

## **Government Affairs Update**

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## Congress to consider hotel and resort fees

One of the hot topics at this year's national Legislative Action Summit will be efforts by lawmakers to examine fees charged by hotels and resorts. Such fees can be called many different things when disclosed to consumers, and the outcomes of legislative action could range from additional disclosures, opt-outs, limits or even elimination. One Member of Congress is seeking cosponsors and plans to introduce "The Hotel Advertising Transparency Act."

As fees begin to fall under the federal legislative spotlight, local news outlets often pick up on the topic and localize the story. With the help from AHLA and other sources, OHLA has produced sample commentary and discussion points that you can use when contacted by the media about fees.

Marriott was the target of a lawsuit in the Superior Court of the District of Columbia could result in the company and its franchisees paying millions of dollars in restitution for resort fees, if the court agrees that the guests were charged deceptively. Marriott is fighting the allegations and maintains that all fees charged by its hotels are properly disclosed and legal.

OHLA will host a delegation from Ohio at the 2019 AHLA-AAHOA Legislative Action Summit in Washington, which will allow hoteliers and partners to meet with Members of the U.S. House of Representative and Senate, and their key staff members, on Capitol Hill. We will report on more information based on those meetings and what we learn in Washington this month.

## Cuyahoga County increases lodging tax 1 percent

The total tax rate at checkout for Cleveland hotels now equals the highest in the state, and is among the highest in the country, at 17.5 percent. This is after the County Council added one additional percent permitted under existing law on Aug. 6. But not before the Cleveland Plain Dealer/Cleveland.com published an editorial against the additional tax – a first time for that publication.

OHLA's Greater Cleveland Lodging Council did not oppose the hopeful outcomes supported by the proposed tax, but as the editorial pointed out via this link, was concerned about the "race to the top" in some Ohio markets, which are among the highest in terms of total hotel tax nationally. As the editorial concludes, taxes on our industry should be considered as part of a larger discussion on what's needed to support our travel economy.

## Local governments look to "benchmarking ordinances"

The hotel and lodging industry places importance on sustainability and conservation measures. Programs like the OHLA/EPA Battle of the Buildings provide ways for hotel owners and operators to examine their energy and water usage -- and find ways to save resources and money.

Some local governments, however, are looking at ways to mandate new requirements on those operating hotel businesses, including the idea of mandatory "benchmarking" reporting. Energy benchmarking is the practice of evaluating the energy efficiency of a building over time and comparing it to similar buildings.

This practice is not itself problematic for building owners and operators that wish to undertake it. But when governments seek to mandate public reporting of such information, it can change the nature of the activity, how the information is used, and the result.

Some industry organizations which support sustainability and conservation, such as BOMA, oppose mandates for energy benchmarking, disclosure and labeling. BOMA calls Public disclosure of a building's ENERGY STAR rating and energy usage data particularly disconcerting.

OHLA is discussing the idea of benchmarking with local government partners soon and will share the success that voluntary programs like our inaugural Battle of the Buildings have produced. If you have thoughts on mandated benchmarking and the public reporting of your results, contact joe@ohla.org to share your input.

If you are interested in working more closely with OHLA on discussion of potential ordinances, legislation or regulations before they come into effect, consider volunteering for OHLA's Government Affairs Committee. The committee provides a sounding board for feedback on changes to the law, and for proactive steps our industry seeks from policymakers to maintain a competitive business environment.