

GOVERNMENT RELATIONS

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2023 STATE OF THE STATE ADDRESS RECAP



On January 10, Governor Kathy Hochul delivered her annual message to the State Legislature. Many of her priorities focused on housing, public safety, and mental health. She also highlighted workforce development initiatives, energy issues, and childcare affordability proposals she would like to tackle.

Below is an overview of some of the State of the State (SOTS) proposals that would have an impact on manufacturers and businesses across New York.

Workforce

In her SOTS address, Governor Hochul highlighted a proposal to establish a new, \$20 million grant program to support the establishment of new, early college high school and P-TECH curriculums. This new funding would be targeted at school districts and institutions of higher education, working with industry partners on certain programs, such as computer science and computer and software engineering pathways. She also would like to invest \$10 million in competitive funding for school districts, Boards of Cooperative Educational Services (BOCES), and community colleges to develop strategic workforce plans in their local economies. For a full list of MACNY's workforce development initiatives, please visit macny.org.

Childcare

Governor Hochul has pledged to make childcare affordability a priority in New York by streamlining the childcare application process, expanding access for the most vulnerable families, and by increasing income eligibility for subsidized care. Proposed initiatives include using certain federal funds to establish a new Workforce Retention Grant Program with such initiatives to include providing payments to existing staff and bonuses for new childcare employees. Another proposal would establish a pilot program to facilitate splitting the costs of care for eligible employees between the State, employers, and employees.

GO SEMI

Governor Hochul has announced the Office of Semiconductor Expansion, Management, and Integration to oversee Micron's historic \$100 billion investment in the creation of a new memory

chip fabrication facility in Clay, NY. She says GO SEMI would be led by Empire State Development and supported by numerous state agencies working in collaboration with federal and local partners.

Economic Development

Governor Hochul has announced her plans for a new Made in New York initiative to help proactively secure supply chains for critical commodities and products by attracting those industries to manufacture in New York. Another proposal is a Technology Innovation Matching Program to provide matching grants for New York companies that apply for the Small Business Innovation Research and Small Business Technology Transfer programs.

Energy – “Cap and Invest”

Governor Hochul announced a “cap and invest” program to begin reducing greenhouse gas emissions in New York to meet and fund the state's climate targets laid out by the Climate Action Council's final scoping plan recommendations. The purpose of the proposal would be to mitigate higher costs for gasoline and fossil fuels for home heating. Hochul will ask the Legislature to authorize \$1 billion of the funds raised to be distributed as “climate action rebates” to New York households.

Minimum Wage

The Governor is proposing a measure that would make annual increases to the state's minimum wage tied to the rate of inflation. She also is proposing “guardrails” to increase predictability for employers in the state. The current minimum wage in the Upstate/Central New York Community is \$14.20 an hour. Rates have differed based on region and industry.

Legislative Session Calendar

The 2023 Legislative Session began January 4 and will conclude on June 8, 2023. MACNY will be joining efforts with our Alliance Partners, members, and other statewide business groups to advocate for and/or against certain proposed policies and pieces of legislation throughout the course of session. We will also be hosting our annual Manufacturing Advocacy Day in Albany on March 1. To learn more or register for Manufacturing Advocacy Day, visit macny.org/events. We will continue to keep you updated on any new developments that come out of Albany, as well as on the local and federal levels.

Lastly, as you may know, my final day at MACNY was January 17, 2023. It has been my great pleasure and honor to work with all of you on important issues affecting the manufacturing and business community. I would like to thank you for your support and efforts, and wish you continued success.