

Major Hotel Corporations Accused Of Illegal Price-Fixing Have Histories Of Lawsuits And Scrutiny Over “Junk” Resort Fees

Summary: In April 2024, six major hotel operators—Hilton, Wyndham, Hyatt, Omni Hotels, Choice Hotels, And Four Seasons—faced a [“major class action”](#) lawsuit alleging they exploited artificial intelligence algorithm G3 RMS to illegally collude in price fixing their room rates, in violation of federal antitrust law.

The lawsuit comes as the hotel and resort industry faces [widespread criticism](#) for the variety of junk fees it imposes on consumers, costing Americans an estimated [\\$3.4 billion](#) a year. Hotels that charge resort fees, which are extra mandatory charges to cover often basic amenities like parking, Wi-Fi, and local phone calls, add an average of nearly [\\$40 a night](#) to consumers’ stays. These unavoidable resort fees can also be levied for some not widely-used or needed amenities, including [fax machines and notary services](#).

An Accountable.US review has found that [all six](#) hotel companies named in the April 2024 price fixing lawsuit have executives on the [board of directors](#) of the American Hotel & Lodging Association (AHLA), the [“largest hotel association in the U.S.”](#), with Hilton’s Chief Financial Officer serving as the board’s chairman. **Since October 2022, when President Biden announced an initiative to crack down on hotel resort fees and other junk fees, AHLA has spent nearly \$3 million while lobbying on fee disclosure and related legislation.**

Although AHLA has claimed it supports federal junk fee reform bills the [No Hidden FEES Act of 2023](#) and the [Hotel Fees Transparency Act](#), its website still maintains that resort fees were created to [“provide consumers with the best value”](#) and are [“not common practice in the hotel industry.”](#)

Despite AHLA’s claim that resort fees are uncommon, Accountable.US has found that five of the six hotels in the price fixing lawsuit rank among the worst hotels for resort fees or have faced a wide variety of lawsuits and scrutiny over their resort and junk fee practices:

- **Hilton Worldwide:** The [fourth-worst](#) hotel for **resort fees**, according to a 2024 NerdWallet analysis, has faced multiple [state lawsuits](#) for hidden fees and has spent [\\$1.48 million](#) lobbying on hotel junk fee legislation and other issues while telling U.S. senators it would [“quickly”](#) act to disclose fees.
- **Wyndham:** The [worst](#) major hotel for **resort fees**, according to NerdWallet, was ordered to award a former employee [\\$20 million](#) after she exposed the company’s alleged practice of tricking consumers, many elderly, into buying timeshares. The whistleblower said Wyndham salespeople [“pounced on them. A lot of them couldn’t hear a lot of them had walkers.”](#)
- **Omni Hotels & Resorts:** Reached two separate settlements in 2024 with the attorneys general of Colorado and Pennsylvania for [“charging hidden fees”](#) and [“hidden, 11th-hour, resort fees.”](#)
- **Hyatt Hotels:** The [second-worst](#) major hotel for **resort fees**, according to NerdWallet, charges [over \\$20 more a night](#) in resort fees than the industry average at its more affordable hotels and as much as [\\$250 per person per night](#) at one of its luxury locations. In 2023, Hyatt faced two lawsuits from the state of Texas and a consumer group for [“illegal hidden fees”](#) and [“systemically cheating consumers”](#) through disclosing resort fees.
- **Choice Hotels International:** The [sixth-worst](#) major hotel for **resort fees**, according to NerdWallet, settled with four different states—Pennsylvania, Oregon, Colorado, and Texas—for [“hidden, 11th-hour, resort fees,”](#) [“sneaky and deceptive”](#) rate practices, [“misrepresent\[ing\] room rates,”](#) and

[“misleading room rates.”](#)

Background: In 2022, the Biden administration [announced](#) a widespread crackdown on junk fees, including hotel resort fees, with the President [reiterating](#) his vow to combat these fees and urging congressional action in his 2023 State of the Union address. In October 2023, the Federal Trade Commission (FTC) followed suit, proposing a rule to ban [“hidden and bogus”](#) junk fees in all sectors of the economy, including hotels and short-term lodging. The FTC noted [“consumers are fed up with hidden fees for everything from booking hotels and resort fees”](#) to fees charged by other industries.

