

## ENVIRONMENT SAFETY AND HEALTH

A set of amendments are currently proposed by the New York State Department of Environmental Conservation (NYSDEC) to reflect their experiences with the State Environmental Quality Review Act (SEQRA) over the last two decades since the last major revision process. According to the NYSDEC, the main objective of the proposed amendments is to streamline the environmental quality review process without “sacrificing meaningful environmental review.” SEQRA was enacted into law on August 1, 1975.

The proposed amendments to the SEQRA regulations attempt to both streamline and strengthen the NYSDEC’s environmental review process by expanding the statewide Type II action list (actions not subject to further review), modifying certain thresholds in the Type I action list, making scoping of an Environmental Impact Statement (EIS) mandatory rather than optional, and making the acceptance procedures for draft EIS’s more consistent and better defined. Amendments are also proposed to make the filing of scoping documents on the internet a requirement and to encourage the electronic filing of Draft and Final EIS’s, to the extent practicable. New definitions for “Green Infrastructure”, “Minor Subdivision”, “Municipal Center”, “Replacement in Kind”, and “Substantially Contiguous”, and revised definitions for “Negative Declaration” and “Positive Declaration”, are also included in the proposed amendments.



## Trump Administration Undertakes Ambitious Regulatory Rollback

President Trump has embarked on an aggressive campaign against government regulation, joining with Republican lawmakers to roll back rules already on the books and limit the ability of federal regulators to impose new ones. On Jan. 30, Trump signed an executive order that requires agencies to offset the cost of every significant new regulation by eliminating existing regulations or making them less onerous. The order declares that “the total incremental cost of all new regulations” issued this year “shall be no more than zero.”

According to the White House Office of Management and Budget, the cost of federal regulations has grown every year since 1982. In January the new administration withdrew 24 significant rules that were about to be sent to the Federal Register for publication. The new administration also delayed the effective dates of roughly 250 others, including 30 Environmental Protection Agency rules that were frozen in a single day.

## THE ECONOMY

### Most Firms See Their Capital Spending Steady or Rising in 2017

Supplementary questions in the February 2017 Empire State Manufacturing Survey and Business Leaders Survey—the New York Fed’s twin surveys of regional manufacturers and service firms—focused on firms’ 2017 capital spending plans and comparisons with actual spending for 2016. Respondents were asked not only about overall investment but also about spending in a few broad categories of capital.

*To what extent do you expect your firm’s spending on new plant and equipment to be higher or lower this year than last? How do you expect each of these capital spending categories to change?*

Empire State Manufacturing Survey	February 2017 Survey		February 2016 Survey	
	Percentage of Respondents Planning Lower Spending in 2017	Percentage of Respondents Planning Higher Spending in 2017	Percentage of Respondents Planning Lower Spending in 2016	Percentage of Respondents Planning Higher Spending in 2016
Total	23.7	41.2	29.3	37.4
Structures	26.8	20.6	31.6	19.4
Non-computer-related equipment	24.0	29.2	31.3	32.3
Computers and related hardware	14.4	27.8	28.3	20.2
Software	16.0	27.7	25.8	24.7



Owned and operated by the Esposito  
Family SINCE 1950

- Protective Packaging
- POP Displays Temporary & High  
End Permanent
- Thermoforming
- Specialty Die Cuts
- Product Packaging & Fulfillment &  
Shrink Wrapping
- Acrylic Fabrication
- Product Packing & Kitting
- RF & Heat Sealing
- Computer Design
- Cad Samples

1 Favoriti Avenue, PO Box 2295, Newburgh, NY 12550  
Phone: 845-562-0900 • Fax: 845-562-1020  
E-mail: michael@orangepkg.com

In the latest survey, substantially more respondents planned to hike than to reduce overall capital spending in 2017—by a margin of 46 to 20 percent among service-sector firms, and 41 to 24 percent among manufacturers. Both of these margins are wider than in last year's survey. Among service firms, in fact, these readings are the most positive in more than a decade. As in earlier surveys, firms' capital spending plans varied by category. Among manufacturers more respondents planned to raise than lower spending in all categories except for structures. Just 21 percent said they were increasing their budgets for structures, while 27 percent said they were reducing such investment. In a separate question, firms were asked about the extent to which various factors contributed to planned increases in capital spending. Among manufacturers, the biggest driver of increased investment was favorable trends in sales and demand, followed by a need for labor-saving equipment.

### US Factory Output Rose 0.2 Percent In January

The Federal Reserve said March 1 that US factory production rose 0.2 percent in January – after an unrevised 0.2 percent gain in December. However, total industrial production fell 0.3 percent in January due to a 5.7 percent decline in utility output, which media reports attribute to unusually warm weather. Overall, industrial output for December was revised from a 0.8 percent gain down to a 0.6 percent gain.

According to the AP January's "modest" factory output growth has maintained the same trajectory seen in 2016. The AP explains that manufacturers "are benefiting from increased spending by businesses on industrial machinery and other equipment." Similarly, the Wall Street Journal says underlying numbers show promise for manufacturers, pointing to an increase in output for machinery textiles, and petroleum and coal products. However, output for motor vehicles and parts fell 2.9 percent. Healthy consumer spending and a recovery in the oil sector have also supported recent gains in manufacturing. At the same time, modest overseas demand, a strong U.S. dollar and soft investment in equipment from domestic firms have made for slow progress.

