To provide assistance to the hotel industry, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2021

Mr. CRISt introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide assistance to the hotel industry, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Save Hotel Jobs Act”.

SEC. 2. SUPPORTING HOTEL OPERATORS AND WORKERS THROUGH GRANTS FOR PAYROLL COSTS.

(a) DEFINITIONS.—In this section:

(1) COVERED PERIOD.—The term “covered period”, with respect to a grant, means the 270-day
period beginning on the date on which the grant funds have been disbursed.

(2) COVID–19 PUBLIC HEALTH EMERGENCY.—The term “COVID–19 public health emergency” means the public health emergency declared by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to COVID–19.

(3) HOTEL OWNER OR OPERATOR.—The term “hotel owner or operator” means a group which is primarily engaged in owning or operating an establishment known to the public as a hotel that provides lodging for the general public.

(4) L AID-OFF EMPLOYEE.—The term “laid-off employee” means an individual whose employment with a hotel owner or operator has been terminated during the COVID–19 public health emergency.

(5) PAYROLL COSTS.—The term “payroll costs”, with respect to a hotel owner or operator—

(A) means, except as provided in subparagraph (B)—

(i) the sum of payments of any compensation with respect to employees of the owner or operator that is—
(I) a salary, wage, commission, or similar compensation;

(II) a payment of cash tip or equivalent;

(III) a payment for vacation, parental, family, medical, or sick leave;

(IV) an allowance for dismissal or separation;

(V) a payment required for the provisions of group health care or group life, disability, vision, or dental insurance benefits, including insurance premiums;

(VI) a payment of any retirement benefit; or

(VII) a payment of State or local tax assessed on the compensation of employees; and

(ii) the sum of payments of any compensation with respect to employees paid by a hotel owner or operator to a third-party hotel management company operating the hotel that is compensation for any of the items described in subclauses (I) through (VII) of clause (i); and
(iii) the sum of payments of any compensation provided by the hotel owner or operator to or as income of a sole proprietor or independent contractor that is a wage, commission, income, net earnings from self-employment, or similar compensation; and

(B) shall not include—

(i) with respect to an individual employee, any total payments described in subclause (I) or (II) of subparagraph (A)(i) that are in excess of $100,000 on an annualized basis, as prorated for the period during which the payments are made or the obligation to make the payments are incurred;

(ii) with respect to a sole proprietor or independent contractor, any total payments described in subparagraph (A)(iii) that are in excess of $100,000 on an annualized basis, as prorated as described in clause (i);

(iii) taxes imposed or withheld under chapter 21, 22, or 24 of the Internal Revenue Code of 1986;
(iv) any compensation of an employee whose principal place of residence is outside of the United States;

(v) qualified sick leave wages for which a credit is allowed under section 7001 of the Families First Coronavirus Response Act (Public Law 116–127); or

(vi) qualified family leave wages for which a credit is allowed under section 7003 of the Families First Coronavirus Response Act (Public Law 116–127).

(6) SECRETARY.—The term “Secretary” means the Secretary of the Treasury or the Secretary’s delegate.

(b) GRANTS.—

(1) IN GENERAL.—The Secretary shall award grants under this section to hotel owners or operators for the purpose of assisting with payroll costs during the covered period in accordance with subsection (d).

(2) INITIAL AWARDS.—

(A) IN GENERAL.—Each hotel owner or operator that applies for an initial grant under this section and meets the requirements under
subsection (c) shall, subject to funding available
under subsection (h), receive such grant.

(B) AMOUNTS.—

(i) IN GENERAL.—The Secretary shall
determine the amount of an initial grant
awarded under this section on an individ-
ualized basis with respect to each hotel
owner or operator and in accordance with
this subparagraph.

(ii) STANDARD MAXIMUM AMOUNT.—
The maximum amount of an initial grant
awarded under this section to a hotel
owner or operator shall, except as provided
in clause (iii), be the lesser of—

(I) subject to clause (iv),

$20,000,000; or

(II)(aa) in the case of a grant

with respect to a hotel that was oper-
ating for a 3-month period during cal-
endar year 2019, the product obtained
by multiplying by 3 the average total
monthly payments for payroll costs of
the hotel incurred in a 3-month pe-
period, selected by the owner or oper-
ator, during calendar year 2019; or
(bb) in the case of a grant with respect to a hotel that was not operating for a 3-month period during calendar year 2019 and was operating for a 3-month period during calendar year 2020, the product obtained by multiplying by 3 the average total monthly payments for payroll costs of the hotel, incurred in a 3-month period, selected by the owner or operator, during calendar year 2020.

