

2016 Legislative

Roundtable Reception

NIAGARA FALLS/BUFFALO

Friday, April 1, 2016

8:30 - 10:00 a.m.

Four Points By Sheraton-
Niagara Falls

co-sponsored by:



Niagara Falls/Buffalo Legislative Roundtable

Friday, April 1, 2016

Four Points By Sheraton Niagara Falls

7001 Buffalo Avenue, Niagara Falls, NY 14304

8:30 - 10:00 a.m.

Program

8:30 a.m.

Registration & Breakfast Buffet

9:15 - 10:00 a.m.

Welcome:

Introduction of State & Local Leaders

Presentation of State Issues

Jan Marie Chesterton, *President, NYS Hospitality & Tourism Association*

Presentation of Local Issues

John Percy, *President & CEO, Niagara Tourism & Convention Corporation*

Patrick Kaler, *President & CEO, Visit Buffalo Niagara*

Roundtable Discussion with State and Local Elected Officials

Sponsors



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, or 70% of total guest room inventory in the state. NYSH&TA's membership is also comprised of approximately 50 parks and attractions, over 100 industry suppliers, and more than 100 cooperating organizations, tourism educators, students and individuals combined. Founded in Saratoga Springs in 1887, 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.

Illegal Hotels – Leveling the Playing Field

The short-term online rental market—in which individuals rent out rooms, apartments, or entire homes to overnight guests,—poses a threat to consumers, neighborhoods and businesses. In response to the growing trend of companies, like Airbnb, promoting illegal owner-occupied hotels within the state, the state's lodging industry is looking to provide a statutory solution in New York to limit and potentially prohibit their impact on the legal hospitality industry.

NYSH&TA suggests reasonable changes or modifications should be made to existing laws or implemented independently, because travelers and communities deserve the proper safeguards that protect them from the potential dangers and risks posed by the short-term online industry. NYSH&TA continues to work with government to develop legislation that would combat these unregulated short-term rentals within New York by requiring compliance with state and local hotel laws. Last fall, in conjunction with the Senate, NYSH&TA held a series of informal roundtables to gather information from the industry on ideas, thoughts and solutions as to best address and advance state legislation during the 2016 Legislative Session.

In 2010, the State Legislature enacted stricter fire safety standards for Class B or transient use dwellings for hotels only in New York City. NYSH&TA continues to support not only the New York City hotels, but the City of New York in both its efforts to enforce the law and its efforts to eliminate illegal hotels while doing so practically, allowing well-established legal hotels to convert their certificates of occupancy and remain in compliance.

Minimum Wage

(Pre-budget position)

In his 2016-2017 State Budget, Governor Cuomo has proposed a statewide minimum wage increase of \$15 per hour by 2018 in NYC and by 2021 for the rest of the state. In New York State, if the minimum wage is raised, the law requires that a wage board be called regarding the minimum wage of food service workers. Therefore, if an increase in the statewide minimum wage happens this year, a wage board will be called for food service workers. NYSH&TA supports the New York State Restaurant Association's (NYSRA) efforts to obtain a "5-year freeze" on any new wage board being called if the statewide minimum wage is raised. While as an industry we support a fair minimum wage, it is important to note that such increases negatively impact job creation and expansion of business across the state.

As of 1/1/2016, the minimum wage for all tipped workers is now \$7.50 per hour, and the minimum wage for fast food workers is \$9.75 per hour statewide and \$10.50 per hour in New York City.

(Post budget update)

Tourism Funding

(Pre-budget position)

Given its proven track record as a revenue source for state and local governments, and as a job generator, Tourism is not only a wise investment, but a critical one that yields unmatched and well sustained returns for New York's economy. To that end, The Governor has called for an unprecedented \$50M be spent on tourism promotion in the coming year. Additionally, the 2016-2017 Executive Budget, appropriates the following direct spending for tourism:

Tourism Matching Grants:	\$3.815M (-\$500K from Enacted Budget Last Year)
I Love NY:	\$2.5M
Market NY:	\$5M
Taste NY:	\$1.1M
Welcome Centers (Binghamton and Beekmantown):	\$196K (each)

These funding mechanisms from the Governor and Legislature are critical, so that the industry, along with its State and local partners, continues to flourish.

The tourism industry will be asking Legislature to fund the Tourism Matching Grants Program at \$5 million, a funding level not realized since 2008-2009.

(Post budget update): As of March 30, all indications are that Tourism Matching Grants funding will be increased \$500K to \$4.315 million. Both the Senate and Assembly conceptually supported this vital funding increase.

Paid Family Leave

(Pre-budget position)

The Governor's Executive Budget contains a proposal for 12 weeks of job-protected, employee-funded leave to be used for bonding with a new child or caring for a sick relative. NYSH&TA remains concerned that a proposal mandating paid family leave would encourage absence from the workplace, and will more than likely cause mandatory overtime for other employees. Additionally, many New York State employers already provide paid family leave and incur substantial expenses in doing so, but are not bound by the terms of any mandates or statutes.

(Post budget update)

A special thank you to NYSH&TA's
2016 Legislative Sponsor
Heartland Payment Systems

Heartland Payment Systems (HPS) provides members excellent customer service with the highest business integrity and competitive pricing for credit card and payroll processing and gift cards. Call 1-888-963-3600 / www.heartlandpaymentsystems.com

Niagara Tourism & Convention Corporation (NTCC)

The mission of the Niagara Tourism & Convention Corporation (NTCC) is to expand the economic prosperity of the Niagara USA communities by generating individual and group visitation.

