

# **Business Regulation Council Recommendations**

## **Introduction**

The Business Regulation Council has been charged with conducting a review of New York State's business climate and providing recommendations to the Governor and the Legislature that will make New York State even more business friendly.

To that end, the Council worked expeditiously to identify and summarize recommendations that meet the Council's objective of improving the business climate in New York State without compromising protections for workers.

The recommendations are designed to reduce costs and administrative hurdles as well as giving businesses greater flexibility in how they operate. The Council members did not have to reach consensus in advancing any specific recommendation, but no recommendations were advanced that were opposed by the entire Council.

The recommendations are categorized into three sections: (1) recommendations that may be accomplished in the short-term; (2) recommendations that may be addressed in the long-term; and (3) recommendations that require further discussion, review and analysis.

### **Recommendations that may be accomplished in the short-term:**

1. Evaluating and repealing or modifying the weekly pay mandate in Labor Law as it relates to employers with less than 1,000 state employees.
2. Encouraging localities to delay implementing or enforcing local laws on the use of Microbeads (any solid plastic particle that is less than 5 millimeters that is used for the purpose of exfoliating or cleansing; often found in cosmetic products) so as to comply with recently implemented Federal law.
3. Achieving uniformity in regulations regarding the use of plastic bags at retail stores.
4. Authorizing minority non-Certified Public Accountants to have ownership of Certified Public Accounting firms.
5. Achieving uniformity in regulations regarding the use of chemicals in children's toys.
6. Modifying NYS Department of Labor regulations to update housing and other allowances for farm employees to be more reflective of current costs.
7. Moving farm tax assessment functions from the NYS Department of Taxation and Finance to the NYS Department of Agriculture and Markets to achieve greater efficiencies.
8. Speeding up phase-in time for exemption thresholds for the estate tax.
9. Providing increased funding for the Farmworker Housing Program through the NYS Department of Housing and Community Renewal.

10. Expediting the approval of wireless facility upgrades at existing locations throughout the state.
11. Adopting a statewide standard for small scale, residential solar installations.
12. Reforming the NYS “Excelsior” jobs program to help increase economic activity.
13. Repealing NYS DMV rules relating to commercial truck inspections, enforcements, and penalty provisions in order to provide relief to employers for minor violations.
14. Clarifying NYS Industrial Development Agencies’ (“IDA’s”) authority to provide financial assistance in the form of loans and grants.
15. Updating Business Corporation Law regulations with respect to items such as veil-piercing provisions, notice requirements for LLCs, age requirements for incorporators and rules for naming a corporation.
16. Updating Abandoned Property Laws as they relate to Gift Cards and escheat laws.

**Recommendations that may be accomplished in the long-term:**

1. Clarifying the standard for a sales tax nexus based on the presence of purchasing agents in New York State.
2. Updating and streamlining New York’s State Environmental Quality Review Act (“SEQRA”) and other land use/project review processes. SEQR requires all state and local government agencies to consider environmental impacts together with social and economic factors during discretionary decision-making.
3. Evaluating and adjusting the “Tax Base Growth Factor” under the real property tax cap to potentially include economic growth for various projects.
4. Updating and modernizing “reportable quantities” as they relate to various hazardous substances.
5. Instituting Court reforms to add additional commercial court judges.
6. Allowing not-for-profits to issue student stipends in Career and Technical Education programs.
7. Increasing and expanding use of Career and Technical Education (“CTE”) certifications.
8. Investigating legislative solutions to address scheduling practices such as “on-call shifts” and “predictive scheduling.”
9. Modifying regulations regarding the establishing Life Insurance Capital Reserves.

10. Removing small business restrictions with respect to Minority and Woman owned business enterprises (“MWBE”).

**Recommendations that require further discussion and review:**

1. Implementing additional Workers’ Compensation Reform, including, but not limited to, improving municipal employer and county plan member access to public self-insured pools, and finalizing durational caps on Permanent Partial Disabilities (“PPD”).
2. Implementing Insurance Reforms.
3. Expanding access to natural gas for manufacturing facilities.
4. Adopting measures to provide price protection to large energy consumers from Public Service Commissions (“PSCs”) imposed energy assessments and regulatory costs under Reforming the Energy Vision (“REV”) clean energy standards.
5. Undertaking a review of environmental regulations which exceed or differ from underlying federal requirements to identify unnecessary, non-beneficial compliance requirements.
6. Supporting legislation that would remove the Unemployment Insurance requirement for agricultural employees working under an H2A visa.
7. Restoring five Unemployment Insurance tax table rungs applicable to low experience-rated employers.
8. Reviewing and amending unnecessary restrictions on physical and operational improvements and capital investments that improve efficiency and competitiveness and/or reduce energy emissions and use.
9. Discussing the creation of a State Insurance Advisory Board.
10. Changing legislation to allow for the application of the False Claims Act to tax matters.
11. Setting time-limits for the Department of Financial Services to conduct audits and examinations.