Congress and state legislatures have also advanced efforts to fight hotel junk fees. In June 2024, the U.S. House [passed](#) the No Hidden FEES Act to fight [“unfair and deceptive”](#) hotel practices. In July 2023, the bipartisan Hotel Fees Transparency Act was [introduced](#) in the U.S. Senate. And in October 2023, California enacted what was called [“the most aggressive anti-junk fee legislation in the country”](#) to stem hotel fees, with [10 other states](#) following suit with similar laws or legislation.

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Background

In April 2024, A Class Action Lawsuit Accused Six Major Hotel Operators—including Hilton, Wyndham, Hyatt, Omni Hotels, Choice Hotels International, And Four Seasons—Of Using AI Algorithm G3 RMS To Collude In Price Fixing, In Violation Of Federal Antitrust Law.

In April 2024, A “Major Class Action” Alleged That Six Prominent Hotel Operators Were Colluding To Fix Prices Through Artificial Intelligence Algorithm G3 RMS—The Hotel Companies Were Hilton Worldwide Holdings Inc; Wyndham Hotels & Resorts, Inc; Four Seasons Hotels and Resorts US Inc; Omni Hotels and Resorts Inc; Hyatt Hotel Corporation; And Choice Hotels International Inc.

April 2024: A “Major Class Action” Filed In Federal Court Alleged That Six Prominent Hotel Operators “Colluded To Fix Prices For Their Rooms Using AI-Powered Software That Provides Pricing Recommendations.” “A major antitrust class action landed in federal court in San Francisco on Friday, alleging that six major hotel operators colluded to fix prices for their rooms using AI-powered software that provides pricing recommendations. Plaintiffs and proposed class representatives are eight individual consumers who stayed at one or more of the hotel chains in the last four years.” [CBS News, [04/29/24](#)]

- **The Lawsuit Alleged Price Fixing Around San Francisco And Other Areas In California.** “The suit alleges price fixing in a number of major geographical markets including the San Francisco-Oakland-Fremont, CA Metropolitan Statistical Area which includes San Francisco, Alameda, Marin, San Mateo, and Contra Costa counties, where all of the defendants operate hotels.” [CBS News, [04/29/24](#)]

The Lawsuit Alleges That The Hotel Companies “Have Set Up A Way To Automate The Process Of Price Fixing” Through The Algorithm, Which Relies On “Proprietary, Non-Public, And Sensitive Information”

“The complaint alleges that defendants have set up a way to automate the process of price fixing through use of an algorithm powered by artificial intelligence. The way it allegedly works is that IDEaS's clients, all competitors with each other, agree to supply IDEaS with proprietary, non-public, and sensitive information about their room availability, demand, and pricing.” [CBS News, [04/29/24](#)]

- **The Software Named In The Lawsuit, Called G3 RMS, Was Developed By Integrated Decisions and Systems, Inc. (IDEaS), Whose Parent Company Is SAS Institute Inc.** “The 41-page complaint alleges that Integrated Decisions and Systems, Inc. or ‘IDEaS’ of Minnesota, and its parent company, SAS Institute, Inc, created and licensed software called ‘G3 RMS,’ that is the hotel industry's leading ‘revenue management system.’” [CBS News, [04/29/24](#)]

The Six Hotel Chains Named In The Lawsuit Included Hilton Worldwide Holdings Inc; Wyndham Hotels & Resorts, Inc; Four Seasons Hotels and Resorts US Inc; Omni Hotels and Resorts Inc; Hyatt Hotel Corporation; And Choice Hotels International Inc.

“The suit targets six familiar hotel chains: Hilton Worldwide Holdings Inc, Wyndham Hotels & Resorts, Inc, Four Seasons Hotels and Resorts US Inc, Omni Hotels and Resorts Inc, and Hyatt Hotel Corporation, in addition to Choice Hotels International Inc, which includes the budget conscious brands Comfort, Quality Inn, Sleep Inn, Econo Lodge, and Rodeway Inn. Collectively the defendants have thousands of hotels in the United States.” [CBS News, [04/29/24](#)]

