

2016 Legislative

Roundtable Reception

LAKE GEORGE

Friday, November 4, 2016

8:30 - 10:00 a.m.

*Fort William Henry
Hotel & Conference Center*

co-sponsored by:



FORT WILLIAM HENRY
HOTEL AND CONFERENCE CENTER



New York State
HOSPITALITY
& TOURISM
Association



Lake George Legislative Roundtable

Friday, November 4, 2016

Fort William Henry Hotel & Conference Center

48 Canada Street, Lake George, NY

Program

8:30 a.m.

Registration & Breakfast Buffet

9:15 - 10:00 a.m.

Welcome:

Introduction of State & Local Leaders

Presentation of State Issues

Mark Dorr, *President, NYS Hospitality & Tourism Association*

Presentation of Local Issues

Michael Consuelo, *Executive Director, Lake George Regional Chamber of Commerce & CVB*

Frank Dittrich, *Warren County Lodging Association*

Patrick Dowd, *Communication Director, Lake George Association*

Roundtable Discussion with State and Local Elected Officials

Sponsors



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New York State
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& TOURISM**
Association



LAKE GEORGE
REGIONAL CHAMBER OF COMMERCE & CVB

New York State Hospitality & Tourism Association

The New York State Hospitality & Tourism Association (NYSH&TA) is a not-for-profit trade organization representing nearly 1,000 lodging properties, totaling over 122,000 guest rooms. NYSH&TA's mission is to lead and protect the New York State hospitality and tourism industry by providing advocacy, education, and resources. The Association provides: **representation and advocacy** on behalf of the industry before state lawmakers and regulatory agencies; **resources** in the form of money-saving programs, networking opportunities and marketing exposure via the website; **educational offerings** that help members best serve their customers.

Short-Term Rentals

During the 2016 Legislative Session, NYSH&TA worked to introduce legislation that would prohibit short-term rentals in New York. While no legislation was ultimately introduced during the session, we expect that the bill will be introduced in the Assembly when the Legislature returns in January. NYSH&TA was able to secure statewide industry support for the legislation with a letter writing campaign in June to the Legislature, and brought the industry together again with a second letter campaign to the Legislature and Governor in August aiming to end local occupancy tax agreements between Airbnb and individual counties.

The tourism industry is losing revenue to largely unregulated short-term rentals (homes rented out by their owner for a period of less than 30-days where the owner may vacate the property during the duration of a guest's stay), which could lead to job loss. As personal homes and apartments, these units are not held to the same fire and safety regulations as hotels, motels, or bed and breakfasts. Further, in most areas of the state, short-term rental units are not held to the same occupancy taxes as hotels, motels, or bed and breakfasts. Since these units are not held to the same taxes and regulations as other lodging options, deregulation has been encouraged in some areas of the state.

Airbnb has recently entered into agreements with Tompkins and Sullivan counties to collect and remit local occupancy taxes on behalf of their hosts, in an effort to legitimize their operations in New York. However, under State law, lodging operators are the only parties authorized to collect and remit occupancy taxes. Therefore, any agreements for the payment of occupancy taxes between counties and third-party platforms such as Airbnb circumvent State law.

These tax agreements are merely an effort by Airbnb to legitimize their model within New York, and do not address the problems at the heart of the short-term rental issue. Even with the agreements, Airbnb hosts are still not in compliance with tax regulations throughout New York's other forty-one counties and ten municipalities with statutorily authorized local occupancy taxes. Further, the tax agreements do not address safety concerns, as the agreements place no requirements on short-term rentals for compliance with the fire and safety regulations that other lodging options must comply with under State law.

Municipalities need to be aware that Airbnb continues to beat back efforts at the state level by reaching agreements with local governments as it relates to the issue of tax collections. As an industry, we continue to emphasize the need to level the playing field not only on taxes but code enforcement and public protections as well. To this end, we will continue to educate legislators on the need for statewide regulation and oversight on such an important issue facing the industry.

Small Business Package

During the 2017 Legislative Session, NYSH&TA will work to introduce new legislation that will benefit the

tourism industry as a whole, and small businesses particularly. The legislation will address the following areas:

Training Wage/ Seasonal Workforce

The legislation will create a training wage in New York persons under an age (to be determined) that have never been employed, and will allow these youths that remain employed temporarily to receive annual increases. The training wage will be 85% of the state minimum wage, or 100% of the federal minimum wage, whichever is less. These workers will receive a minimum of a 25% increase in their wages each year until they reach age 21. The training wage is capped at 180 days of work.

Ski Equipment Tax Credit

The legislation will include a provision that would make the purchase of energy efficient snow making equipment, ski lift equipment, snow grooming equipment, and the production of snow by a recreational ski facility exempt from the New York State sales and compensating use tax. The Senate has passed the measure in both 2015 and 2016, but it has not moved out of the Ways and Means Committee in the Assembly.

Requiring a Portion of Occupancy Taxes to be used for Tourism Purposes

The legislation will include a provision that requires all county and municipal occupancy tax statutes to require a portion (to be determined) of the tax collected to be dedicated to promote tourism in the locality.

Youth Jobs Tax Credits

Under the current law, the Department of Labor administers the Urban Youth Jobs Tax Credit, which provides tax incentives to qualified employers that employ at risk youths between the ages of 16 and 24, in part-time and full time positions. Currently the program only exists in cities with populations with 55,000 or more people, or towns with 480,000 or more people. This provision will extend the tax credit through 2021, and apply statewide- regardless of population. Further, the program will expire in 2017. Further, the credit will apply to employers hiring eligible youths between the ages of 16 and 27.

Budget: Matching Grants Increase

Governor Cuomo and the Legislature have maintained an allocation of \$4.315 million over the past several sessions (\$3.815 million in the Executive Budget plus an additional \$500,000 in the Enacted Budget). Recently, stories have appeared in news outlets relating to the nearly unanimous control of economic development spending by the Governor's office. Moving forward, NYSH&TA will support greater control of economic development funds by the Legislature. To that end, NYSH&TA will be requesting a \$1 million increase to the Matching Grants Program to bring total funding over \$5.315 million for the 2017-2018 fiscal year.

Scaffold Law

The Scaffold Law, which dates back to the 1885, holds contractors and property owners fully liable in lawsuits for gravity-related construction injuries, regardless of partial contributing fault by a worker. According to an independent study, in 2012, Scaffold Law lawsuits represented half of the top settlements in New York and are responsible for escalating insurance and building costs across the state. These costs threaten the viability of many small businesses and impose millions of dollars in costs on taxpayers. New York is the only state in the nation where such a law is still on the books. While proposed legislation to reform the Scaffold Law enjoys bipartisan support in both houses of the legislature, the reforms were not passed in the 2016 Legislative Session. NYSH&TA will continue to join many others in the business community in supporting Scaffold Reform legislation.

LEGISLATIVE

Roundtable Breakfast



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Lake George Area Issues

Protection of Lake

Regional Gateway Welcome Centers

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