



NEW YORK STATE SENATOR

Terrence Murphy

Murphy, Senate, act to reign in rulemakers

TERRENCE MURPHY May 17, 2016

ALBANY, NY - When it comes to providing an environment to nurture businesses New York State has consistently ranked at or near the end of the list. Last week, Senator Terrence Murphy, who is a small business owner himself, and his colleagues in the New York State Senate, introduce legislation to reign in rulemakers and passed a package of legislation to make it less expensive and more efficient to do business in New York.

The measures include those that reverse a costly regulatory change that is driving up health care expenses for some employers and employees, require the state to pay businesses in a timely manner, as well as review and reduce outdated regulations that negatively affect New York businesses.

Senator Murphy serves as the Chairman of the Administrative Regulations Review Commission. "The passage of these bills sends a clear signal that my colleagues in the Senate recognize the need for serious regulatory reform for our state. The burden placed on the business community by the layers of bureaucracy needs to significantly be reduced if we are going to elevate New York to the prominence it once held as an economic juggernaut," he said.

Today, Senator Murphy announced he had introduced the Regulatory Fiscal Accountability Act of 2016. Bill S7725 would fundamentally change the administrative rule making process.

All proposed agency rules with a fiscal impact of more than \$10 million would be returned to the legislature where it would need a two-thirds majority vote from the appropriate legislative sub-committee.

"During my tenure as the Chairman of the Administrative Regulations Review Commission I have seen firsthand how unelected bureaucrats are out of control," Murphy explained. "The legislature has a fiduciary responsibility to make sure our government functions in a fiscally responsible manner which is nearly impossible due to the unchecked power of the wizards behind Albany's curtains. When passed, this legislation will return the power and accountability back to those chosen by the people."

S7725 currently awaits approval by the Senate's Committee on Commerce, Economic Development and Small Business.

Murphy has been pushing for changes to the regulatory process since arriving to Albany last year. Senate bill S4033, which Murphy authored and passed the Senate last year, would provide a way for outside parties like businesses to seek a delay in the effective date of proposed agency rules if a flaw is discovered that could negatively impact them. As long as two-thirds of the Administrative Regulations Review Commission approves, a delay of 90 days would give parties a chance to discuss alternatives and correct matters.

Another measure, S4328A, also sponsored by Senator Murphy would establish the Small Business Negotiated Rule Making Act of 2016 to create negotiated rulemaking in order to provide additional opportunities for small businesses and the public to directly participate in the development of proposed agency regulations. The Senate also passed this measure during the 2015 legislative year.

In addition to Senator Murphy's legislation the following bills were approved:

S7104 by Senator Seward, which would help businesses facing significantly higher health care costs as a result of state regulations that took effect earlier this year due to the federal government's Affordable Care Act;

S6387B by Senator Martins, which would require state agencies to pay small businesses within 15 days of receipt of an invoice. Further, it would allow state agencies one year to implement these changes to their prompt payment system;

S406A by Senator Gallivan, which helps regulated businesses by reducing duplicative rules and keeps them up-to-date; and

S401A also by Senator Gallivan would establish a Task Force for the Review of the State Administrative Procedure Act (SAPA).

The bills have been sent to the Assembly, except (S6387B), which will be sent to the Governor.