



# 2020

ADVOCACY AGENDA





Unshackle Upstate is a non-partisan, pro-taxpayer, pro-economic growth, education and advocacy coalition made up of business and trade organizations from across Upstate New York. Our primary mission is to make Upstate New York a more affordable place to live and a better place to do business.

# OUR PARTNERS



The **Buffalo Niagara Partnership**, a founding member of Unshackle Upstate, is the area's

regional chamber of commerce and privately-funded economic development organization. Partnership members employ more than a quarter of a million people in the Buffalo Niagara region. By mobilizing members and strategic partners around common goals, the Partnership grows private investment and jobs in Buffalo Niagara through advocacy, business development and convening.



The **Greater Rochester Chamber of Commerce**, a founding member of Unshackle Upstate, is the regional chamber of

commerce for the nine-county Rochester region, which includes Monroe, Genesee, Livingston, Ontario, Orleans, Seneca, Wayne, Wyoming and Yates counties. The GRCC provides information, advocacy, human resource services and networking to help Finger Lakes employers grow.



The **Empire State Chapter of Associated Builders and Contractors** is the New York Chapter of ABC, a national construction trade association devoted to merit shop contractors.

The Empire State Chapter serves nearly 450 contractor members throughout New York State

from our central office in East Syracuse, and from branch offices in Buffalo, Rochester, Albany, Ronkonkoma and Manhattan.



The **Greater Binghamton Chamber of Commerce** serves as

the premier resource for business development in the Greater Binghamton region. Its aim is to support the existing local business community and the attraction of new businesses to the region through member-driven programs and services, the development of strategic community partnerships and effective political advocacy.



The **North Country Chamber of Commerce** is a regional chamber of commerce serving

Clinton, Essex, Franklin, Hamilton and northern Warren Counties in New York State and southern Quebec. With more than 4,000 members, it is the largest business and economic development alliance in northern New York and one of the five largest chambers in the state.

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**Michael Kracker,**  
Executive Director

As we prepare for the 2020 legislative session, we also reflect on a decade of advocacy on behalf of businesses and taxpayers throughout Upstate New York. Founded to call attention to the unique economic challenges that have resulted in decades of population loss, Unshackle Upstate has been at the forefront of major reforms aimed at reversing that trend.

The decade began with the historic passage of a 2% property tax cap, saving New York families and businesses billions of dollars. Unshackle Upstate and our partners proudly played a major role in making that a reality. This past year, the cap was made permanent, ensuring continued savings and marking a tremendous victory for New York taxpayers.

We also succeeded in passing reforms to Workers Compensation, advancing critical economic development initiatives and staving off countless policies that would have exacerbated many of Upstate's economic challenges.

Despite these successes, many Upstate New York residents still face significant hardships. Communities throughout the region continue to experience anemic growth, or outright population loss.

on many of these taxes that increase the burden on every New Yorker. Our hope is to call attention to these challenges, and encourage action in Albany to reduce the burdensome costs imposed on families throughout the state.

With countless outstanding communities, amazing outdoor attractions, rich history and more, Upstate New York is truly one of the greatest regions in the country. Unfortunately, New York's high taxes and high cost of living

**"IF WE WANT TO STEM THE LOSS OF POPULATION, WE MUST ADDRESS OUR MASSIVE TAX BURDEN WHICH DRIVES UP THE COST OF LIVING."**

According to a 2019 report from WalletHub, New Yorkers face the largest tax burden in the nation. These costs are a major factor for many Upstate families who choose to leave New York for more affordable communities in other states. These taxes, often hidden from view, permeate nearly every aspect of daily life and increase the cost of living in the Empire State. Many of these taxes that make your groceries, utilities, cellphone, insurance and countless other transactions more expensive, are often overlooked.

In the year ahead, Unshackle Upstate will shine a spotlight

have held back the state's true economic potential for too long.

As we enter a new decade, Unshackle Upstate remains committed to making our state more affordable for everyone. Only then can we truly get the Upstate economy growing.



