

REPORT FROM THE HILL

By
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MARCH 9-13, 2015

WHAT THE GOVERNOR IS UP TO

“WHAT IS TRUE OF THE PART MUST BE TRUE OF THE WHOLE”

The *Paradox of Thrift*, an example of the Fallacy of Composition, is being cleverly and mightily employed by Governor Andrew M. Cuomo to persuade constituents to pester their state representatives to vote to increase the minimum wage from the current \$8.75 to a proposed \$10.50 statewide and \$11.50 in New York City. In total, more than 1.35 million workers will experience an increase in wages statewide, with the majority of benefits going to adults and women. The direct economic value across the state as a result of these higher wages is approximately \$3.4 billion.

If you apply the fallacy it should be apparent employers will react to increased costs by firing or hiring fewer workers, unless of course they are protected by CBA's or are in the public sector. Neglected is any mention that some wages are pegged to the minimum wage, so those

earning more than the minimum would receive a wage hike, too.

Of course the entire enterprise is political since the governor's rationale contains the that awful word employed by moralists, "should". People *should* earning a "living wage", "*women and adults*" will benefit, he says. But, apparently, not *young* people (or *males*), since the unemployment rate among 16 to 25 year-olds is twice the general rate and amongst blacks, higher than that. Especially true of black, male teenagers.

Minimum wages are notorious for causing unemployment among the young, especially minorities, unless the governor means to restrict recipients to those protected classes of workers covered by CBA's and whose salaries are already well above the minimum and would go higher.

If the market wage is above the minimum, then increases to any point below the market rate will have no impact except for those workers whose wages are pegged to the minimum plus a wedge, e.g., "6 dollars above minimum" might appear in some CBA's and for all we know affect other payments (transfer type) similarly linked.

According to the governor, 1.35 million people will experience an increase in wages, except of course for those laid off as employers try to recover part of the total cost of \$3.4 the governor calls *direct economic value* across the state as a result of these higher wages.

Oddly enough that is the way markets and business are supposed to work: cost increases make business seek savings elsewhere, fewer workers, lower benefits, substitution of capital for labor.

So what is good for some individuals (part) does not mean the increases will be good for the whole or, in this case New York's economy.

For those interested the governor's statistics and measurements see:

<http://www.governor.ny.gov/news/governor-cuomo-details-impact-minimum-wage-increase-new-york-workers-and-economy>

Legislative Bills Tracked - January 5 to March 10

In the process of reviewing approximately 10,000 bills introduced only a few matter to the industry. We have dropped all "fracking" bills, now several dozen, since the governor has announced he will not support the practice. These bills persist as "hardy perennials" for which legislators seek credit and praise from an inattentive public.

A few key items are the *Empire PERC* bill, some LNG siting bills that amend Art. 23 of the Env. Conservation Law which mentions but excludes propane; a local law

(Rockland County) setting out the qualifications for membership on the plumbing board- similar boards exist on Long Island and in Putnam County and are used to insert licensure requirements on our companies; and various tax credits for alternate fuels (say “renewables” three times). We routinely report on any trade licensing bills for fear they may go viral.

Feel free to call about any of these.

BILL NO A00054

SAME AS SAME AS [S03915](#)

SPONSOR Paulin (MS)

COSPNSR Galef, Lupardo, Otis, Schimminger, Crouch,
Skoufis, McDonald

MLTSPNSR Ceretto, Lupinacci, McDonough, Rivera,
Skartados, Thiele

Add Art 14 SS14-101 - 14-109, Energy L; add S391-aa, Gen
Bus L

Implements the New York propane education and safety act;
authorizes the
creation of certain propane education programs; requires
the creation of a New
York propane education and safety council; enumerates the
duties and purposes
of the New York propane education and safety council.

BILL NO A00133

SAME AS No same as

SPONSOR Dinowitz (MS)

COSPNR Paulin, Jaffee, Rosenthal, Roberts, Miller,
Scarborough, Colton,
Galef, Lavine, Weprin, Gunther, Hooper,
Buchwald, Sepulveda,
Montesano, McDonough, Skoufis, Thiele,
Simanowitz, Dilan, Zebrowski,
Barrett, Gottfried, Arroyo, Linares

MLTSPNSR Clark, Cook, Lentol, Magee, Markey, Perry, Ra,
Steck, Weinstein

Add S396-xx, Gen Bus L; amd S192, add S192-i, Ag & Mkts L

Specifies requirements for motor fuel advertising media;
requires clearly
visible signs relating to the pricing of motor fuels.

