

Good afternoon. My name is Rich Maroko and I am the President of the Hotel Trades Council, the union that represents approximately 40,000 hospitality workers in New York.

I am proud to say that unionized hotel and casino workers in New York have the best hospitality jobs in the world – the highest pay, the best benefits and, most importantly, a contract that allows them to have real dignity at work.

As the COVID-19 pandemic deepened, everything changed. It impacted both the lives and the livelihoods of our members. Hundreds of our members have died of COVID-19, and several thousand became ill. The COVID-19 crisis also devastated the hospitality industry and, as a result, our membership. Over the course of a few weeks last spring, the vast majority of our members found themselves without work as the travel and hospitality sectors ground to a halt.

And, unfortunately, while there may be a light at the end of the tunnel with the advent of vaccines, there is a long way to go before the industries that employ our members fully recover.

I'm here today to talk about some of those workers. While the vast majority of our members who work in hotels are still unemployed, one of the lone bright spots for our union in recent months has been the upstate casino industry. Our members at these casinos work as housekeepers, bartenders, servers, cooks, cashiers, dealers, security guards, and dozens of other classifications at these facilities. In the fall, these casinos were allowed to reopen, and they've done enough business that about 1,300 of our members have been able to go back to work.

For our 3,000 members who work at upstate casinos - Resorts World Catskills, Rivers Casino & Resort, and Del Lago Resort & Casino - the situation could become very dire, very quickly if the legislature and the Governor do not act swiftly.

We have been able to collectively bargain industry leading pay, high quality low-cost healthcare, and employer funded retirement benefits for our members. The union's presence and our contracts at these casinos has created a path into the middle class for many of our members. You'll be hearing from some of those members shortly.

While the hotel industry's core business has been ravaged by pandemic-related travel restrictions, casinos have been able to keep a relatively high percentage of their pre-pandemic workforce on their payrolls.

Unfortunately, these casinos that employ our members are in deep trouble. While those financial troubles predate the pandemic and are the result of a variety of sources, the advent of COVID has certainly exacerbated them. Even before the crisis, these casinos were struggling as a result of a variety of factors, including having to compete with out of state and tribal casinos that pay far less in taxes. When casinos were approved upstate, the taxes, payments and fees imposed upon them may have seemed to make sense at the time but those structures have made the facilities uncompetitive. As a result, even prior to COVID-19, these facilities were

struggling. While demand has held steady, these state-imposed structures have become burdensome and have made the facilities uncompetitive with tribal casinos and commercial casinos in neighboring states. Every year, the casinos come to Albany to try to fix these issues piecemeal, but a comprehensive solution has always seemed just out of reach. Prior to the pandemic, the casinos were struggling, and we knew that if nothing changed for the better, it was only a matter of time before their financial problems went from bad to catastrophic.

Needless to say, the pandemic has made things exponentially worse. Casinos in New York were required to close for 6 months in 2020. Since re-opening in September, they have been operating at partial capacity, which has hampered their ability to make a quick financial recovery. If these casinos close, the state will have to figure out a way to make ends meet without an industry that has generated hundreds of millions of dollars for education and hundreds of our members will lose their jobs.

Saving casinos upstate is good for the state and good for workers, but there's one more thing I'd like to add: our contracts at each of these casinos includes a reopener clause. That clause requires the casinos to reopen their contracts if the tax rate applicable to them is changed, which ensures that workers, and by extension, the local economy, stand to benefit directly from any relief the state gives in the form of adjusted tax rates.

For these reasons, I humbly ask that the state legislature to do everything within its power to help the upstate casinos in whichever way you can so that they can continue to provide good jobs to our members. During these horrific times, these jobs have offered a lifeline for thousands of employees across the Capital region, the Finger Lakes and the Catskills.