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# KEY UPSTATE PRIORITIES FOR 2020

## ▼ Reject a Prevailing Wage Expansion

New York is already an expensive place to build. Expanding the prevailing wage mandate to private construction projects would dramatically increase costs and devastate economic development efforts in Upstate New York. Unshackle Upstate strongly opposes this proposal.

Specifically, recently introduced legislation would apply prevailing wage mandates to any construction project that receives a single dollar of public support. Any project receiving support from a local IDA, utilizing historic or brownfield tax credit, or any other economic development entity would be required to pay higher wages and benefit rates.

Lawmakers who truly support a growing Upstate economy should oppose this proposal and others like it.

## ▼ Oppose a Single Payer Healthcare System

Replacing the current health insurance system in New York State with a multi-billion-dollar, government-run single payer scheme would wreak havoc on our economy – especially in Upstate.

**150,000**  
LOST JOBS  
IN COMMUNITIES  
ACROSS NEW  
YORK STATE

**\$250**  
BILLION

IN NEW TAXES ON  
EMPLOYERS AND  
WORKERS.

Additionally, this plan would force millions of New Yorkers off their private insurance, requiring them to get their coverage from an Albany-run bureaucracy. Given New York's track record of administering large programs, state control over health care choices should give every New Yorker pause.

Unshackle Upstate supports efforts to improve our existing system, reduce costs and achieve universal coverage. With 95% of New Yorkers currently having insurance, this goal is fully within reach without decimating our state economy.

## ▼ Block Job Killing Employer Mandates

New York's challenging business climate is notorious, but it is not just our tax burden that stifles economic growth. Mandates and regulations on large employers, small businesses and not-for-profits increase the cost of doing business, deter potential employers from locating Upstate and put current Upstate employers at a competitive disadvantage.

Several new employer mandates were enacted last legislative session. These new burdens add to the state's already harsh regulatory environment.

**"IMPOSING ANY NEW MANDATES LIKE THE EXPANSION OF PAID FAMILY LEAVE, WORKER SCHEDULING RESTRICTIONS, AND ADDITIONAL MINIMUM WAGE HIKES MAY FORCE STRUGGLING BUSINESSES TO CLOSE THEIR DOORS."**

**MICHAEL KRACKER,  
UNSHACKLE UPSTATE  
EXECUTIVE DIRECTOR**

These potential mandates would place onerous restrictions on scheduling, carry burdensome reporting, administrative and compliance challenges, and dramatically increase labor costs for employers.

Legislators should reject any effort to impose new mandates on employers and work with the business community to find common-sense ways to reduce New York's regulatory burden.

## ▲ Invest in Workforce Development

Across the state, tens of thousands of so-called "middle- skills" or "new collar" jobs remain unfilled. In a recent survey from the Buffalo Niagara Partnership, employers in the region cited difficulties finding and retaining talent as their number one concern. These concerns are echoed by chambers of commerce and employer groups across Upstate New York.

We strongly encourage elected leaders to help employers gain access to the talent needed to succeed and grow.

- » INITIATE THE U.S. CHAMBER OF COMMERCE'S EMPLOYER-LED TALENT PIPELINE MANAGEMENT (TPM) PROGRAM;
- » FUND THE CHAMBER OF COMMERCE ON-THE-JOB TRAINING PROGRAM; AND
- » REMOVE EMPLOYMENT OBSTACLES, AND
- » ADDRESS THE BENEFITS CLIFF

By engaging and empowering chambers of commerce, employer-led organizations and private sector employers, New York's workforce development efforts will be more efficient and effective.

## ▲ Strengthen Upstate's Voice in Albany

Ensuring that the issues and concerns of Upstate's businesses and taxpayers are heard is an essential part of our mission. Upstate taxpayers will continue to leave for other states if they feel they have no voice in Albany. Strengthening that voice is more important than ever before. We believe we can accomplish this goal by engaging with our leaders in all parts of the state and across party lines.

