

Calendar No. 49

119TH CONGRESS
1ST SESSION**S. 314****[Report No. 119–15]**

To prohibit unfair and deceptive advertising of prices for hotel rooms and other places of short-term lodging, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 29, 2025

Ms. KLOBUCHAR (for herself, Mr. MORAN, Ms. CORTEZ MASTO, and Mrs. CAPITO) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

APRIL 28, 2025

Reported by Mr. CRUZ, with an amendment

[Insert the part printed in *italic*]

A BILL

To prohibit unfair and deceptive advertising of prices for hotel rooms and other places of short-term lodging, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Hotel Fees Trans-
 5 parency Act of 2025”.

★(Star Print)

1 **SEC. 2. PROHIBITION ON UNFAIR AND DECEPTIVE ADVER-**
2 **TISING OF HOTEL ROOMS AND OTHER**
3 **SHORT-TERM RENTAL PRICES.**

4 (a) PROHIBITION.—

5 (1) IN GENERAL.—It shall be unlawful for a
6 covered entity to display, advertise, market, or offer
7 in interstate commerce, including through direct of-
8 ferings, third-party distribution, or metasearch refer-
9 rals, a price for covered services that does not clear-
10 ly, conspicuously, and prominently—

11 (A) display the total services price, if a
12 price is displayed, in any advertisement, mar-
13 keting, or price list wherever the covered serv-
14 ices are displayed, advertised, marketed, or of-
15 fered for sale;

16 (B) disclose to any individual who seeks to
17 purchase covered services the total services
18 price at the time the covered services are first
19 displayed to the individual and anytime there-
20 after throughout the covered services pur-
21 chasing process; and

22 (C) disclose, prior to the final purchase,
23 any tax, fee, or assessment imposed by any gov-
24 ernment entity, quasi-government entity, or
25 government-created special district or program
26 on the sale of covered services.

1 (2) INDIVIDUAL COMPONENTS.—Provided that
 2 such displays are less prominent than the total serv-
 3 ice price required in paragraph (1), nothing in this
 4 Act shall be construed to prohibit the display of—

5 (A) individual components of the total
 6 price; or

7 (B) details of other items not required by
 8 paragraph (1).

9 (3) INDEMNIFICATION PROVISIONS.—Nothing
 10 in this section shall be construed to prohibit any cov-
 11 ered entity from entering into a contract with any
 12 other covered entity that contains an indemnification
 13 provision with respect to price or fee information
 14 disclosed, exchanged, or shared between the covered
 15 entities that are parties to the contract.

16 (b) ENFORCEMENT.—

17 (1) ENFORCEMENT BY THE COMMISSION.—

18 (A) UNFAIR OR DECEPTIVE ACTS OR PRAC-
 19 TICES.—A violation of subsection (a) shall be
 20 treated as a violation of a rule defining an un-
 21 fair or deceptive act or practice prescribed
 22 under section 18(a)(1)(B) of the Federal Trade
 23 Commission Act (15 U.S.C. 57a(a)(1)(B)).

24 (B) POWERS OF THE COMMISSION.—

(i) IN GENERAL.—The Commission shall enforce this section in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act.

(ii) PRIVILEGES AND IMMUNITIES.—Any person who violates this section shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(iii) AUTHORITY PRESERVED.—Nothing in this section shall be construed to limit the authority of the Commission under any other provision of law.

(2) ENFORCEMENT BY STATES.—

(A) IN GENERAL.—If the attorney general of a State has reason to believe that an interest of the residents of the State has been or is being threatened or adversely affected by a practice that violates subsection (a), the attorney general of the State may, as *parens patriae*,

1 bring a civil action on behalf of the residents of
2 the State in an appropriate district court of the
3 United States to obtain appropriate relief.

4 (B) RIGHTS OF THE COMMISSION.—

5 (i) NOTICE TO THE COMMISSION.—

6 (I) IN GENERAL.—Except as pro-
7 vided in subclause (III), the attorney
8 general of a State, before initiating a
9 civil action under subparagraph (A)
10 shall notify the Commission in writing
11 that the attorney general intends to
12 bring such civil action.

13 (II) CONTENTS.—The notifica-
14 tion required by subclause (I) shall in-
15 clude a copy of the complaint to be
16 filed to initiate the civil action.

17 (III) EXCEPTION.—If it is not
18 feasible for the attorney general of a
19 State to provide the notification re-
20 quired by subclause (I) before initi-
21 ating a civil action under subpara-
22 graph (A), the attorney general shall
23 notify the Commission immediately
24 upon instituting the civil action.