- **Choice Hotels International Inc.’s Brands Include Comfort, Quality Inn, Sleep Inn, Econo Lodge, And Rodeway Inn.** “The suit targets six familiar hotel chains: Hilton Worldwide Holdings Inc, Wyndham Hotels & Resorts, Inc, Four Seasons Hotels and Resorts US Inc, Omni Hotels and Resorts Inc, and Hyatt Hotel Corporation, in addition to Choice Hotels International Inc, which includes the budget conscious brands Comfort, Quality Inn, Sleep Inn, Econo Lodge, and Rodeway Inn. Collectively the defendants have thousands of hotels in the United States.” [CBS News, [04/29/24](#)]

The Sherman Act, A “Core” Federal Antitrust Law, “Has Long Forbidden Competitors From Agreeing To Fix Prices.” “The Sherman Act has long forbidden competitors from agreeing to fix prices. Because finding evidence of an explicit agreement is difficult, many cases are based on proving a tacit agreement by inferring from actions of competitors that would not make business sense in the absence of an agreement. Agreements to fix prices are anticompetitive.” [CBS News, [04/29/24](#)]

- **The Sherman Act Was The First Antitrust Law And Remains Among “The Three Core Federal Antitrust Laws Still In Effect Today.”** “Congress passed the first antitrust law, the Sherman Act, in 1890 as a ‘comprehensive charter of economic liberty aimed at preserving free and unfettered competition as the rule of trade.’ In 1914, Congress passed two additional antitrust laws: the Federal Trade Commission Act, which created the FTC, and the Clayton Act. With some revisions, these are the three core federal antitrust laws still in effect today.” [The Federal Trade Commission, accessed [08/20/24](#)]

The Hotel And Resort Industry Charges Many Junk Fees, Including Resort Fees That Don't Appear In Advertised Room Rates, With Consumers Paying An Average Of \$40 More A Night At Hotels Charging Such Fees, Costing Americans An Estimated \$3.4 Billion A Year.

Hotel Junk Fees—Which Include Mandatory Resort Fees To Cover Amenities Such As Parking, Gym Access, And Local Phone Calls—Cost Americans Almost \$3.4 Billion A Year, With Consumers Paying An Average Of Almost \$40 More A Night.

Hotel Junk Fees Include Resort Fees, “Mandatory Fees That Hotels Apply To Cover Amenities” Including Internet Access, Gym Access, And Local Phone Calls. “Resort fees are among the most loathed in the travel realm. These are usually mandatory fees that hotels apply to cover amenities such as access to a gym and the internet and less useful things like free local phone calls. The Biden administration lumps them in with other ‘junk fees,’ including service charges on concert tickets, late credit card payment penalties and costs to check baggage on an airline.” [The New York Times, [10/11/23](#)]

- **HEADLINE: ‘Spending Money to Get Nothing’: The Latest on Resort Fees** [The New York Times, [10/11/23](#)]

Hotel Junk Fees Are Known As Resort Fees, Destination Fees, And Urban Fees, Which “Don’t Show Up In The Room Price On An Initial Online Search For Accommodations Until A Consumer Clicks Through To A Payment Page.” “Whether known as ‘resort fees,’ ‘destination fees’ or ‘urban fees,’ these additional charges commonly don’t show up in the room price on an initial online search for accommodations until a consumer clicks through to a payment page to find the nightly rate inflated.” [The New York Times, [10/11/23](#)]

According To The Council Of Economic Advisers (CEA), Hotel Junk Fees Cost Americans Almost \$3.4 Billion A Year. “Junk, resort, destination, urban, and amenity fees are pseudonyms for the mandatory, often unexpected surcharges you might find tackled on your hotel bill. According to the Council of Economic Advisers (CEA), these fees cost Americans nearly \$3.4 billion annually and despite recent bipartisan efforts by the Biden administration to combat junk fees entirely, they still seem to pop up when it's time to pay for your stay.” [ABC News, [08/13/24](#)]

A 2024 NerdWallet Analysis Found That Consumers Pay An Average Of \$38.82 More A Night At Hotels That Charge Resort Fees. “Depending on the type of accommodation and length of stay, consumers can expect to pay an average of \$38.82 more per night at hotels that charge resort fees, according to a 2024 analysis from NerdWallet.” [ABC News, [08/13/24](#)]

According To Consumer Reports, Other Hidden Fees Can Include Parking, Use Of Room Safes, Online Reservation Or Booking, And WiFi Use:

Other Fees You Might Be Charged

- **Parking:** Some hotels charge this even if you park yourself.
- **Safe:** You can be charged for this extra even if you don't use the one in your room. The charge is sometimes just a few dollars but is a particularly maddening one, consumers told us.
- **Online reservation or booking:** Travelers might be surprised to find a \$25 per-night fee for booking their reservation online. Some also are surprised by reservation fees for booking over the phone.
- **WiFi:** Though many hotels now provide free internet, you may have to pay a premium for high-speed connections.