- » CREATION OF A BICAMERAL, BIPARTISAN UPSTATE LEGISLATIVE CAUCUS; AND
- » ENCOURAGE A REGIONAL REGULATORY APPROACH REFLECTIVE OF UPSTATE AND DOWNSTATE ECONOMIC REALITIES

CONSTRUCTION COSTS COULD INCREASE BY AS MUCH AS



# TAXES AND SPENDING

New York's hostile tax and spend culture has hindered economic growth, particularly in communities throughout Upstate New York. Until Albany improves our harsh business climate and maintains fiscal discipline, employers will continue to struggle, and residents will continue to relocate to more welcoming states. Unshackle Upstate urges leaders in Albany to recognize these challenges and take aggressive action to improve New York's economic climate.

## Maintain Fiscal Responsibility

For nearly a decade, Albany has held the line on spending, keeping the annual budget below 2% growth. Facing a significant budget deficit in 2020, we strongly urge the Governor and Legislature to maintain the spending cap. Leaders should reject all efforts to raise taxes and instead look for costs savings through efficiencies and reforms to address any budget gaps.

## Protect the Property Tax Cap

In 2019, taxpayers throughout New York achieved a historic victory when the Governor and Legislature approved a permanent 2% property tax cap. The cap has saved New York families and businesses billions of dollars since it was enacted. We strongly oppose any effort to weaken the integrity of the tax cap moving forward.

## Workers' Compensation

2017 marked the first time in a decade that New York enacted significant workers compensation reform. These reforms take important steps to reduce employer costs, modernize the system and retain worker protections. Despite these reforms, costs in New York remain among the highest in the nation. We must continue to pursue reforms to reduce costs and reject policies

that will add to employers cost burden.

- » **Modernize SLU Impairment Guidelines**
- » **Expand the current Preferred Provider opt-out period from 30 to 90 days**
- » **Reject policies that will increase costs on our already expensive Workers' Compensation program**



**WORKERS' COMP REFORMS HAVE SAVED EMPLOYERS MORE THAN \$1 BILLION SINCE 2017.**

# TAX RELIEF FOR ALL

**PROPERTY TAX RELIEF: THE TAX CAP WAS JUST STEP ONE. NOW ALBANY MUST DELIVER ON REFORMS THAT WILL ACTUALLY REDUCE TAXES ON OVERBURDENED NEW YORKERS. LONG-PROMISED MANDATE RELIEF WILL HELP ACHIEVE REAL REDUCTIONS IN PROPERTY TAXES AND HELP MAKE NEW YORK MORE AFFORDABLE.**

**REDUCE TAXES FOR NEW YORK'S SMALL BUSINESSES: TO PROVIDE LONG AWAITED TAX RELIEF TO ALL SECTORS OF THE ECONOMY, UNSHACKLE UPSTATE SUPPORTS ADDITIONAL TAX RELIEF FOR THE SMALL AND MEDIUM SIZE BUSINESSES THAT DRIVE OUR ECONOMY:**

- » **INCREASE THE EXEMPTION FROM 5% TO 15% FOR SMALL BUSINESSES WHO FILE VIA PERSONAL INCOME TAX**
- » **REDUCE THE TAX RATE FOR SMALL BUSINESSES WHO FILE VIA CORPORATE TAX RATE FROM 6.5% TO 2.5%**

**EXPANDING TAX REFORMS TO ALL NEW YORK MANUFACTURERS: IN 2014, NEW YORK STATE TOOK AN IMPORTANT STEP TOWARDS REVITALIZING UPSTATE'S ONCE UBIQUITOUS MANUFACTURING SECTOR BY ELIMINATING THE CORPORATE FRANCHISE TAX FOR MANUFACTURERS ORGANIZED AS C CORPS.**