Visit Buffalo Niagara

Sells and markets our assets and attractions to visitors outside the Buffalo Niagara region as a convention, tourism and leisure destination for the economic benefit of the community. VBN is Erie County's lead marketing organization for conventions, meetings, amateur sporting events, cultural and heritage tourism and consumer travel.

Buffalo/Niagara Travel Issues

The Buffalo/Niagara Region is home to some of the nation's most recognized tourism attractions, which is why it is important this area's tourism businesses are aware of the programs that help deliver business to the region. This area of the state is much different than any other and it depends heavily on international travelers to fill hotel rooms, restaurants and tourist destinations. Below are several important issues, and some details on how you can make sure the US Congress can help us all succeed in this ever-crowded tourism marketplace.

Great Lakes Harbor Dredging, Water Levels Still an Issue

A huge issue we continue to follow deals with Great Lakes water levels and the corresponding problems associated with shallow draft harbors throughout our region. The Great Lakes Shallow Draft Harbor Coalition has been pushing the Federal government to release funds for dredging from the Harbor Maintenance Trust Fund, but we need to unite to address the problem and take matters into our own hands through other means. The Water Resource Development Act finally passed 2014, but it didn't provide the funding we thought it would because the available monies simply haven't been appropriated for the Great Lakes recreational harbors. The Great Lakes did receive an increase in funding in 2016 for the Army Corps of Engineers, but it was all for commercial harbors. We need to work together to help develop a dredging management plan that involves the counties, boaters, marinas, the state and other users of the resource. On Lake Ontario, six of the counties have gotten together to form a dredging management plan that would call for creating a Local Development Corp. and purchase the equipment to dredge. Niagara and Orleans counties have taken the lead and it is being worked on right now. This could be one answer to some of the problems, but it's not going to happen overnight. It would also establish a variety of funding mechanisms. Help is needed in the legislative arena to help make this a reality. On the water level front, each of those six Lake Ontario counties are also opposed to Plan 2014, an International Joint Commission initiative calling for higher highs and lower lows in Lake Ontario. This is something we must continue to oppose until the dredging issues are resolved.

Casino Revenue Legislation

With the current legislation (99h) regarding the distribution of the local share of slot machine revenue set to expire at the end of 2016, the Niagara Tourism & Convention Corporation (NTCC) respectfully urges elected officials to pass this important legislation as soon as possible during the current legislative session. The NTCC is extremely grateful to Senator Ortt and Assemblyman Ceretto for recognizing the significant benefit that tourism marketing and promotion plays in Niagara USA and the importance of continuing to fund these efforts with an earmarked percentage of the local share of casino revenue. With conversations underway in Albany between the Governor, Senate and Assembly, the NTCC remains hopeful for a positive outcome on this matter as this revenue stream represents approximately 30% of their overall annual budget (to be used specifically for marketing and promotion).

Excessive Wine Fee

There is a 102% LCBO "fee" charged on any wine brought into Ontario from NY. The fee is provincial, making it exempt from NAFTA. All Canadian Provinces have such fees, which makes it, in effect, a Federal Canadian Duty, and clearly against the spirit of NAFTA. This doubles the price of NY wines for tourists returning to Ontario with mementos of their visit

to NY wine country. It also prevents tourists who have purchased wine from traveling back and forth between attractions on both sides of the river. They cannot visit US wineries one day, then see a show in Niagara on the Lake the next without paying duty on wine that was purchased in the USA. It is important to enable a free flow of tourist traffic to improve the tourist experience, which will increase visitation. The Canadian government is now proposing restricting US Dairy imports to protect that industry within Canada. They have a long history of subsidies for their agricultural industries at the federal and the provincial levels. If we continue to accept the tariffs on wine, the Canadians will continue to be encouraged by the USA accepting these protectionist measures. The US Duty on wine bought from Ontario into the USA is \$1.35 per case of 12 bottles and is never charged for tourists. We would like a 3 case (27 liter) exemption for tourists returning to Ontario with NY wine, purchased at wineries. This allows protection of their industry for bulk (truckload) shipments, while treating tourists the same as the USA. This would help regions across New York State including Lake Erie, Niagara, the Finger Lakes and the Thousand Islands. Senator Schumer has raised this issue several times with his Canadian counterparts, with no result. Do we need to place a NAFTA Compliant NY fee on Ontario wine in order to get the Canadians' attention to this unfair practice? Who else within the legislative community would be willing to assist in addressing this issue?

Uber and Lyft

On the national issues:

- Preserve and continue to expand the Visa Waiver Program
- Air Traffic Modernization: Keeping America Globally Connected and Competitive
- FAST Act Passage
- When in Crisis: Remember Travel
- Promotion of the Travel and Tourism Caucuses



A data breach can deliver devastating consequences.

That's why Heartland is committed to protecting customers from cybercrime. To safeguard our customers, we pioneered Heartland Secure™, the most secure card processing solution in the industry. Heartland Secure is backed by our comprehensive breach warranty—at no additional cost to the merchant.

To learn more, contact **Robert Clasby**
518.526.4460 or robert.clasby@e-hps.com
heartlandpaymentsystems.com

Heartland