



MEMO

A.4592-B/S.2016-B – NY-HEAT ACT

MACNY -- The Manufacturers Association, a not-for-profit association representing more than 300 businesses and organizations across the Central/Upstate New York region including industrial manufacturing companies and non-industrial service providers, opposes A.4592-B (Fahy)/ S.2016-B (Krueger), known as the "NY Home Energy Affordable Transition Act" or HEAT Act. While manufacturers understand the well-intentioned motives behind this legislation, we believe its implementation would have significant adverse effects on our industry, workers, and local communities.

The manufacturing sector plays a crucial role in the economic prosperity of New York. Companies rooted in New York provide well-paying jobs and benefits to workers and provide career path opportunities for advancement. Companies support the local tax base proving revenue for schools and local infrastructure.

The bill, as written, threatens to undermine the competitiveness and viability of manufacturing businesses in New York. Businesses strive for predictability and certainty, out of necessity to plan years in advance where investments will be made. Without a guarantee that natural gas will be available as a resource, it would be difficult to justify new investments across the State of New York.

Businesses are already grappling with various economic challenges. Therefore, such additional expenses could force many manufacturers to scale back operations, lay off workers, or even relocate their facilities to areas with less stringent regulations. Moreover, the NY-HEAT Act could exacerbate the existing problem of energy insecurity in New York. The proposed measures may lead to disruptions in the supply of affordable and reliable energy, further jeopardizing the stability of manufacturing operations. Therefore, the state risks losing its competitive edge in attracting and retaining manufacturing investments, ultimately compromising its long-term economic growth.

To date, many manufacturing companies in New York have voluntarily adopted innovative technologies and practices to minimize emissions and enhance energy efficiency. Rather than imposing overly prescriptive mandates, policymakers should consider incentivizing and supporting these ongoing efforts through targeted initiatives and investment incentives.

MACNY respectfully urges policymakers to reconsider the proposed legislation in its current form and instead engage in a collaborative dialogue with the manufacturing industry to develop pragmatic solutions that balance environmental objectives with economic realities. Working together, we can achieve meaningful progress toward a sustainable future, while safeguarding the vitality of New York's manufacturing sector.