**WE SUPPORT EXPANDING THIS EXEMPTION TO NEW YORK'S SMALL MANUFACTURERS AS WELL. ACCORDING TO THE SPONSORS, THE ELIMINATION OF THE PIT FOR PASS-THROUGH MANUFACTURERS WOULD INCREASE PRIVATE SECTOR JOBS BY 3,455 THE FIRST FULL YEAR AND BY 4,850 IN 2022.**



**ACCORDING TO A 2019 WALLETHUB REPORT, NEW YORK HAS THE HIGHEST TAX BURDEN IN THE NATION.**

# REGULATIONS

New York is widely recognized for its hostile tax burden, but the state's regulatory burden can be equally challenging for employers. Legislative

taskforces have identified over 2,000 outdated or overly burdensome regulations that warrant review or repeal. We fully support efforts to

reform our existing regulatory burden and urge against new regulations that will further worsen the state's business climate.

## EASE NEW YORK'S SUFFOCATING REGULATORY BURDEN

- » LIMIT THE USE OF "EMERGENCY RULEMAKING" AUTHORITY
- » IMPROVE REGULATORY JOB IMPACT ANALYSES
- » ENSURE SMALL BUSINESSES WITH LIMITED RESOURCES HAVE THE ASSISTANCE NECESSARY TO ENSURE COMPLIANCE
- » IMPROVE THE PUBLIC COMMENT PERIOD AND HEARING PROCESS TO MAKE IT MORE INCLUSIVE FOR IMPACTED EMPLOYERS

### Reform New York's "Universal Rent-Regulations"

During the 2019 legislative session, Albany enacted new tenant protection regulations and expanded the potential for rent stabilization to include Upstate municipalities. While we strongly opposed the enactment of this policy, our efforts are focused on revising some of the most onerous aspects of this legislation that are negatively affecting both tenants and landlords.

### Supporting "Gig Economy" Workers and Businesses

Unshackle Upstate has consistently embraced innovation brought from the so-called gig economy. While we support reforms to extend certain benefits to these workers, we must do so in a way that does not pose an existential threat to the

industry. The rigid approach supported by various special interest groups would have grave affects on the current gig economy, make New York an outlier among neighboring states and have severe impacts on other industries. Legislators should take a cautious approach to this effort and reject any solution that would hurt New York's economy.

UNSHACKLE UPSTATE IS A SUPPORTER OF THE UNDER ONE ROOF COALITION



### Marijuana Legalization

The legalization of adult-use marijuana continues to be a concern for employers, particularly in safety sensitive industries. The Legislature should consider establishing an impairment standard addressing impacts to workplace safety and employer liability.

### Oppose Chemical Over-Regulation and Product Bans

State laws and regulations can contribute to the state's reputation for a hostile business environment and hinder the state's economy. More specifically, over-regulation and product bans related to the chemical industry can further hurt the stability and growth of Upstate.

## ARE THE RISKS OF LEGAL MARIJUANA TOO HIGH?

- » WORKPLACE INJURIES
- » HIGHER TURNOVER RATES
- » DECREASED PRODUCTIVITY
- » INCREASE IN WORKERS' COMP CLAIMS

## CHEMICAL INDUSTRY ECONOMIC IMPACT



» 37,412 DIRECT JOBS AND 30,113 RELATED JOBS



» \$1.5 BILLION IN ANNUAL PAYROLL GENERATION

"AS ONE OF THE HIGHEST TAXED AND OVERLY REGULATED STATES IN THE NATION, NEW YORK LAWMAKERS CAN ILL AFFORD TO MAKE OUR STATE LESS ATTRACTIVE FOR JOB CREATORS."

*BRIAN SAMPSON, PRESIDENT OF THE ASSOCIATION OF BUILDERS AND CONTRACTORS - EMPIRE STATE CHAPTER*

# ECONOMIC DEVELOPMENT

# ENERGY

Despite positive development in several downtown areas, economic activity in Upstate has continued to lag far behind New York City and the downstate suburbs. Since 2010, nearly 90% of all private sector job growth in New

York has occurred downstate. Governor Cuomo has continued to emphasize Upstate job growth and economic development, but more must be done. Unshackle Upstate firmly believes the most effective development strategy

would be wholesale reforms to our harsh business climate. Until those steps are taken, we strongly encourage the state to continue to support economic development initiatives throughout Upstate.