1 (ii) INTERVENTION BY THE COMMIS-
 2 SION.—The Commission may—

3 (I) intervene in any civil action
 4 brought by the attorney general of a
 5 State under subparagraph (A); and

6 (II) upon intervening—

7 (aa) be heard on all matters
 8 arising in the civil action; and

9 (bb) file petitions for appeal.

10 (C) INVESTIGATORY POWERS.—Nothing in
 11 this paragraph may be construed to prevent the
 12 attorney general of a State from exercising the
 13 powers conferred on the attorney general by the
 14 laws of the State to conduct investigations, to
 15 administer oaths or affirmations, or to compel
 16 the attendance of witnesses or the production of
 17 documentary or other evidence.

18 (D) ACTION BY THE COMMISSION.—When-
 19 ever a civil action has been instituted by or on
 20 behalf of the Commission for violation of sub-
 21 section (a), no attorney general of a State may,
 22 during the pendency of that action, institute an
 23 action under subparagraph (A) against any de-
 24 fendant named in the complaint in that action

1 for a violation of subsection (a) alleged in such
2 complaint.

3 (E) VENUE; SERVICE OF PROCESS.—

4 (i) VENUE.—Any action brought
5 under subparagraph (A) may be brought
6 in—

7 (I) the district court of the
8 United States that meets applicable
9 requirements relating to venue under
10 section 1391 of title 28, United States
11 Code; or

12 (II) another court of competent
13 jurisdiction.

14 (ii) SERVICE OF PROCESS.—In an ac-
15 tion brought under subparagraph (A),
16 process may be served in any district in
17 which—

18 (I) the defendant is an inhab-
19 itant, may be found, or transacts
20 business; or

21 (II) venue is proper under section
22 1391 of title 28, United States Code.

23 (F) ACTIONS BY OTHER STATE OFFI-
24 CIALS.—

1 (i) IN GENERAL.—In addition to civil
 2 actions brought by an attorney general
 3 under subparagraph (A), any other officer
 4 of a State who is authorized by the State
 5 to do so may bring a civil action under
 6 subparagraph (A), subject to the same re-
 7 quirements and limitations that apply
 8 under this paragraph to civil actions
 9 brought by attorneys general.

10 (ii) SAVINGS PROVISION.—Nothing in
 11 this paragraph may be construed to pro-
 12 hibit an authorized official of a State from
 13 initiating or continuing any proceeding in
 14 a court of the State for a violation of any
 15 civil or criminal law of the State.

16 (3) AFFIRMATIVE DEFENSE.—In any action
 17 pursuant to paragraph (1) or (2), an intermediary
 18 or third-party online seller may assert an affirmative
 19 defense if such intermediary or third-party online
 20 seller—

21 (A) established procedures to receive up-to-
 22 date price information from hotels or short-
 23 term rentals, or agents acting on behalf of a
 24 hotel or short-term rental;

(B) relied in good faith on information provided to the intermediary or third-party online seller by a hotel or short-term rental, or agent acting on behalf of such hotel or short-term rental, and such information was inaccurate at the time it was provided to the intermediary or third-party online seller; and

(C) took prompt action to remove or correct any false or inaccurate information about the total services price after receiving notice that such information was false or inaccurate.

(c) PREEMPTION.—

(1) IN GENERAL.—A State, or political subdivision of a State, may not maintain, enforce, prescribe, or continue in effect any law, rule, regulation, requirement, standard, or other provision having the force and effect of law of the State, or political subdivision of the State, that prohibits a covered entity from advertising, displaying, marketing, or otherwise offering, or otherwise affects the manner in which a covered entity may advertise, display, market, or otherwise offer, for sale in interstate commerce, including through a direct offering, third-party distribution, or metasearch referral, a price of a reservation for a covered service, and that requires fee

1 disclosure, unless the law requires the total services
 2 price to include each service fee, as defined in sub-
 3 section (d)(8), and in accordance with subsection
 4 (a)(1).

5 (2) RULE OF CONSTRUCTION.—This section
 6 may not be construed to—

7 (A) preempt any law of a State or political
 8 subdivision of a State relating to contracts or
 9 torts; or

10 (B) preempt any law of a State or political
 11 subdivision of a State to the extent that such
 12 law relates to an act of fraud, unauthorized ac-
 13 cess to personal information, or notification of
 14 unauthorized access to personal information.