[Consumer Reports, [08/07/19](#)]

A 2018 Consumer Reports Survey Found 34% Of Consumers Faced Hidden Hotel Or Resort Fees, With Over Half Saying This Caused Them To Go Over Budget. "There's no question that hotel add-on charges have caused plenty of frustration for consumers. As [our] 2018 survey found, 34 percent of respondents said they had encountered a hidden or surprise fee at a hotel in the past two years. And more than half said those fees had caused them to go over budget." [Consumer Reports, [08/07/19](#)]

Resort Fees Emerged In The Late 1990s And "Accounted For \$2 Billion" Or "One-Sixth Of Total Hotel Revenue" By 2015.

According To The Federal Trade Commission, Resort Fees Emerged In The Late 1990s, And By 2015 "Accounted For \$2 Billion, Or One-Sixth Of Total Hotel Revenue," With Many Companies Using These Fees To "Raise Effective Prices Without Appearing To Do So." "For example, in higher education and hospitality, fees are increasing faster than tuition or posted room rates. After first emerging in the late 1990s, hotel 'resort fees' accounted for \$2 billion, or one-sixth of total hotel revenue, by 2015. With rising prices, fees are becoming more prevalent, allowing some businesses to raise effective prices without appearing to do so." [Federal Register, [11/08/22](#)]

- **By 2018, Annual Hotel Fee Revenue Climbed To Nearly \$3 Billion.** "Still, hotels may be slow to eliminate resort fees, which have been a steadily increasing source of revenues. Last year alone, the hotel industry pulled in a record \$2.9 billion in revenues from resort fees, other fees and surcharges, with even more expected this year, according to Bjorn Hanson, Ph.D., a hotel consultant." [Consumer Reports, [08/07/19](#)]

In October 2022, The Biden Administration Announced It Would Crack Down On Junk Fees, Including Hotel And Resort Fees, With The President Saying "“Americans Are Tired Of Being Played For Suckers”" As He Doubled-Down On Fighting Hotel And Other Junk Fees In His 2023 State Of The Union.

The Federal Trade Commission (FTC) Warned Hotels About So-Called "Drip Pricing" In 2012, Following Consumer Complaints That Hotels Were Only Advertising A Part Of A Total Stay.

In 2012, The Federal Trade Commission (FTC) Warned Hotel Operators' Websites "May Violate The Law

By Providing A Deceptively Low Estimate" Of The Total Price For A Room. "The Federal Trade Commission has warned 22 hotel operators that their online reservation sites may violate the law by providing a deceptively low estimate of what consumers can expect to pay for their hotel rooms. The warning letters cited consumer complaints that surfaced at a recent conference the FTC held on 'drip pricing,' a pricing technique in which firms advertise only part of a product's price and reveal other charges as the customer goes through the buying process." [Federal Trade Commission, [11/28/12](#)]

- **Letters To Hotel Chains Said Their Technique Of "Drip Pricing," Or Only Advertising A Part Of The Total Price Of A Room, Had Harmed Consumers.** "The warning letters cited consumer complaints that surfaced at a recent conference the FTC held on "drip pricing," a pricing technique in which firms advertise only part of a product's price and reveal other charges as the customer goes through the buying process. [...] These mandatory fees can be as high as \$30 per night, a sum that could certainly affect consumer purchasing decisions." The warning letters also state that consumers often did not know they would be required to pay resort fees in addition to the quoted hotel rate." [Federal Trade Commission, [11/28/12](#)]

In October 2022, The Biden Administration Announced An Initiative To "Reduce Or Eliminate Hidden Fees," Also Known As "Junk Fees," With The Federal Trade Commission Initiating Rulemaking On Resort Fees and Other Junk Fees That Same Month.

