



NEW YORK  
STATE  
RESTAURANT  
ASSOCIATION

## **Opposes Proposed Local Law "C" for 2018 – The Albany County Paid Sick Leave Act**

The NYS Restaurant Association is a statewide trade group that represents thousands of businesses in the hospitality industry. The Association is the largest hospitality trade organization in the State of New York and it has advocated on behalf of its members for more than 80 years. Our members represent one of the largest constituencies regulated by local governments across the state.

Restaurants employ hundreds of thousands of New Yorkers and is the backbone of the small business and tourism communities. To ensure the continued viability of the restaurant and hospitality industry, all counties must have sensible and reasonable regulations that protect consumers and the restaurants that serve them.

**The NYS Restaurant Association opposes the Albany County Paid Sick Leave Act because it takes a one size fits all approach to businesses, without taking into account the specific needs of each industry. Also, this proposal will add a significant amount of financial pressure to an industry that already is forced to survive on small profit margins, irrevocably harming the small businesses that operate in New York.**

Restaurants subsist on tiny profit margins and costs are reaching a breaking point. Since 2016, labor costs for front of the house employees skyrocketed in this region, going up more than 50% in the span of less than two years. This marked the start of the increases rather than the end as wages are set to rise every year until 2020. If adopted, local law "C" will have a compounding and exponential effect due to these increased labor costs. The sick pay amount specified in this legislation will continue to match the minimum wage increase, raising costs in both areas. We are simply reaching a point for these businesses and it is becoming difficult for them to remain profitable. These eateries will either be forced to significantly cut staff or shut their doors forever.

Setting aside the enormous economic impact this policy would have, it is also important to note how unique the restaurant industry is and why this one size fits all approach presents problems that other industries may not face.

409 New Karner Road  
Albany, NY 12205  
518.452.4222  
800.452.5212  
518.452.4497 fax  
[www.nysra.org](http://www.nysra.org)



NEW YORK  
STATE  
RESTAURANT  
ASSOCIATION

Restaurants cannot afford to have staff with any kind of illness working shifts at any time, as the risk of cross contamination is higher in the restaurant industry. It is a best practice to not have anybody who is ill anywhere near food that customers may be consuming. Restaurants run an inordinate risk of having employees still come in when they are ill. If one customer gets sick, a restaurant will not have only alienated that customer but also runs the risk of further investigation by the Department of Health. Stakes are simply too high for restaurants to take that chance.

The restaurant industry also differs from some others in that each person has a specific job that is critical to daily operation. If a team member has to miss a shift another employee will have to be called in to cover. Other industries do not have this problem, as they are able to have someone else who is working perform additional duties or they may be able to get by with one less person. Those are not options in the restaurant industry. Not only would an operator have to pay sick time for the employee who called out, but they would also have to pay the wages for the staff member who came in to cover that shift. That presents a number of economic challenges that the operator could never predict or plan for.

If this proposal were to pass, raising menu prices is not a viable response for restaurant owners. Prices for most area restaurants are already at an all-time high due to increasing labor costs. Customers are only willing to pay so much for a meal out. Raising prices comes with the risk of making dining out an activity fewer and fewer people can afford; closing many local businesses in the process.

All of these costs and headaches add up and discourage economic development that the City and County desperately need. Further adding to them by mandating new costs will have a negative effect on the restaurant industry's ability to grow and thrive in Albany County.

**Therefore, for the reasons stated above, and on behalf of thousands of members, we strongly oppose Local Law "C" for 2018 and urge the County to further investigate the economic implications of this policy.**