O'Mara joins call for massive effort to eliminate government red tape stifling job growth, says overregulation keeps upstate economy 'going nowhere'

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| ISSUE: **ECONOMIC DEVELOPMENT**

Albany, N.Y., January 13—State Senator Tom O'Mara (R-C, Big Flats) today joined his colleagues in the Senate Majority Coalition to release a comprehensive regulatory reform report that they hope will help set the stage for one of New York's largest-ever regulatory reform efforts this year.

The Senate report identifies more than 2,000 specific rules, regulations and practices that put New York's businesses and manufacturers, large and small, at a competitive disadvantage.

"Let's stay focused on the most important job at hand, and that's turning around the upstate economy," said O'Mara. "We know that we need to cut taxes, and we're working on that. We also know that upstate manufacturers, small businesses and industries across the board are overburdened with far too many unnecessary state regulations. It's time to get rid of the costly red tape that keeps the upstate economy going nowhere and makes New York's businesses climate one of the worst in America."

In his State of the State message last week, Governor Andrew Cuomo called for the establishment of a joint commission to kick start a comprehensive, statewide regulatory reform initiative. O'Mara said that he and his Senate colleagues hope their report will provide valuable groundwork and serve as a detailed blueprint in working with Cuomo toward his stated goal of reducing the regulatory burden for employers and entrepreneurs.

The Senate report is the product of a series of public regulatory hearings senators held last fall. The forums focused on agriculture, construction, small business, tourism and, in a hearing O'Mara hosted in early October in Corning, upstate manufacturing.

At the Corning hearing, O'Mara and his colleagues heard testimony from representatives of several prominent Southern Tier manufacturers, including Corning Incorporated, Dresser-Rand, Nucor and F.M. Howell & Company, as well as leading economic development agencies including Southern Tier Economic Growth (STEG) and the Steuben County Industrial Development Agency.

"The testimony we heard last fall from leading Southern Tier manufacturers and economic development leaders reaffirmed the absolute importance of revitalizing the manufacturing sector as the key to turning around the upstate economy," said O'Mara. "We received some straightforward and valuable input on why New York State continues to be overregulated, overtaxed and a tough place to do business, and steps we can take to change it. Many of these have been incorporated into this action plan we're releasing today."

[see pages 89-95 of the attached Senate report for specific recommendations from local representatives who testified at the October 9, 2013 hearing on manufacturing in Corning]

The forum process helped identify 2,219 specific regulatory burdens New York State businesses must contend with. Each specific burden corresponds to a specific regulation or section of law, or a practice of an agency that has the effect of a regulation or statute in that it creates a burden on business as if it were a validly enacted law or rule.

While today's coalition report notes that it's difficult to put an exact price tag on the total economic cost of New York's more than 750,000 regulations, other recent studies have gauged the negative economic impact of government overregulation. A recent study commissioned by the Small Business Administration's Office of Advocacy, for example,

found the total impact of federal regulations on the U.S. economy in 2008 was $1.75 trillion—over 12% of the economy. More directly comparable to New York, a 2009 study found that regulations in California—a state with a similarly burdensome regulatory structure — cost the Golden State's economy $493 billion annually, resulting in a loss of 3.8 million jobs and reducing business tax receipts by over $16 billion.