(iii) SPECIAL CIRCUMSTANCES.—

(I) IN GENERAL.—In the case of a grant for a hotel that was not in operation for a 3-month period in calendar year 2019 or 2020, the maximum amount of an initial grant awarded under this section shall be the lesser of—

(aa) subject to clause (iv), $20,000,000; or

(bb) the amount applicable under subclause (II), (III), or (IV).
(II) Operating in 2019 and 2020.—In the case of a grant with respect to a hotel that was in operation in calendar years 2019 and 2020, but not in operation for a 3-month period in either of those calendar years, the applicable amount for purposes of subclause (I)(bb) is—

(aa) the difference between—

(AA) the product obtained by multiplying the average monthly gross receipts of the hotel in calendar year 2019 by 12; and

(BB) the product obtained by multiplying the average monthly gross receipts of the hotel in 2020 by 12; or

(bb) an amount based on a formula determined by the Secretary.

(III) Operations beginning in 2020 and prior to submission of
THE APPLICATION.—In the case of a
grant with respect to a hotel that
began operating during the period be-
inning on January 1, 2020, and end-
ing on the day before the date on
which the application for the grant
was submitted under subsection (e)
and that was not in operation for a 3-
month period in calendar year 2020,
the applicable amount for purposes of
subclause (I)(bb) is—

(aa) the total amount of
fixed and operating expenses that
were incurred for the hotel prior
to the submission of the applica-
tion minus any gross receipts re-
ceived; or

(bb) an amount based on a
formula determined by the Sec-
retary.

(IV) HOTELS NOT IN OPERATION
AS OF SUBMISSION OF THE APPLICA-
TION.—In the case of a grant with re-
spect to a hotel that is not in oper-
ation on the date on which the appli-
cation for the grant was submitted under subsection (e), but has incurred payroll costs as of the date of enactment of this Act, the amount applicable for purposes of subclause (I)(bb) is—

(aa) the amount of such payroll costs; or

(bb) an amount based on a formula determined by the Secretary.

(iv) REDUCTION IN AWARD FOR PPP LOANS.—In the case that a hotel owner or operator receives a loan guaranteed under paragraph (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)) before, on, or after the date of enactment of this Act and is approved for a grant under this section, the amount of $20,000,000 applicable under clauses (ii)(I) and (iii)(I)(aa) shall be reduced by the total amount of loans to such owner or operator guaranteed under such paragraph (36) or (37) that is forgiven under—
(I) section 1106 of the CARES Act (as in effect on the day before the date of enactment of the Consolidated Appropriations Act, 2021 (Public Law 116-260));

(II) section 7A of the Small Business Act (15 U.S.C. 636m); or

(III) paragraph (37)(J) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)).

(3) SUPPLEMENTAL AWARDS.—

(A) IN GENERAL.—The Secretary may make a supplemental grant in accordance with this section to a hotel owner or operator that has received an initial grant under paragraph (2) if, in the 3-month period following the disbursement of amounts from the initial grant, the revenue of the hotel owner or operator is not more than 50 percent of the revenue of the hotel owner or operator for the corresponding 3-month period during 2019, due to the COVID–19 pandemic.

(B) AMOUNT.—A supplemental grant under this paragraph shall be in the amount equal to 50 percent of the amount of the grant
received by the hotel owner or operator under paragraph (2).

(C) QUALIFIED OWNERS OR OPERATORS.—

An owner or operator may not receive a supplemental grant under this paragraph if the owner or operator was not in operation for the 3-month period in 2019 corresponding to the 3-month period following the disbursement of amounts from the initial grant under paragraph (2).

(c) ELIGIBILITY.—To be eligible to receive a grant under this section, a hotel owner or operator shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall specify, including—

(1) in the case of an application for an initial grant, an assurance that, if applicable, the hotel owner or operator had a decline of not less than 40 percent in gross receipts during any 3-month period in calendar year 2020, as compared to the same 3-month period in calendar year 2019;

(2) an assurance the hotel owner or operator has a policy for providing recall rights as described in subsection (e);
(3) an assurance that the hotel owner or operator will use the funds of the grant during the covered period in accordance with the requirement under subsection (d); and

(4) an assurance that—

(A) the hotel of the owner or operator was in operation on the date of enactment of this Act; or

(B) if not in operation on such date, had incurred payroll costs as of such date.

