

# DEC Tax a Bust for Manufacturers



By: Harold King

The June, 2010 National Association of Manufacturers (NAM) report, *Manufacturing Strategy for Jobs and a Competitive America*, prompted political leaders to consider what it will take for U.S. manufacturers to succeed in the face of unprecedented global competition.

NAM's president John Engler cautioned, "Manufacturers need our nation's leaders to consider the impact of each decision on the country's overall competitiveness. Manufacturers are calling for action on critical priorities such as energy, education, trade and regulation."

The Rockefeller Institute recently identified how significant manufacturing is to the Hudson Valley, making up 12 percent of jobs and employing 56,367 at an average salary of \$78,893.

Since 1910, the Council of Industry of Southeastern New York has been the manufacturers' association of the Hudson Valley. Our manufacturers have provided jobs here for over 100 years. If our Hudson Valley businesses are to maintain their current market share in this modern era of global competition, reliable and affordable power is critical.

That is why we oppose the Department of Environmental Conservation's (DEC) plan to negatively impact more than 50 percent of New York's energy generation, driving up electric rates and compromising reliability. We need to protect the remaining manufacturing and research and development firms, including large businesses across the state such as Kodak and International Paper.

Unless we stop the DEC, their "Best Technology Available" policy would result in the closure of energy intensive manufacturing facilities, and could lead to long-term or even permanent power plant shutdowns.

The Council is concerned about the DEC's campaign to levy an unlegislated \$8.5 billion tax on state businesses, especially given the lack of information about the policy's impact upon the businesses and energy suppliers that will be forced to burden this costly policy.

When members of the Council have to pay hundreds of thousands more in annual electricity costs, New Yorkers will lose their jobs or have to take pay cuts.

If the DEC is going to act to the detriment of manufacturers, we demand the state hire an independent consultant to determine the true impact of this policy – on system reliability, on jobs and on the economy.

*Harold King is Executive Vice President of the Council of Industry of Southeastern New York. The Council of Industry has been the manufacturer's association for the Hudson Valley dating back to 1910.*

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