October 2022: The Biden Administration Announced An Initiative To "Reduce Or Eliminate Hidden Fees, Charges And Add-Ons" Or "Junk Fees." "Last month, at a meeting of the White House Competition Council, President Biden called on all agencies to reduce or eliminate hidden fees, charges, and add-ons for everything from banking services to cable and internet bills to airline and concert tickets. These so called 'junk fees' are not just an irritant – they can weaken market competition, raise costs for consumers and businesses, and hit the most vulnerable Americans the hardest." [The White House, [10/26/22](#)]

That Same Month, The Federal Trade Commission Launched Rulemaking On "Resort Fees" And Other Junk Fees That Consumers "Never Consented To" Or Had "Little Or No Added Value." "Last week, the Federal Trade Commission (FTC) voted to launch a rulemaking process that would broadly reduce junk fee practices across the economy, including for event ticketing, hotels, funeral homes, and any other industry that uses mandatory fees. The rulemaking would address practices such as charging consumers fees they never consented to or charging mandatory fees with little or no added value, like hotel resort fees or event ticket processing fees." [The White House, [10/26/22](#)]

- **The FTC Sought Comment From Consumers And Other Stakeholders On Deceptive And Unfair Practices Related To Junk Fees As Part Of Its Rulemaking Process.** "The Federal Trade Commission ('Commission') proposes to commence a rulemaking proceeding to address certain deceptive or unfair acts or practices relating to fees. The Commission is soliciting written comment, data, and argument concerning the need for such a rulemaking to prevent persons, entities, and organizations from imposing such fees on consumers." [Federal Register, [11/08/22](#)]

During President Biden's 2023 State Of The Union Address, He Doubled-Down On Banning Junk Fees And Urged Congressional Action On The Junk Fee Prevention Act, Meant To Stop These Junk Fees Including "Surprise Resort Fees That Hotels Charge On Your Bill."

February 2023: During Biden's State Of The Union Address, He Vowed To Ban Junk Fees And Other Hidden Surcharges, Which Can Add Up To Hundreds Of Dollars In Charges A Month And "Make It Harder For You To Pay Your Bills Or Afford That Family Trip." "My administration is also taking on junk

fees, those hidden surcharges too many companies use to make you pay more. For example, we're making airlines show you the full ticket price upfront, refund your money if your flight is cancelled or delayed. We've reduced exorbitant bank overdrafts by saving consumers more than \$1 billion a year. We're cutting credit card late fees by 75 percent, from \$30 to \$8. Look, junk fees may not matter to the very wealthy, but they matter to most other folks in homes like the one I grew up in, like many of you did. They add up to hundreds of dollars a month. They make it harder for you to pay your bills or afford that family trip. I know how unfair it feels when a company overcharges you and gets away with it." [White House, [02/07/23](#)]

President Biden Went On To State The Junk Fee Prevention Act Was Designed To Stop These Junk Fees Including "Surprise Resort Fees That Hotels Charge On Your Bill" That Can "Cost You Up To \$90 A Night At Hotels That Aren't Even Resorts." "Not anymore. We've written a bill to stop it all. It's called the Junk Fee Prevention Act. We're going to ban surprise resort fees that hotels charge on your bill. Those fees can cost you up to \$90 a night at hotels that aren't even resorts. We — the idea that cable, Internet, and cellphone companies can charge you \$200 or more if you decide to switch to another provider. Give me a break. We can stop service fees on tickets to concerts and sporting events and make companies disclose all the fees upfront. And we'll prohibit airlines from charging \$50 roundtrip for a family just to be able to sit together. Baggage fees are bad enough. Airlines can't treat your child like a piece of baggage. Americans are tired of being — we're tired of being played for suckers. So pass — pass the Junk Fee Prevention Act so companies stop ripping us off." [White House, [02/07/23](#)]

- **The Junk Fee Prevention Act Would Empower The FTC To "Enforce And Issue Guidelines Around 'Excessive' Fees."** "In his speech, Biden proposed the Junk Fee Prevention Act, which was introduced to the Senate in March, and the House in May. The act would empower the Federal Trade Commission to enforce and issue guidelines around 'excessive' fees." [HotelDive, [10/12/23](#)]

President Biden Said "Americans Are Tired Of Being Played For Suckers." "Americans are tired of being played for suckers," said President Joe Biden in his State of the Union speech in February, in which he addressed added fees — at hotels as well at other institutions such as banks, airlines and event venues — directly." [HotelDive, [12/12/23](#)]

In October 2023, The FTC Proposed A Rule To Ban "Hidden And Bogus" Junk Fees Charged By Hotels And Other Industries, Noting That Public Comments Show That "Consumers Are Fed Up With Hidden Fees For Everything From Booking Hotels And Resort Fees."