BILL NO A01303

SAME AS No same as

SPONSOR Lentol

COSPNR

MLTSPNSR

Amd S192, Ag & Mkts L

Prohibits gas stations from advertising only cash
discounted prices.

**BILL NO A01308

SAME AS SAME AS [S02543](#)

SPONSOR Cusick (MS)

COSPNSR Titone, Malliotakis, Borelli

MLTSPNSR

Amd S6, Chap 395 of 1978

Extends the moratorium on the issuance of certificates of environmental safety for the siting of facilities and certification of routes for the transportation of liquefied natural or petroleum gas.

BILL NO A01354

SAME AS SAME AS [S01629](#)

SPONSOR Zebrowski

COSPNSR

MLTSPNSR

Amd S396, Gen Bus L

Authorizes the attorney general to bring an action for violation of the prohibitions concerning unlawful selling practices and specifies damages awardable.

BILL NO A02133

SAME AS SAME AS [S02825](#)

SPONSOR Braunstein

COSPNSR Thiele, Hevesi, Gunther, Miller, Stirpe

MLTSPNSR Brennan, Lupinacci

Amd S396-r, Gen Bus L

Relates to price gouging; defines unconscionably excessive price for the purposes of prohibiting price gouging during abnormal disruption of the market.

BILL NO A02335

SAME AS No same as

SPONSOR Crouch (MS)

COSPNSR Barclay, Duprey, Hawley, Kolb, McDonough

MLTSPNSR Blankenbush, Lawrence

Establishes a fire prevention and emergency task force to develop a plan for training requirements and standards for fire prevention and emergency response services in rural areas.

BILL NO A02547

SAME AS SAME AS [S03586](#)

SPONSOR Rodriguez (MS)

COSPNSR

MLTSPNSR Arroyo, Brook-Krasny, Clark, Cook, Gottfried,
Lopez, McDonough,
 Montesano, Mosley, Peoples-Stokes, Pichardo,
Saladino, Steck

Add S63-gg, Pub Serv L

Relates to requiring liquid petroleum pipeline facilities to accelerate the repair, rehabilitation, and replacement of equipment or pipelines that are leaking or at a high-risk of leaking.

BILL NO A02865

SAME AS SAME AS [S01189](#)

SPONSOR Zebrowski (MS)

COSPNR Jaffee, O'Donnell, Steck, Gottfried, Cook,
Galef, Markey, Thiele,
 Paulin, Sepulveda, Kearns

MLTSPNSR Arroyo, Dinowitz, Rivera, Schimel, Titone

Amd S382, Exec L

Expands remedies for violations of New York state uniform fire prevention and building code.

BILL NO A02875

SAME AS SAME AS [S01230](#)

SPONSOR Kim (MS)

COSPNR Sepulveda, Rosenthal

MLTSPNSR

Amd S1115, Tax L

Provides that the use tax on heating fuels shall be suspended during winter months for certain low income senior citizens.

BILL NO A03033

SAME AS SAME AS UNI. [S02103](#)

SPONSOR Thiele

COSPNSR

MLTSPNSR

Amd S209, UJCA

Gives justice courts limited equity powers to compel compliance with local zoning, building and fire prevention codes; grants justice courts the authority to issue injunctions and temporary restraining orders relating thereto.

BILL NO A03541

SAME AS No same as

SPONSOR Cahill (MS)

COSPNSR

MLTSPNSR Brook-Krasny, Cook, Crespo, Cusick, DenDekker,
Englebright, Lavine,
Morelle, Ramos, Thiele, Weprin

Add SS282-d & 284-f, amd SS301-a, 1111 & 1817, Tax L; add S392-k, Gen Bus L

Provides that excise taxes imposed on motor fuel pursuant to certain provisions of the tax law shall not be imposed during prescribed periods and requires retail dealers of motor fuel and diesel motor fuel to reduce prices for such

fuel.

