



**Memorandum of Opposition
S.5994-A (Ryan) /A.1338-A (Magnarelli)**

The Empire State Chapter of Associated Builders and Contractors (ABC), which represents hundreds of merit shop contractors and subcontractors, employing hundreds of thousands of workers throughout the state of New York, opposes S.5994-A/A.1338-A.

If passed, the law would create a registration system for contractors and subcontractors engaged in public works projects. We oppose this law, New York State already has a registration system that is administered by the Comptroller's Office. That system is called the New York State Vendor Responsibility (VendRep) system and it assesses vendor responsibility.

These are the negative impacts this bill will have if passed:

- Establish a new unfunded and expensive mandate for the Department of Labor, staff and a new information technology system will be required to operate this new registration system
- Create another mandate on the already overburdened Department of Labor to establish and maintain another contractor and subcontractor registration system for public work
- Reduce competition due to the complexity of the registration and compliance process, which only further increases the issue of workforce shortages
- Issues with creating a new system such as: technical problems or a missed date on a registration submission could cause delays and work stoppages
- Declaring the contractor or subcontractor "unfit" leads to many different issues like bonding complications, fines, legal disputes, and other expenses that could cause contractors to close their doors

With critical infrastructure projects happening across the state, the state cannot further burden contractors with a duplicative registration system. That will only make these projects harder to complete and when we are talking about vital projects such as fixing our roads, bridges, sewers, subways, and other key projects we are talking about creating a quality-of-life issue for all New Yorkers.

For these reasons, the ABC Empire State Chapter strongly opposes this legislation.

If you have questions, please reach out to our Public Affairs Manager, Tanner Schmidt, at (585) 730-1814 or tschmidt@abcnys.org