

2016-2017 State Budget: Tourism Summary

Governor Andrew M. Cuomo shared highlights from the 2016-17 state budget agreement. Below is an overview of some aspects that impact our industry. For a breakdown of budget highlights by region, visit <http://www.governor.ny.gov/news> and view releases dated April 1, 2016.

Matching Grants Program

- NYSTIA is pleased to see an additional \$500K in state Matching Grants Program funding, bringing it to a total of \$4.315M. NYSTIA, working alongside fellow Tourism Industry Coalition (TIC) members, strongly advocated for the funding increase, and we thank the Senate and Assembly for the additional \$500K in the budget.

Minimum Wage

The 2016-2017 budget includes increase in minimum wage, however these increases vary between NYC, “downstate” and “upstate”.

- For workers in New York City employed by large businesses (those with at least 11 employees), the minimum wage would rise to \$11 at the end of 2016, then another \$2 each year after, reaching \$15 on 12/31/2018.
- For workers in New York City employed by small businesses (those with 10 employees or fewer), the minimum wage would rise to \$10.50 by the end of 2016, then another \$1.50 each year after, reaching \$15 on 12/31/2019.
- For workers in Nassau, Suffolk and Westchester Counties, the minimum wage would increase to \$10 at the end of 2016, then \$1 each year after, reaching \$15 on 12/31/2021.
- For workers in the rest of the state, the minimum wage would increase to \$9.70 at the end of 2016, then another .70 each year after until reaching \$12.50 on 12/31/2020 – after which will continue to increase to \$15 on an indexed schedule to be set by the Director of the Division of Budget in consultation with the Department of Labor.

Paid Family Leave

- The budget agreement includes the longest and most comprehensive paid family leave program in the nation. When fully phased- in, employees will be eligible for 12 weeks of paid family leave when caring for an infant, a family member with a serious health condition or to relieve family pressures when someone is called to active military service. Benefits will be phased-in beginning in 2018 at 50 percent of an employee’s average weekly wage, capped to 50 percent of the

statewide average weekly wage, and fully implemented in 2021 at 67 percent of their average weekly wage, capped to 67 percent of the statewide average weekly wage. This program will be funded entirely through a nominal payroll deduction on employees so it costs businesses – both big and small – nothing. Employees are eligible to participate after having worked for their employer for six months.

Other Tourism-Related Budget Notes:

- **I Love NY / Matching Grant Program:** The 2016-2017 State Budget maintained funding for both the I Love NY program (\$2.5M) and the Matching Grants program (4.315M). Further, the welcome centers in Binghamton and Beekmantown continue to be funded at their levels of \$196,000 each.
- **Regional Economic Development Councils:** The 2016-2017 State Budget includes a sixth round of the Regional Economic Development Council (REDC) grants. Tourism was a common theme among the first 5 rounds of the REDC process.
- **Market NY / Taste NY**
 - Market NY: \$13 million in new competitive funding to be provided through the Department of Economic Development (DED) to support winning tourism marketing plans that best demonstrate regional collaboration among counties to promote regional attractions.
 - Taste-NY: \$1.1 million is available for the Taste-NY initiative, which is designed to promote locally grown or produced food products, beer, wine and spirits or other New York-made goods through a two-part strategy that combines development of retail venues with aggressive marketing and branding.

Summary

- I Love NY: \$2.5M Matching Grants: \$3.815M + Additional \$500K = \$4.315M
- Market NY: \$5M (Seeking Additional Information Additional Market NY: \$8M
- Taste NY: \$1.1M Gateway Centers (Beekmantown and Binghamton):\$196K (apiece)
- Finger Lakes Tourism Alliance: \$100K
- Queens Economic Development Corp: \$100K
- Long Island Farm Bureau for Tourism Promotion: \$50K
- Long Island Wine Council for Tourism Promotion: \$50K
- Merrick Chamber of Commerce: \$40K
- Chautauqua Chamber of Commerce: \$40K
- Cattaraugus Chamber of Commerce: \$40K
- I Love NY Local Bus Tour Promotion: \$100K