(d) USE OF FUNDS.—A hotel owner or operator receiving a grant under this section shall use the full amount of such grant during the covered period for payroll costs.

(e) RECALL RIGHTS.—

(1) POLICY.—

(A) IN GENERAL.—The policy described in this subsection shall, except as provided in paragraph (4), include a requirement that the hotel owner or operator offers to the laid-off employees of the hotel supported by the grant all positions which become available after the owner or operator receives funding under this section for which the laid-off employees are qualified, as described in subparagraph (C).
(B) Form.—The policy described in this subsection shall be provided to laid-off employees in writing—

(i) by registered mail to the last known physical addresses of such employees; and

(ii) by email and text message to the extent the owner or operator possesses such information.

(C) Qualifications for a Position.—

For purposes of this subsection, a laid-off employee is qualified for a position if the laid-off employee—

(i) held the same or a similar position with the hotel at which the laid-off employee was previously employed at the time of the laid-off employee’s most recent termination from employment; or

(ii) has the requisite skill level required for the position.

(D) Priority System.—In offering a position under the policy described in this subsection, the hotel owner or operator shall give priority to a laid-off employee described in clause (i) of subparagraph (C) over a laid-off
employee described in clause (ii) of such sub-
paragraph. In the case that more than 1 laid-
off employee described in such clause (i), or
more than 1 laid-off employee described in such
clause (ii), is eligible for the same available po-
sition, the hotel owner or operator shall offer
the position to the laid-off employee with the
greatest continued length of service at the hotel
at which the laid-off employee was previously
employed.

(E) ACCEPTANCE.—The hotel owner or op-
erator shall allow a laid-off employee who is of-
fered a position pursuant to the policy described
in this subsection not less than 7 days from the
date the offer is sent to the laid-off employee to
accept or decline the offer.

(F) MULTIPLE CONDITIONAL OFFERS.—
Under the policy described in this subsection, a
hotel owner or operator may make simulta-
neous, conditional offers of employment to laid-
off employees, with a final offer of employment
conditioned on application of the priority sys-

(G) ADDITIONAL CIRCUMSTANCES COV-
ERED BY THE POLICY.—A hotel owner or oper-
ator receiving a grant under this section shall ensure that the policy under this subsection will continue to apply in each of the following:

(i) The ownership of the hotel is sold or otherwise transferred to another entity conducting the same or similar operations as the hotel owner or operator receiving the grant conducted prior to the sale or transfer, including applicability with respect to any laid-off employee who was terminated from employment with the grant recipient prior to the sale or transfer.

(ii) The form of organization of the hotel owner or operator changes after the hotel owner or operator receives the funding.

(iii) Substantially all of the assets of the hotel owner or operator were acquired by another entity which conducts the same or similar operations using substantially the same assets as the hotel owner or operator prior to the acquisition.

(2) Rate of Compensation.—A laid-off employee who returns to employment for a hotel owner or operator pursuant to a policy described in this
subsection shall, in accordance with paragraph (3),
be compensated at a rate not less than the rate of
compensation the laid-off employee had prior to the
separation from employment.

(3) DURATION OF RIGHTS.—The rights de-
scribed in paragraphs (1) and (2) shall apply for a
period that does not end prior to the date that is 2
years after the date of enactment of this Act.

(4) EXCEPTIONS.—The rights under this sub-
section shall not apply—

(A) in the case of a laid-off employee
whose employment was terminated for cause;

(B) in the case of a laid-off employee who
has accepted another offer of employment after
being recalled pursuant to a policy under this
subsection;

(C) in the case the position no longer ex-
ists due to a change in circumstances of the
hotel;

(D) in the case the hotel owner or operator
has made an offer of recall in accordance with
the requirements under this subsection and the
laid-off employee refuses or does not accept the
position within 5 days of when the offer is sent;
or
(E) in the case an applicable collective bargaining agreement waives the rights to recall under this subsection.

(f) Tax Treatment.—For purposes of the Internal Revenue Code of 1986—

(1) amounts awarded through a grant under this section shall not be included in the gross income of the hotel owner or operator that receives such amounts; and

(2) no deduction shall be denied, no tax attribute shall be reduced, and no basis increase shall be denied, by reason of the exclusion from gross income provided by paragraph (1).