To rebuild and grow the Upstate economy, consumers need access to affordable energy, particularly in key Upstate industries like manufacturing and agriculture. Albany must utilize existing resources to ensure we have reliable energy supply for heating and electricity generation.

recognize the continued need for affordable energy resources like natural gas. A recent report from the Consumer Energy Alliance found that as New York's use of natural gas expanded, our overall emission of pollutants declined significantly. These findings demonstrate that New York can achieve lower carbon emissions, improve our environment and support a growing economy.

with utilities unable to meet the demand of new high-use consumers. We urge the state to stop making politically motivated decisions to delay or reject these important energy infrastructure projects. Doing so only drives up energy costs for millions of New Yorkers.

New York should also revisit its total ban on natural gas development and put in place rules and regulations that are sensitive to both environmental and economic concerns.

## INVESTING IN UPSTATE'S ECONOMY

» FUND SHOVEL READY SITES

» ENHANCE THE BROWNFIELD CLEANUP PROGRAM

REVITALIZATION INITIATIVE

» SUPPORT THE EXCELSIOR JOBS PROGRAM BY LOWERING THE QUALIFYING JOBS THRESHOLD, ESPECIALLY IN RURAL UPSTATE REGIONS

» MAINTAIN AND IMPROVE THE REDC PROCESS INCLUDING THE UPSTATE REVITALIZATION INITIATIVE AND DOWNTOWN

» SUPPORT THE LAKE ONTARIO RESILIENCY AND ECONOMIC DEVELOPMENT INITIATIVE

### Grow the NY/Canada Economic Corridor

From Buffalo to the northern reaches of the Adirondacks, Upstate enjoys a unique cross-border market with hundreds of billions of dollars in economic activity. Unshackle Upstate encourages our

elected leaders to partner with key front-line organizations working to boost cross-border commerce and investment.

### New York's "Buy American" Proposal

Unshackle Upstate remains strongly opposed to any policy

that would jeopardize our unique integrated economy with Ontario and Quebec. Expanding this proposal to include things like cement, concrete and aluminum would hurt our cross-border economy. The state should consider a Canadian exemption from any expanded or extended provisions.

### Maintain Affordable Energy Sources

Enacted in 2019, the Climate Leadership and Community Protection Act will have an undeniable effect on New York's energy future. As the Climate Action Council, established under the CLCPA, seeks to enact newly established emissions reductions they must

#### CLCPA TIMELINE

- » 2030: REDUCED TO 60% OF 1990 LEVELS
- » 2040: REDUCED TO 40% OF 1990 LEVELS
- » 2050: REDUCED TO 15% OF 1990 LEVELS

### Support Energy Infrastructure

New York's resistance to new pipelines is hurting businesses and residents who end up paying higher energy prices. In some areas of the state, these moratoriums have halted economic development

### Access to Canadian Hydropower

As New York seeks to diversify its energy mix to meet emissions reductions, the state should take advantage of existing energy supplies that will help lower costs for consumers.

Increased use of hydropower from Quebec and Ontario provides New York with an opportunity to access a reliable energy source and enhance our use of renewable energy.

INCREASED PRODUCTION OF NATURAL GAS ACROSS THE U.S. HAS HELPED NEW YORK ENERGY CONSUMERS SAVE \$30 BILLION.




# INFRASTRUCTURE AND TRANSPORTATION

Investing in our roads, bridges, and other deteriorating infrastructure is critical to the future of Upstate New York. These infrastructure investments are important to supporting the economic vitality, quality of life and public safety in communities across Upstate. Albany must dedicate adequate resources to address the significant and diverse infrastructure needs in our region.

