved in litigation where cases have broader implication for the state's business community, such as the excessive reach of regulatory agencies (*American Bev. Assoc. v. NYC*), a broadening of Martin Act liability (*NY v. Ernst & Young*), and the expansion of class action litigation (*Duane Reade v. Jacob, et al.*).

We also collaborate with the U.S. Chamber, National Association of Manufacturers, The Council on State Taxation and other national partners to weigh in on federal issues of importance to New York State's business community. Our experienced lobby team works on a wide range of cost-of-doing business issues that impact New York's private sector employers and their bottom line — from corporate taxation and labor issues to government regulation and economic development.

**The Business Council — Working to create economic growth,
good jobs and strong communities across New York State.**

