

HB 3101 A STAFF MEASURE SUMMARY

Carrier: Sen. Girod

Senate Committee On Business and Transportation

Action Date: 05/17/17
Action: Do pass the A-Eng bill.
Vote: 5-0-0-0
Yeas: 5 - Beyer, Girod, Monroe, Riley, Thomsen
Fiscal: No fiscal impact
Revenue: No revenue impact
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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.

ISSUES DISCUSSED:

- Purpose of resort fees
- Difference between resort fees and transit taxes
- Additional fees that would not apply (parking fees, pet fees, etc.)
- Whether the measure would apply to prices quoted on online booking sites

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Hotel guests may be surprised when required to pay a resort fee in addition to the advertised 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.