BILL NO A03562

SAME AS No same as

SPONSOR Tedisco (MS)

COSPNSR Montesano

MLTSPNSR

Add S99-w, St Fin L; amd SS1148, 606 & 210-B, add SS187-t &
187-u, Tax L; add
S1884, amd SS354 & 351, Pub Auth L

Creates the alternative fuel incentive fund; provides that
monies allocated
from the fund will be used for certain purposes; makes an
appropriation
therefor; provides that thirty million will be allocated
for research and
development, twenty seven million for the thruway authority
to create
alternative fuel stations on the thruway, twenty million
for a cellulosic
ethanol refinery and five million for administrative costs.

BILL NO A03591

SAME AS SAME AS [S02973](#)

SPONSOR Brindisi

COSPNSR Skoufis

MLTSPNSR

Amd S399-ee, Gen Bus L; amd S2 Chap 579 of 2008

Makes certain amendments concerning zone pricing of gasoline.

BILL NO A04637

SAME AS No same as

SPONSOR Colton (MS)

COSPNSR

MLTSPNSR Cook, Perry, Thiele

Amd SS23-1711 & 23-1709, En Con L

Establishes certain requirements for environmental safety permits for liquefied natural gas facilities.

BILL NO A04637

SAME AS No same as

SPONSOR Colton (MS)

COSPNSR

MLTSPNSR Cook, Perry, Thiele

Amd SS23-1711 & 23-1709, En Con L

Establishes certain requirements for environmental safety permits for liquefied natural gas facilities.

BILL NO A04980

SAME AS SAME AS [S01411](#)

SPONSOR Ortiz

COSPNSR

MLTSPNSR

Amd S1-103, add S5-129, Energy L; amd S354, Pub Auth L

Enacts the "electric super highway act of 2015", requiring alternative fuels to be available for public use along the New York state thruway after November 1, 2015 and to provide each recommended alternative fuel at least every one hundred twenty miles on both sides of the thruway; defines "alternative fuel".

BILL NO A05610

SAME AS No same as

SPONSOR Kavanagh (MS)

COSPNSR Gunther, Lupardo, Peoples-Stokes, Schimminger,
Colton, Jaffee,
Hooper, Titone, Hevesi, Galef, Crouch

MLTSPNSR Glick, Schimel

Add S28-a, amd SS210-B, 606 & 1511, Tax L

Establishes an alternative energy systems and generating equipment tax credit for qualified expenditures meeting the criteria prescribed by the department of

taxation and finance, in consultation with the department of environmental conservation and the New York state energy research and development authority, for taxpayers subject to tax under articles nine-A, twenty-two, thirty-two and thirty-three of the tax law whose business is not substantially engaged in the commercial generation, distribution, transmission or servicing of energy or energy products.

BILL NO A05619

SAME AS No same as

SPONSOR Gunther

COSPNSR

MLTSPNSR

Amd S43, Gen City L

Relates to residential qualifications for service on the examining board of plumbers in the city of Middletown.

BILL NO A05752

SAME AS SAME AS [S02505](#)

SPONSOR Kavanagh (MS)

COSPNSR Galef

MLTSPNSR

Amd SS1-c, 1-h & 1-j, Leg L; add SS14-131 - 14-134, amd SS14-102 & 14-130, El L; amd S74, Pub Off L

Requires additional disclosures from lobbyists including:
campaign
contributions to elected officials; existing business
relationships or
associations with public officials; and the names of family
members of a public
official to whom the lobbyist, or his or her employer, paid
compensation of
over \$500 in the preceding calendar year and the amount of
compensation paid;
provides for the disposition of campaign funds..

BILL NO A05780

SAME AS SAME AS [S00762-A](#)

SPONSOR Kavanagh (MS)

COSPNR Colton, Hooper, Ramos

MLTSPNSR Crouch, McLaughlin, Peoples-Stokes, Schimel,
Titone

Amd SS1101, 1115, 1107, 1109 & 1210, Tax L

Provides a tax exemption from sales and compensating use
taxes on alternative
energy systems including alternative energy systems, new
Energy Star appliances
and tangible personal property used in or on habitable
residential and
non-residential structure to improve energy efficiency; and
defines relevant
terms; authorizes municipalities to adopt the exemption.