In October 2023, The FTC Proposed A Rule To Ban "Hidden And Bogus" Junk Fees "In All Sectors Of The U.S. Economy, Including Hotels And Short-Term Lodging." "In October, the FTC proposed a rule to prohibit hidden and bogus fees in all sectors of the U.S. economy, including hotels and short-term lodging." [ABC News, [08/13/24](#)]

The FTC Stated That Junk Fees "Can Harm Consumers And Undercut Honest Businesses" And "Can Cost Consumers Tens Of Billions Of Dollars Per Year In Unexpected Costs." "The Federal Trade Commission today announced a new proposed rule to prohibit junk fees, which are hidden and bogus fees that can harm consumers and undercut honest businesses. The FTC has estimated that these fees can cost consumers tens of billions of dollars per year in unexpected costs." [Federal Trade Commission, [10/11/23](#)]

The FTC Stated That According To Public Comments, "Consumers Are Fed Up With Hidden Fees For Everything From Booking Hotels And Resort Fees," Among Junk Fees In Other Industries. "As the public comments made clear, consumers are fed up with hidden fees for everything from booking hotels and resort fees to buying concert tickets online, renting an apartment, and paying utility bills. Many consumers said that sellers often do not advertise the total amount they will have to pay, and disclose fees only after they are well into completing the transaction." [Federal Trade Commission, [10/11/23](#)]

In June 2024, The U.S. House Passed The “No Hidden FEES Act” To Fight Hotel Junk Fees; In July 2023, The Bipartisan Hotel Fees Transparency Act Was Introduced In The U.S. Senate; And In October 2023, California Enacted “The Most Aggressive Anti-Junk Fee Legislation In The Country” To Stem Hotel Fees, With 10 Other States Following Suit.

In December 2023, Reps. Kathy Castor (D-FL) And Young Kim (R-CA) Introduced The No Hidden FEES Act, Which Would Prohibit “‘Unfair And Deceptive’” Advertising And Junk Fees For Hotels And Short-Term Rentals—The Bill Passed The U.S. House In June 2024.

In December 2023, Reps. Young Kim (R-CA) And Kathy Castor (D-FL) Introduced The No Hidden Fees On Extra Expenses For Stays Act Of 2023 (The No Hidden FEES Act). “U.S. Representatives Young Kim (R-Calif.) and Kathy Castor (D-Fla.) introduced the No Hidden Fees on Extra Expenses for Stays Act of 2023 — or the No Hidden FEES Act — in Congress on Friday.” [HotelDive, [12/05/23](#)]

The Bill, Would “Prohibit ‘Unfair And Deceptive’ Advertising Of Room Rates At Hotels And Other Short-Term Lodging Options.” “The bill would prohibit ‘unfair and deceptive’ advertising of room rates at hotels and other short-term lodging options. It would forbid hotels from advertising or marketing reservation prices that don’t include each mandatory fee.” [HotelDive, [12/05/23](#)]

- **The Bill Would Be Enforced By The FTC If Enacted.** “If enacted, the No Hidden FEES Act would be enforced by the Federal Trade Commission.” [HotelDive, [12/05/23](#)]

As Of August 2024, The Bill Had Passed In The U.S. House In June 2024, With A Bipartisan Vote Of 384 To 25. [Congress.gov, accessed [08/20/24](#)]

The Bill, Supported By The American Hotel & Lodging Association (AHLA), Was An Effort To Fight Junk Fees. “The act, supported by the American Hotel & Lodging Association, is the latest piece of proposed legislation targeting hotel fees, or what critics call ‘junk fees’ — the additional costs that get tacked on to a room rate at booking that often leave travelers surprised.” [HotelDive, [12/05/23](#)]