(g) Regulations.—

(1) In general.—The Secretary shall prescribe regulations to carry out this section, which shall include—

(A) remedial measures, including—

(i) the authority for the Secretary to clawback funds provided through this section in the case of violations of the requirements under this section with respect to such funds; and

(ii) the authority for the Secretary to impose fines on recipients of funds under
this section who are in violation of such re-
quirements; and

(B) a requirement for recipients of funds
under this section to publicly disclose the
amount of such funds.

(2) Consultation with Department of
Labor.—With respect to the recall rights under sub-
section (e), the Secretary shall, in prescribing regu-
lations and enforcing the requirements under this
section, consult with the Secretary of Labor.

(h) Authorization of Appropriations.—There is
authorized to be appropriated to the Secretary
$20,000,000,000, for fiscal year 2021, to remain available
until expended, to make grants under this section.

SEC. 3. PERSONAL PROTECTIVE EQUIPMENT TAX CREDIT.

(a) In General.—Subpart D of part IV of sub-
chapter A of chapter 1 of the Internal Revenue Code of
1986 is amended by adding at the end the following new
section:

“SEC. 45U. PERSONAL PROTECTIVE EQUIPMENT CREDIT.

“(a) Allowance of Credit.—For purposes of sec-
tion 38, the personal protective equipment credit deter-
mined under this section for the taxable year is an amount
equal to 50 percent of the amount paid by an eligible tax-
payer for qualified personal protective equipment expenses during such year.

“(b) MAXIMUM CREDIT.—The credit determined under this section with respect to any eligible taxpayer for any taxable year shall not exceed $25,000.

“(c) DEFINITIONS.—For purposes of this section—

“(1) ELIGIBLE TAXPAYER.—

“(A) IN GENERAL.—The term ‘eligible taxpayer’ means any person engaged in the business of owning or operating a qualified hotel.

“(B) QUALIFIED HOTEL.—

“(i) IN GENERAL.—The term ‘qualified hotel’ means a lodging facility (as defined in section 856(d)(9)(D)(ii)) for which, with respect to each applicable month during the taxable year, the average number of hours worked by housekeeping staff at such facility during such month is greater than or equal to the average number of hours worked by the housekeeping staff at such facility during calendar year 2019 (as determined on an average monthly basis).

“(ii) APPLICABLE MONTH.—The term ‘applicable month’ means any month be-
ginning after the date of enactment of the
Save Hotel Jobs Act.

“(C) DOCUMENTATION REQUIREMENTS.—
The Secretary may establish such documenta-
tion requirements as are necessary to determine
eligibility for a credit under this section.

“(2) QUALIFIED PERSONAL PROTECTIVE EQUIP-
MENT EXPENSES.—The term ‘qualified personal pro-
tective equipment expenses’ includes amounts paid
or incurred—

“(A) for the purpose of reducing the risk
of Coronavirus Disease 2019 (COVID–19)
transmission between people on the premises of
an eligible hotel, including—

“(i) gloves, medical masks, N–95 res-
pirators, eye protection, gowns and aprons,
boots or closed-toe work shoes, cleaning de-
tergents, hand sanitizers, cleaning products
and tools,

“(ii) retrofitting or installation of
equipment, and

“(iii) any other relevant expense the
Secretary, in consultation with the Sec-
retary of Health and Human Services, de-
termines necessary, and
“(B) at any time during a year in which, with respect to COVID–19—

“(i) the President declares a national emergency under the National Emergencies Act (50 U.S.C. 1601 et seq.), or

“(ii) an emergency involving Federal primary responsibility is determined to exist by the President under the section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)).

“(d) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any amount taken into account in determining the credit under this section.

“(e) DENIAL OF CREDIT FOR COUNTERFEIT ITEMS.—No credit shall be allowed under this section with respect to any item if the Secretary determines such item to be counterfeit or sold or distributed in bad faith.”.

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 of such Code is amended by striking “plus” at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting “, plus”, and by adding at the end the following new paragraph:
“(34) the personal protective equipment credit determined under section 45U.”.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

“Sec. 45U. Personal Protective Equipment Credit.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses made or incurred after December 31, 2020, in taxable years ending after such date.