



CONTACT



34 East 51st Street 8th floor
New York, NY 10022



212.754.6700



info@hanyc.org



www.hanyc.org

GOVERNMENT AFFAIRS NEWSLETTER

HANYC FOUNDATION

HANYC has set up its own foundation, a 501©3 organization that enables contributions to be tax-deductible. The Foundation has its own governing structure with a full board of directors. HANYC Foundation provides scholarships for students pursuing a college degree and hotel stays to individuals and families during unanticipated hardship and crisis. The latter will be enabled by the setting up of a “room bank” with contributions of a few room nights from individual members that are not restricted by availability. This will considerably enlarge HANYC’s footprint among stakeholders in the city while pursuing great social causes.

ABOUT HANYC

HANYC (Hotel Association of New York City) continues to anticipate the growing needs of its member hotels within New York City's ever changing economic and political climate. The Association advocates on behalf of its members on a variety of legislative areas besides setting the standard for training, best practices and cooperative initiatives with a number of key New York City stakeholders.

OUR ADVOCACY

INTRO 1574

HANYC has begun engaging with the bill sponsor Council Member, Antonio Reynoso. The law would create new waste "zones" by dividing the City into geographic areas with different licensed commercial waste carters, to be determined and implemented by the Department of Sanitation. Our concern is the limitation of carriers to a designated vendor for each zone as this will increase waste disposal costs. We have engaged with other associations and stakeholders to ensure a competitive outcome in the selection of carriers.

INTRO 1410

HANYC worked with bill sponsor Council Member, Vanessa Gibson and her team regarding Intro 1410 when drafted would have created a pilot program whereby a "certificate of no harassment" would have been required for most commercial space building/renovation work. In a **big victory** for our members the final version of the bill eliminated the need for a certificate.

NEW RENT LAWS

The 2019 Rent Law went into effect on June 14, 2019. The laws passed in Albany affect any hotel that has "rent stabilized units" in that they cannot be converted to transient units at any time in the future. The Association has had discussions with the Division of Housing & Community Renewal (DHCR) who will be implementing these laws both to ensure clarity for SRO hotels as well as hotels that are in contract with non-profits to house the homeless. HANYC has also held a seminar on this topic conducted by expert counsel specialized in this area.

THE PLAN ACT

This bill would end abusive litigation by STR platforms attempting to avoid accountability for profiting from illegal rentals and strike down local regulations aimed at curbing this illegal activity and its widespread negative impacts. The bill's intent is a carve out from Section 230 CDA protections for Short Term Rental Platforms. HANYC was instrumental in getting New York Congressman, Peter King to sign on as an "original" co-sponsor with Congressman, Ed Case (D-Hawaii). HANYC also undertook a special legislative campaign in Washington, DC to enroll members of the New York Delegation to sign on as co-sponsors. Chairman, Jerry Nadler's office is also actively considering the bill due to our outreach.

REAL PROPERTY TAX

Hotels in New York City have been taxed harshly, more so than any other industry in Tax Class IV. HANYC has been advocating for short-term relief and long-term reform to alleviate this crushing burden which now averages 12% of room revenue for hotels. The significant economic benefits to New York City which include \$3.1bn in direct taxes alone besides good paying and stable jobs are negatively affected as the economic viability of hotels is threatened by the high property tax burden. The Association is in active conversations with the mayoral administration and the Department of Finance as well as informing the City Council members about this existential problem.

NEW YORK SENATE BILL S5282A

The S5282A bill prohibits hotels from making available to its guest's small plastic bottles containing personal care products like shampoo, conditioner, lotion, and liquid soap. Of the 348 million tons of plastic produced in 2017, 40 percent was used to produce single-use plastic products. HANYC in partnership with NYSHTA actively worked with New York State Senator, Todd Kaminsky in crafting the bill and also helped launch the initiative.

RESORT AND URBAN FEES

HANYC worked with the sponsor of a bill in the City Council, to not drop a bill that would have required hotels to disclose Urban and Resort fees as part of the room rate without affecting an FTC (Federal Trade Commission) requirement to disclose such fees prior to completion of booking. HANYC is also actively working with the City's Department of Finance to eliminate the charging of occupancy tax on the resort/urban fees component. Our position has been that these fees provide tangible value to guests akin to a free breakfast included in the room rate which is exempt in large part from the occupancy tax.

WAGE LIEN THEFT

In June, 2019, the NYS legislature passed the Securing Wages Enforced Against Theft ("SWEAT") Act, which provides New York employees the ability to secure business and personal liens against owners, the top ten investors, and even managers of a current or former employer. The lien would be for the value of the employee's wage claim, including liquidated damages, based solely on mere allegations of a wage violation under New York and federal labor law. We are currently advocating against the Act. To that end, we initially sent Governor Cuomo a letter outlining our objections and subsequently met with Governor Cuomo's office, including counsel on two occasions. We are urging the Governor to either veto the law or to redraft it in next year's legislative session.