- **The AHLA Praised Passage Of The Legislation As Establishing A “Comprehensive Single Standard For Transparent And Mandatory Fee Displays Across The Lodging Industry.”** “The U.S. House of Representatives today passed the No Hidden FEES Act, a major American Hotel & Lodging Association (AHLA) legislative priority that would ensure lodging cost transparency for consumers. The legislation would establish a comprehensive single standard for transparent and mandatory fee displays across the lodging industry – from short-term rental platforms, to online travel agencies, metasearch sites, and hotels. The bill, introduced by Reps. Young Kim, R-Calif., and Kathy Castor, D-Fla., was approved unanimously by the House Energy & Commerce Committee in December and passed in a bipartisan vote on the House floor today.” [American Hotel & Lodging Association, [06/11/24](#)]

In July 2023, Sens. Amy Klobuchar (D-M) And Jerry Moran (R-KS) Introduced The “Hotel Fees Transparency Act,” Which Would Require Hotels To “Clearly Show The Final Price Of Any Rooms They Advertise.”

In July 2023, Sens. Amy Klobuchar (D-MN) And Jerry Moran (R-KS) Introduced The Hotel Fees Transparency Act, Which Would Require Hotels To “Clearly Show The Final Price Of Any Rooms They

Advertise.” “In July, Senators Amy Klobuchar and Jerry Moran introduced the bipartisan Hotel Fees Transparency Act, which would require hotels and short-term rental operators to clearly show the final price of any rooms they advertise.” [HotelDive, [10/12/23](#)]

- **The Bill Was In Response To “Growing Rancor” Over Hotel Junk Fees.** “The act would require hotels and short-term rentals to clearly show the final price of any rooms they’re advertising. The proposed legislation is in response to growing rancor toward resort fees — or as critics call them, ‘junk fees’ — which government officials have increasingly taken aim at in recent months.” [HotelDive, [07/27/23](#)]

Sen. Klobuchar Said, “Too Often, Americans Making Reservations Online Are Being Met With Hidden Fees That Make It Difficult To Compare Prices And Understand The True Cost Of An Overnight Stay.”

“Too often, Americans making reservations online are being met with hidden fees that make it difficult to compare prices and understand the true cost of an overnight stay,” Klobuchar said in a statement. “This bipartisan legislation would help improve transparency so that travelers can make informed decisions.” [HotelDive, [07/27/23](#)]

Industry Group The American Hotel & Lodging Association (AHLA) Supported The Bill, With President And CEO Chip Rogers Calling It “An Important Bill That Will Create A Single Standard For Mandatory Fee Display Across The Entire Lodging Ecosystem.”

“The American Hotel & Lodging Association also supports the act. In a statement obtained by Hotel Dive, AHLA President and CEO Chip Rogers called it ‘an important bill that will create a single standard for mandatory fee display across the entire lodging ecosystem — from hotels to online travel agencies, metasearch sites, and short-term rental platforms.’” [HotelDive, [07/27/23](#)]

As Of August 20, 2024, S. 2498, The Hotel Fees Transparency Act Had Not Progressed Beyond The Senate Committee On Commerce, Science, And Transportation. [Congress.gov, accessed [08/20/24](#)]

In October 2023, California Enacted A Bill Banning Hotel Industry Junk Fees, Which Was Called “The Most Aggressive Anti-Junk Fee Legislation In The Country,” With At Least 10 Other States Following Suit With Similar Bills Or Laws.

In October 2023, California Passed A Bill Banning Hotel Industry Junk Fees, Forbidding “Offering A Price For A Good Or Service That Does Not Include All Mandatory Fees Or Charges Other Than Taxes Or Fees Imposed By A Government On The Transaction.” “California is banning ‘junk fees,’ the hidden charges that make rates on hotel rooms and other items appear lower than they actually are, according to the Office of Governor Gavin Newsom. The bill, which will go into effect on July 1, 2024, forbids ‘offering a price for a good or service that does not include all mandatory fees or charges other than taxes or fees imposed by a government on the transaction.’” [HotelDive, [10/12/23](#)]

California Governor Gavin Newsom Called The Fees “Bad For Consumers And Bad For Competition” While Signing The Bill Into Law, Which Was Seen As “The Most Aggressive Anti-Junk Fee Legislation In The Country.” “Shortly after the CFPB pushed back against banks, California Governor Gavin Newsom called the fees ‘bad for consumers and bad for competition’ before signing into law the most aggressive anti-junk fee legislation in the country.” [HotelDive, [12/12/23](#)]

