

New York State Hospitality & Tourism Association (NYSH&TA)
Counsel's Report
June 2018

Summary

We are pleased to release NYSH&TA's overview of the 2018 New York State Legislative Session. From combatting harmful regulations, to advocating for increased tourism funding, to successfully shepherding through priority legislation - and in combatting priority legislative positions, NYSH&TA has had an active, successful year. We used this session to build relationships in both houses of the Legislature and in the Executive branch, and are pleased with the outcome.

NYS Budget

Matching Grants Funding:

The Final Enacted Budget included \$4,408,000 for Tourism Matching Grants, a \$593,000 increase over the Governor's Executive Budget Proposal. While this increase is slightly smaller than what was contained in last year's Budget, NYSH&TA is pleased with the result in a tough fiscal year.

Other Budget Funding:

- Beekmantown Information Center - \$196,000
- Binghamton Information Center - \$196,000
- Taste New York - \$1,100,000
- Market New York - \$10,300,000
- I Love NY - \$2,500,000
- Round 8 of the REDC - \$150,000,000

Ride-Sharing Fee:

The ridesharing fee for companies such as Uber and Lyft in Upstate New York that was discussed as part of the Budget was not ultimately included in the Final Budget, though a fee was included in New York City as part of the Congestion Pricing provisions. NYSH&TA opposed the inclusion of a fee on ride-sharing in Upstate New York.

Legislative Advocacy

Short-Term Rentals

NYSH&TA has worked with the Senate and Assembly to advance legislation that would create a statutory framework for short-term rentals statewide (outside of New York City). We participated in a roundtable in the Senate, which led to an improved and amended proposal that includes: registration of short-term rentals; minimum safety and insurance requirements for short-term rentals; and, proper collection of occupancy and sales taxes. We met with many members of the Legislature on this bill, and although the issue was not dealt with this session, we will continue to advance our position. Throughout the summer and fall, NYSH&TA will work through our lobbyist, Jackson Lewis, and with our Board to target key legislators for meetings in district in an effort to better position this bill for the next legislative session.

Human Trafficking Legislation

Last year, legislation was introduced in the Assembly and Senate that proposed training requirements for hotel staff members, and posting requirements in various locations throughout hotels, in relation to preventing human trafficking. While supportive of the Legislature's efforts, NYSH&TA raised a number of concerns that led to substantive amendments that improved the legislation that ultimately passed both houses. Through our efforts, the Legislature provided hotels with the option to design their own "informational cards" containing the national human trafficking hotline number, or to use an "informational card" designed by the State or Federal Government. Further, the legislation removed staff training requirements, which is now included in a different proposal that we will work to improve next session. Finally, the legislation that ultimately passed did not include language contained in the original proposal that would have required hotels to post human trafficking prevention information on their websites.

Liquor License Expansion – Hotel Marketplaces

Throughout the Budget and the Legislative Session, NYSH&TA worked with the State Liquor Authority and the New York State Legislature toward legislation that would allow hotels to obtain a full liquor license even if there is not a restaurant on premises. A number of different proposals were considered throughout the session, and while none of the proposals ultimately passed, we have had many productive discussions on the topic, and are working with the Legislature and Executive staff that would solve the liquor license problem for hotels that only have a marketplace.

B+B Liquor Licensing

NYSH&TA is also supportive of legislation that would allow bed and breakfasts to obtain full liquor licenses in New York, which would put bed and breakfasts on even footing with hotels and motels. The bill would also remove the restriction on bed and breakfasts that allows them to sell alcoholic beverages only to people staying at the bed and breakfast. The legislation passed in the Senate for the second consecutive year, but was not referred out of the Assembly Economic Development Committee. We will continue to be supportive of this legislation moving forward.

School Year Expansion

NYSH&TA was pleased to partner with the DMO Association and its President (and NYSH&TA Board Member), Kelly Blazosky, in successfully opposing legislation and proposed regulations that would extend the school year to allow classes to begin before September. We believe that the school calendar is sufficient as currently constructed, and that it would be detrimental to both the tourism industry and the young people that it employs to alter it.

DeWitt Occupancy Tax

NYSH&TA was successful in helping our Central New York members to oppose legislation that would create a new 2.75% occupancy tax in the Town of DeWitt in Onondaga County that would be used to help the town pay for the Challenger Field, located at DeWitt Willis Carrier Park. The proposed tax, when combined with the county occupancy tax, would mean a 7.75% occupancy tax for hoteliers in DeWitt. We will continue to monitor developments with this legislation moving forward.

Regulatory Advocacy

Call-In Pay

In the fall of 2017, the New York State Department of Labor proposed regulations that would amend the Miscellaneous Wage Order to alter Call-In Pay requirements. NYSH&TA's President Mark Dorr delivered comments at a public hearing, and worked with Jackson Lewis to discuss technical changes and provide comments to mitigate the potential damage of this proposal on tourism businesses. While comments on the proposal were due in early January, no final proposal has been issued.

Tip Wage Credits

In his State of the State Address, Governor Cuomo directed the Department of Labor to conduct hearings to examine the elimination of the tip wage credit in New York. NYSH&TA has been working with Jackson Lewis and a coalition of groups in the hospitality and tourism industry to show that the tip credit is a necessary tool for the industry to continue to build on its successes in New York. The hearings are still ongoing, but are scheduled to end on June 27th in New York City. We will continue to monitor the hearings, and will continue to build a message that supports our members and the industry, which needs the credit to maintain and grow employment. To date, the Department of Labor has not released a proposal that would eliminate the tipped wage credit in New York.

Conclusion

NYSH&TA is excited about the efforts that it undertook on behalf of its membership so far in 2018. We are continuing our momentum throughout the summer, and will continue to build on our efforts in both houses of the Legislature and in the Executive Branch to advance a legislative and regulatory agenda that is helpful to our membership.