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Regulation Burdens Continue to Hinder New York State Business Climate

We recently held our 9th Annual Central Upstate Manufacturing Legislative Breakfast, and in doing so I referenced a recent study by The National Association of Manufacturers (NAM) that addressed the recent momentum, on the Federal level, of regulatory burdens and oversight. I was stunned when the Executive Summary alerted me to the fact that currently there are 297,696 restrictions on operations for manufacturers.

This number threw me back, especially when I realized that this number only included Federal regulations, NOT State. Additionally, those surveyed indicated that 94% believed the regulatory burden has gotten higher in the past five years, with 72% saying “significantly higher.”

I then started making calls to a handful of folks, asking them a very quick question: “Any regulations off the top of your head that are burdensome to your business and its ability to do operations?” I was stunned with the instant responses I heard, and at the event, shared the top 20 regulations that were simply shared to me that day before. During the event, at least 10 more were shared by equally concerned manufacturers.

I then was asked to present to MACNY’s Human Resources Council this past week, and instead of presenting, I opted to make it a roundtable session. I emailed each attendee ahead of time, and asked them to do two things prior: the first was to sit down with their internal team, and identify three to five specific examples of regulations that were a problem for their business. The second? To have an idea of a way that would fix it.

The meeting ended up running over two hours, and throughout it the dialogue was incredible. I learned about

more regulations than I ever expected, AND the best part was that each company had specific ways to fix them. What was refreshing was that none of the solutions were doing away with a regulation, but rather fixing things about it that do not work, are repetitive, or downright antiquated and wrong.

It is most certainly understandable that businesses should always be mindful and respectful of the health, safety, and working conditions of their employees. Each of those participating these past few weeks in my regulation witch-hunt would certainly agree to that. It is also understood that Government should effectively work to create policies that help foster a better business climate, and play the important role in accelerating or inhibiting the growth of companies and in turn, economic development. With these two specific roles and responsibilities so clearly defined, why is there such a challenge with Government’s role in regulatory policy and its impact on businesses?

While I believe in most circumstances, regulatory reform and policy, however it comes about and is enacted, is intended for some type of positive impact. Perhaps it is a response to a particular bad circumstance whereas an employee was treated unfairly or wronged, for example, and in response, a legislator, attempting to do the right thing, introduces a bill that becomes Law whereas the circumstance will not happen again.

Our role now? Not to do away with anything that looks to protect people or make conditions safe. It is to review them, just as it is being done on the Federal level, and decide what has become antiquated or outdated, and make changes that will benefit all.

That said, over the course of this next year, here at MACNY we will be working with our membership to find those pieces of regulatory policy that simply make doing business more difficult. Once we can better understand why, then we want to find a solution, whether its changes to the regulation, carve outs, or perhaps even reversing antiquated policies that are considered irrelevant this day in age. With that, I want to hear from you, our members. Keep an eye out for our upcoming survey asking for your feedback in regulation and policy that we can address together in the 2018 legislative session and beyond.