## Invest in Upstate Infrastructure

Upstate New York faces significant infrastructure needs. Our roads, bridges, railways and mass transportation, water mains and supply networks, sewer



**DEFICIENT INFRASTRUCTURE DRIVES UP COSTS EVERY YEAR**

- » **BUFFALO: \$1,873**
- » **ROCHESTER: \$1,691**
- » **BINGHAMTON: \$1,406**
- » **ALBANY: \$1,999**

systems and more are aging and require a significant attention from leaders in Albany to upgrade and maintain.

A recent TRIP report suggested New York's deteriorating roads cost drivers an estimated \$24.8 billion each year. Additionally, 49% of roads and bridges in New York State were found to be in poor or mediocre condition.

Continuing responsible and equitable investment in the state's aging infrastructure is an economic imperative. We urge leaders in Albany to support regional parity, addressing the critical needs throughout the state. We also recognize the economic impact of investment in mass transportation, electric buses and upstate rail, which support jobs in Upstate New York.

## Support Upstate Cellular Coverage Task Force

Governor Cuomo requested the formation of this task force in his 2019 State of the State to develop strategies to address the lack of cell service in rural and remote parts of Upstate New York. Enhancing our cellular infrastructure

will not only provide an important economic benefit, but will enhance public safety, particularly in the state's Adirondack region. We strongly support the mission of the task force and are eager to see its recommendations become policy.

## Promote Wireless Broadband

The state must also take efforts to modernize existing wireless services. Mobile fifth generation (5G) wireless systems are the next upgrade of wireless technology, offering significantly faster speeds, greater capacity and improved reliability. A large amount of new equipment – called "small cells" – will have to be installed in the coming years for wireless providers to deploy this new technology.

We urge state lawmakers to promote the deployment of state-of-the-art wireless networks in New York State by enacting small cell siting legislation that balances the needs of local governments

**"ACCESS TO HIGH-SPEED INTERNET IS CRITICAL AS NEW YORK WORKS TO DELIVER THE RESOURCES NEEDED FOR INDUSTRIES TO THRIVE AND BUSINESSES TO REMAIN COMPETITIVE IN THE 21<sup>ST</sup> CENTURY GLOBAL ECONOMY."**

**GOVERNOR ANDREW CUOMO**

and wireless companies and facilitates the deployment of this potentially transformative technology.

While broadband investment is critical, lawmakers must do so responsibly. We urge leaders to reject legislation that would result in rate shock to consumers or

bankrupt providers, reducing marketplace competition.

## Make the Shipment of Goods Easier and More Affordable

New York currently ranks as the 2<sup>nd</sup> most expensive state in the nation to operate a truck, primarily because it is one of only four states in the nation with a highway use tax (HUT) on commercial vehicles.

Reforming this onerous, antiquated tax that continues to put New York employers at an economic disadvantage would reduce shipping costs to businesses across the state, improve the competitiveness of New York based motor carriers and help to improve the overall economy for businesses and consumers.

**"THE BOTTOM LINE IS THAT CAPITAL INVESTMENTS IN THE MTA, AS WELL AS IN OTHER STATE TRANSIT AUTHORITIES, COME UPSTATE AND CERTAINLY TO THE NORTH COUNTRY."**

**GARRY DOUGLAS, PRESIDENT AND CEO OF THE NORTH COUNTRY CHAMBER OF COMMERCE**

**NEW YORK IS JUST ONE OF FOUR STATES WITH A HIGHWAY USE TAX.**



# CONSTRUCTION

# HEALTHCARE

Thanks in large part to policies out of Albany, the cost of construction in New York is higher than almost anywhere else in the country. Supporting reforms to reduce the cost to build in New York is critical to supporting economic development and job growth and addressing our infrastructure challenges.

