

LEGISLATIVE MEMO
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MEMORANDUM OF OPPOSITION

BILL: A.9005-B (Budget - Part M)

SUBJECT: "Buy America" Proposal

DATE: March 23, 2016

The Associated General Contractors of New York State, LLC (AGC NYS), the leading statewide trade association representing union and non-union construction companies opposes A.9005-B (Budget – Part M), because the proposal does not have a fiscal analysis; information about the availability of American made iron, steel, and manufactured goods that are "permanently incorporated" into the project; and it would establish a deeply flawed waiver system for departments, agencies and authorities.

Without a fiscal analysis of American made products this proposal would establish a reckless public policy that would unnecessarily drive up the cost of every public construction project without proper planning by state and local governments. Additionally, the bill does not provide information about the availability of American made iron, steel, and manufactured goods which would result in delays to rebuild New York's crumbling infrastructure. The availability of each and every iron, steel and manufactured good required for construction projects is unknown.

If enacted, this proposal would establish a vague, arbitrary, and opaque waiver system for American made iron, steel and manufactured goods if the department, agency or authority determines that it is necessary to waive the application of paragraph (a) based on a finding under paragraph (b) the department, agency, or authority shall document in writing, and post on its website, if one exists, a detailed description of all decisions made justifying the provisions of paragraph (a) being waived.

This bill would apply to all capital projects wholly or partially funded by monies allocated or appropriated to or transferred from the dedicated infrastructure investment fund established pursuant to section 93-b of the state finance law in which contracts for the project are entered into, modified, amended, altered, or renewed on or after the effective date of this act. Thus, any public and private project partially funded would be mandated to include "Buy America" provisions.

While laudable in intent, the practicality of such legislation is irresponsible public policy.

Therefore, AGC NYS opposes S.9005-B (Budget - Part M).