



NEW YORK STATE SENATOR

Sean M. Ryan

Senator Sean Ryan Urges State Investigation Into Tesla Firings

SEAN M. RYAN February 22, 2023

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SENATOR SEAN RYAN URGES STATE INVESTIGATION INTO TESLA FIRINGS

Senator Ryan Calls for Investigation to Ensure New York is Not Subsidizing Illegal Anti-Union Behavior by Taxpayer-Backed Company

BUFFALO – Today, February 22, 2023, New York State Senator Sean Ryan sent a letter urging Empire State Development and the Fort Schuyler Management Corporation to investigate the circumstances surrounding recent layoffs at the Tesla Gigafactory in Buffalo. The two state entities are contractually

obligated to provide oversight of Tesla's employment numbers and enforce penalties related to hiring benchmarks.

Tesla reportedly laid off dozens of workers at its Buffalo facility last week, just one day after the plant's employees announced Tesla Workers United, a campaign to organize a labor union among the factory's workers. Given the timing, as well as [Tesla's documented history](#) of anti-union activity, Senator Ryan is calling for a closer inspection of the situation by the entities empowered to provide oversight at the plant.

Senator Sean Ryan said, "As a taxpayer-subsidized company, Tesla must be held to the highest possible standards, and the treatment of its employees must be beyond reproach. Even the appearance of anti-union tactics is something that must be taken very seriously. This incident makes clear that the state's failure to mandate labor neutrality as a condition of the subsidies was a mistake, and demonstrates the importance of doing so for companies receiving similar subsidies in the future."

A copy of the letter appears below:

February 22, 2023

Ms. Hope Knight
President & CEO
Empire State Development
633 Third Avenue – Floor 37
New York, NY 10017

Ms. Kristin Proud
Vice Chair
Fort Schuyler Management Corporation
SUNY Polytechnic Institute
257 Fuller Road
Albany, NY 12203

Dear Ms. Knight and Ms. Proud:

I write today regarding reports that Tesla terminated dozens of employees at its Buffalo Gigafactory last week, one day after the plant's employees announced a campaign to organize a union. Given the company's previously documented efforts to quash organizing efforts, the timing of these firings warrants a critical look at Tesla's operations. In recognition of the oversight responsibilities that Empire State Development and Fort Schuyler Management Corporation have over Tesla's Buffalo facility, I am urging

you to investigate the circumstances surrounding these terminated employees and to inform the National Labor Relations Board of your findings.

Tesla brings in billions of dollars in revenue each year, and yet many workers at the Buffalo Gigafactory make less than the regional median wage. This week, reports surfaced of Tesla employees in Buffalo being required to use paid time off when they were unable to come into work during the December blizzard that made travel impossible. We have labor unions to thank for humane working conditions and satisfactory wages in many industries, notably including automotive manufacturing. Considering these facts, it is easy to understand why Tesla employees would mount an organizing campaign.

The right to organize without fear of employer retribution is a fundamental right for workers under the National Labor Relations Act. As a taxpayer-subsidized plant, the Buffalo Gigafactory is rightfully subject to a high level of scrutiny from the public. As such, Tesla must be held to the highest labor standards, and its treatment of employees must be beyond reproach. Even the appearance of anti-union tactics is something that we should take very seriously.

To that end, I am calling on Empire State Development and the Fort Schuyler Management Corporation to investigate whether Tesla's recent firings were in any way related to the establishment of Tesla Workers United. This includes requesting emails and other documents from Tesla officials in Buffalo relating to the firing of the workers. Further, in preparation for the eventuality that Tesla is found by the state or the National Labor Relations Board to be engaging in activity that violates the National Labor Relations Act, I ask that you communicate publicly the actions New York State can take in response to this activity.

Tesla is required to maintain a certain level of employment at the Gigafactory, with Empire State Development maintaining enforcement responsibilities. In their most recent report to the state, Tesla was required to have at least 1,460 jobs in order to prevent a \$41.2 million penalty from the state. Tesla has claimed that the group of fired workers were terminated as part of a performance review cycle, which occurs every six months. Considering it took Tesla years to meet their job commitments – which they must maintain – it strikes me as counterproductive that the company would have a standing plan to reduce staff twice per year.

New York taxpayers expect Tesla to maintain the highest standards and to follow the law. I believe it is imperative that Empire State Development and the Fort Schuyler Management Corporation utilize the tools available to properly scrutinize Tesla's actions related to union organizing. Thank you for your attention, and I look forward to hearing from you regarding this important matter.

Sincerely,

Sean M. Ryan
New York State Senator
61st District

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