

HB 3101 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

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Meeting Dates: 5/17

WHAT THE MEASURE DOES:

Prohibits hotel, inn or travel arrangement company from charging a facility fee unless the fee is disclosed at the time that the guest reserves or rents the room, whichever is sooner.

FISCAL: No fiscal impact

REVENUE: No revenue impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Hotel guests may be surprised when required to pay a resort fee in addition to the advertise room rate. Resort fees are billed to cover amenities provided by the hotel, such as Internet access, newspapers, or exercise and pool facilities. In 2012, the Federal Trade Commission sent letters to major hotel operators, reminding them that they should be including any mandatory resort fees in the reservation rate quoted to consumers, so as not to violate Section 5 of the Federal Trade Commission Act (15 U.S.C. subsection 45(a)).

House Bill 3101-A requires hotels, inns and travel agents to disclose mandatory fees at the time the guest reserves or rents a room, whichever is sooner. The measure does not consider the transient lodging tax to be a fee that must be disclosed to the guest in advance.

HOUSE VOTE: 56-0