## Reform New York's Scaffold Law

New York's one of a kind and more-than-a-century old Scaffold Law increases the cost of general liability insurance on every construction project in the state, serving as a drag on growth and economic development. This includes public projects like schools and bridges

- » **The Scaffold Law is estimated to cost taxpayers \$785 million annually**
- » **Adds as much \$10,000 to the cost of building a new home in New York**
- » **Cost of insuring construction projects in New York State is as much as 10x higher than other states.**

Unshackle Upstate supports enacting a comparative

negligence standard allowing liability to be proportional to fault under the Scaffold Law.

## Project Labor Agreement Reform

We strongly oppose mandating regionally negotiated project labor agreements which increase the cost of construction projects by an estimated 18-30%. We support awarding work to the contractor who offers the best price and quality.

In 2015, adding a PLA to the construction of a new exit (122) off State Route 17 cost state taxpayers an additional \$4.5 million dollars.



**THE RECENTLY DEVELOPED EXIT 3 ON I-87 – BUILT WITHOUT A PROJECT LABOR AGREEMENT – WAS DONE A YEAR EARLY AND UNDER BUDGET.**

## Improving New York's MWBE Program

New York is a national leader in providing economic opportunity to Minority and Women Owned Business Enterprises (MWBE). However, Unshackle Upstate supports a new disparity

study to better determine the demographics of the state's diverse economic regions. The goals and targets must reflect demographic realities across the New York.

We also support making the MWBE application and certification process more accessible and efficient to ensure qualified contracts can take advantage of the program.

## Annualization Reform

The New York State Department of Labor calculations annualize private and public benefits using the same method, resulting in

excessive costs to contractors already providing benefits to their employees. We support legislation that would utilize the federal methodology for annualization of benefits under the Federal Davis Bacon Act, which is more equitable and does not penalize employers for doing both public and private work.

The rising cost of private health insurance is routinely cited as a primary concern by Upstate employers and their employees; we continue to pursue opportunities to keep health insurance affordable. New York's employers pay some of the highest health care costs in the nation largely due to burdensome state taxes, mandates and regulations that ultimately complicate health care delivery. The governor and Legislature should explore ways to help make health insurance more affordable.

## Reduce Health Care Taxes, Assessments and Surcharges

One of the chief reasons New York State has among the highest health care costs of any state in the nation is the number of taxes, surcharges and assessments the state imposes on employers and individuals who purchase health insurance. In 2019, the "covered lives" assessment (\$1 billion), the premium tax on commercial health insurance (\$479 million), the New York State Department of Financial Services (DFS) section 206 assessments (\$148 million) and the HCRA surcharge (\$3.6 billion), combine to cost



**NEW YORK IMPOSES ALMOST \$5 BILLION IN TAXES ON THE PRIVATELY INSURED.**

consumers \$5.2 billion. In some cases, these taxes are adding up to over 10% of a business's overall premium costs. We support reducing the cost of health insurance by reducing these burdensome taxes.

## Rein in Prescription Drug Costs

According to The Centers for Medicare & Medicaid Services (CMS), overall health care spending increased 5.5% in 2014, while prescription drug spending grew by 12.6% over the same period. As spending on prescription medication, particularly specialty drugs, grows at an alarming rate, the state must examine health care's true cost drivers to make it more affordable – including promoting greater transparency by pharmaceutical companies.

## Protect Consumers from Hospital Mergers Costs

As hospital systems across New

York continue to consolidate through acquisition of other systems, our elected leaders must ensure that these activities improve efficiencies, reduce the cost of care, and do not adversely affect employers and consumers through increased health care costs.

## Physician Collective Bargaining

Allowing for "collective negotiation" by physicians and other health care providers will raise the health care costs for all privately insured New Yorkers. A recent study found that a federal physician collective bargaining proposal would raise premiums by 6% to 11% - which will ultimately be borne by businesses and their employees across New York State.

We recognize that certain areas of Upstate New York struggle with providing health care delivery options and believe it's important to ensure the viability and sustainability of small practices in rural communities.



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