15 (d) DEFINITIONS.—In this Act:

16 (1) BASE SERVICES PRICE.—The term “base
 17 services price”—

18 (A) means, with respect to the covered
 19 services provided by a hotel or short-term rent-
 20 al, the price in order to obtain the covered serv-
 21 ices of the hotel or short-term rental; and

22 (B) does not include—

23 (i) any service fee;

24 (ii) any taxes or fees imposed by a
 25 government or quasi-government entity;

1 (iii) assessment fees of a government-
2 created special district or program; or

3 (iv) any charges or fees for an op-
4 tional product or service associated with
5 the covered services that may be selected
6 by a purchaser of covered services.

7 (2) COMMISSION.—The term “Commission”
8 means the Federal Trade Commission.

9 (3) COVERED ENTITY.—The term “covered en-
10 tity” means a person, partnership, or corporation
11 with respect to whom the Commission has jurisdic-
12 tion under section 5(a)(2) of the Federal Trade
13 Commission Act (15 U.S.C. 45(a)(2)), including—

- 14 (A) a hotel or short-term rental;
- 15 (B) a third-party online seller; or
- 16 (C) an intermediary.

17 (4) COVERED SERVICES.—The term “covered
18 services”—

19 (A) means the temporary provision of a
20 room, building, or other lodging facility; and

21 (B) does not include the provision of a
22 meeting room, banquet services, or catering
23 services.

24 (5) HOTEL.—The term “hotel” means an es-
25 tablishment that is—

1 (A) primarily engaged in providing a cov-
 2 ered service to the general public; and

3 (B) promoted, advertised, or marketed in
 4 interstate commerce or for which such estab-
 5 lishment's services are sold in interstate com-
 6 merce.

7 (6) INTERMEDIARY.—The term “intermediary”
 8 means an entity that operates either as a business-
 9 to-business platform, consumer-facing platform, or
 10 both, that displays, including through direct offer-
 11 ings, third-party distribution, or metasearch referral,
 12 a price for covered services or price comparison tools
 13 for consumers seeking covered services.

14 (7) OPTIONAL PRODUCT OR SERVICE.—The
 15 term “optional product or service” means a product
 16 or service that an individual does not need to pur-
 17 chase to use or obtain covered services

18 (8) SERVICE FEE.—The term “service fee”—

19 (A) means a charge imposed by a covered
 20 entity that must be paid in order to obtain cov-
 21 ered services; and

22 (B) does not include—

23 (i) any taxes or fees imposed by a
 24 government or quasi-government entity;

1 (ii) any assessment fees of a govern-
 2 ment-created special district or program;
 3 or

4 (iii) any charges or fees for an op-
 5 tional product or service associated with
 6 the covered services that may be selected
 7 by a purchaser of covered services.

8 (9) SHORT-TERM RENTAL.—The term “short-
 9 term rental” means a property, including a single-
 10 family dwelling or a unit in a condominium, coopera-
 11 tive, or time-share, that provides covered services
 12 (either with respect to the entire property or a part
 13 of the property) to the general public—

14 (A) in exchange for a fee;

15 (B) for periods shorter than 30 consecutive
 16 days; and

17 (C) is promoted, advertised, or marketed in
 18 interstate commerce or for which such prop-
 19 erty’s services are sold in interstate commerce.

20 (10) STATE.—The term “State” means each of
 21 the 50 States, the District of Columbia, and any ter-
 22 ritory or possession of the United States.

23 (11) THIRD-PARTY ONLINE SELLER.—The term
 24 “third-party online seller” means any person other
 25 than a hotel or short-term rental that sells covered

1 services or offers for sale covered services with re-
 2 spect to a hotel or short-term rental in a transaction
 3 facilitated on the internet.

4 (12) TOTAL SERVICES PRICE.—The term “total
 5 services *price*”—

6 (A) means, with respect to covered serv-
 7 ices, the total cost of the covered services, in-
 8 cluding the base services price and any service
 9 fees; and

10 (B) does not include—

11 (i) any taxes or fees imposed by a
 12 government or quasi-government entity;

13 (ii) any assessment fees of a govern-
 14 ment-created special district or program;
 15 or

16 (iii) any charges or fees for an op-
 17 tional product or service associated with
 18 the covered services that may be selected
 19 by a purchaser of covered services.

20 (e) EFFECTIVE DATE.—The prohibition under sub-
 21 section (a) shall take effect 450 days after the date of
 22 the enactment of this Act and shall apply to advertise-
 23 ments, displays, marketing, and offers of covered services
 24 of a covered entity made on or after such date.

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