## GLOBAL BUSINESS

### Manufacturers Stress Need for Global IP Protections

On February 9, in a detailed submission to the Office of the U.S. Trade Representative, the NAM emphasized the need to intensify efforts to protect U.S. manufacturing against the



threat of intellectual property (IP) theft. The NAM identified enforcement problems in nearly 40 foreign countries, including priority markets, such as Canada, China, Colombia, India, Indonesia and Russia. Cross-cutting IP concerns were included,

such as problems with the legitimate use of patents, trademarks and trade secrets, rampant counterfeiting and piracy and ensuring IP protection in international forums. The NAM urged the Trump administration to use all available options, including the full use of domestic and international enforcement tools and cooperative programs, to address IP theft.



## Ex-Im Bank Needs Support From Congressional Republicans

Wilbur Ross, President Donald Trump's pick to be commerce secretary, has said there could be justifications for keeping the Export-Import Bank going. According to Bloomberg he'll have to convince some congressional Republicans, including Speaker of the House of Representatives Paul Ryan, who's called the bank's practices "crony capitalism" because two-thirds of its money went to just 10 companies. Congress let the bank's lending authority expire after June 30, 2015, but enough Republicans in the House joined Democrats to force a vote that October to bring back the lender. In December 2015, negotiators from both chambers of Congress reached an agreement that revived the bank's lending authority through September 2019. Senator Richard Shelby, a Republican who opposes the bank, then took matters into his own hands. He's held up votes for nominees to the Ex-Im board, preventing the bank from having the quorum needed to approve loans of more than \$10 million. Ex-Im's lending has been tepid since then.

## LABOR AND EMPLOYMENT

### New York State Department of Labor Implements New Salary Basis Thresholds for Exempt Employees

The New York State Department of Labor (NYSDOL) has adopted its previously proposed amendments to the state's minimum wage orders to increase the salary basis threshold for executive and administrative employees. The Amendments became effective on December 31, 2016.

While the status of the new salary basis threshold for exempt employees pursuant to the Fair Labor Standards Act (FLSA) is still unclear following the nationwide preliminary injunction enjoining the U.S. Department of Labor (USDOL) from implementing its new regulations, this state-wide change requires immediate action for employers



# Does your business support STEM education?



## Become a member!

Your support will help us bring early STEM education to the children and families of the Hudson Valley and beyond.



Mid-Hudson Children's Museum  
[www.mhcm.org](http://www.mhcm.org) (845) 471-0589





## Depth Filter Media & Depth Filtration Equipment Manufactured Here In The Hudson Valley



- Plate and Frame Filters
- Lenticular Filter Housings
- Chamber Filter Presses
- 40 x 40 Sheet Presses
- 20 x 20 Sheet Presses
- Filter Pads
- Lenticular Filter Cartridges
- Single-Use Filter Capsules

Pharmaceutical • Food & Beverage • Flavor & Fragrance  
Electric Utility • Industrial & Municipal Wastewater • Metals & Mining

ERTELALSOP.COM Proudly Manufacturing in NY since 1932

132 Flatbush Ave • Kingston • NY • 845-331-4552



A ONE-STOP SHOP  
FOR ALL OF YOUR  
BREWING  
&  
DISTILLING  
NEEDS.

SPEND LESS TIME  
HUNTING DOWN SUPPLIES  
AND MORE TIME  
CRAFTING TO PERFECTION.

WWW.PROOF33.COM  
COMING SOON

that did not increase exempt employees' salaries or convert employees to non-exempt positions in light of the proposed federal overtime rule.

The current salary basis threshold for the administrative and executive exemptions in New York is \$675 (\$35,100 annually) per week throughout the state. In order to properly classify employees as exempt, employers must ensure that these employees are earning at least the salary basis threshold of the FLSA or the New York wage orders, whichever is higher. The Amendments implement the following increases to New York's salary basis threshold for the executive and administrative exemptions:

### Employers Outside of New York City, Nassau, Suffolk and Westchester Counties

**\$727.50 per week (\$37,830 annually) on and after 12/31/16**

**\$780.00 per week (\$40,560 annually) on and after 12/31/17**  
Employers in Nassau, Suffolk, and Westchester Counties

**\$750.00 per week (\$39,000 annually) on and after 12/31/16**

**\$825.00 per week (\$42,900 annually) on and after 12/31/17**  
subject to court review

## ENERGY

### Dakota Access Pipeline Gets Final Approval

The Army Corps of Engineers has approved an easement needed to complete the final section of the 1,172 mile-long, \$3.8 billion Dakota Access Pipeline project. The pipeline had been stalled for



Dakota Access Pipeline staging area in Worthing, SD 2015. Photo from NPR

months by the previous administration. NAM President and CEO Jay Timmons reacted to the announcement by saying, "This green light is welcome news for manufacturers. Such investments in America's energy infrastructure create tremendous opportunities for the manufacturers who supply these projects. Building new energy infrastructure makes our country more competitive, creates jobs and helps make life more affordable for our families."

### New York Won't Allow Cost of Clean Energy Mandates To Appear On Power Bills

New York regulators shot down plans to list on utility bills how much extra customers will pay under the state's new Clean Energy Standard (CES).

Utilities including Con Edison, Orange & Rockland Utilities, National Grid, and Central Hudson Gas & Electric asked to add a line to customers' bills showing how much CES would cost. However, the state's Public Service Commission (PSC) prevented this option. PSC said that instead of telling customers how much they were paying, utilities would comply with CES "through existing supply mechanisms and bill lines" to "maintain general consistency among the Utilities" and to "limit customer confusion."