California Attorney General Rob Bonta Said Hotel Junk Fees “Cost Americans Tens Of Billions Of Dollars Each Year. They Hit Families Who Are Just Trying To Make Ends Meet The Hardest.” “Today, California is eliminating hidden fees,” said California Attorney General Rob Bonta in a statement upon the bill’s signing. “These deceptive fees prevent us from knowing how much we will be charged at the outset. They are bad for consumers and bad for competition. They cost Americans tens of billions of dollars each year. They hit families who are just trying to make ends meet the hardest.” [HotelDive, [10/12/23](#)]

By August 2024, “At Least 10 Other States Have Followed Suit By Proposing Or Enacting Junk Fee Statutes Targeting Increased Fee Transparency.” “At the state level, California’s SB 478 law, which went into effect July 1, requires businesses to advertise or list prices inclusive of all mandatory charges. At least 10 other states have followed suit by proposing or enacting junk fee statutes targeting increased fee transparency.” [ABC News, [08/13/24](#)]

American Hotel & Lodging Association

Every Hotel Company Named In The April 2024 Price Fixing Lawsuit Has Executives On The Board Of The American Hotel & Lodging Association (AHLA), Which Has Spent Nearly \$3 Million Lobbying On Fee Disclosure And Related Legislation Since President Biden Announced A Crackdown On Junk Fees In October 2022.

Every Company Named In The April 2024 Price Fixing Lawsuit Has Executives On The Board Of The American Hotel & Lodging Association (AHLA), Which Claims To Be The "Largest Hotel Association In The U.S.," With Hilton’s CFO Serving As AHLA’s Board Chair.

The American Hotel & Lodging Association Claims To Be "The Largest Hotel Association In The U.S." Representing "Every Segment Of The Hotel Industry." "AHLA is the largest hotel association in the U.S. representing ALL segments of the industry nationwide. AHLA is the singular voice representing every segment of the hotel industry including major chains, independent hotels, management companies, REITs, bed and breakfasts, industry partners, and more." [American Hotel & Lodging Association, accessed [08/21/24](#)]

The Six Hotel Chains Named In The April 2024 Price Fixing Lawsuit Included Hilton Worldwide Holdings Inc; Wyndham Hotels & Resorts, Inc; Four Seasons Hotels and Resorts US Inc; Omni Hotels and Resorts Inc; Hyatt Hotel Corporation; And Choice Hotels International Inc. “The suit targets six familiar hotel chains: Hilton Worldwide Holdings Inc, Wyndham Hotels & Resorts, Inc, Four Seasons Hotels and Resorts US Inc, Omni Hotels and Resorts Inc, and Hyatt Hotel Corporation, in addition to Choice Hotels International Inc, which includes the budget conscious brands Comfort, Quality Inn, Sleep Inn, Econo Lodge, and Rodeway Inn. Collectively the defendants have thousands of hotels in the United States.” [CBS News, [04/29/24](#)]

AHLA’s Board Of Directors Is Chaired By Hilton Chief Financial Officer Kevin Jacobs And Includes Executives From Wyndham, Four Seasons Hotels And Resorts, Omni Hotels & Resorts, Hyatt Hotels Corporation, And Choice Hotels Corporation:



**Chair of the Board
Kevin Jacobs**
Chief Financial Officer
& President, Global
Development, Hilton



Danny Hughes
President, Americas,
Hilton Hotels & Resorts



Paul Cash
General Counsel &
Corporate Secretary,
Wyndham Hotels & Resorts



Scott Strickland (HTNG)
CCO,
Wyndham Hotels & Resorts



Antoine Chahwan
President Hotel Operations,
Americas East, Four Seasons
Hotels and Resorts



Kurt Alexander
President,
Omni Hotels & Resorts



Pete Sears
EVP & Group President,
Americas, Hyatt Hotels Corporation



Simone Wu
SVP, General Counsel,
Corporate Secretary &
External Affairs,
Choice Hotels International

[American Hotel & Lodging Association, accessed [08/21/24](#)]

AHLA's Executive Committee Also Includes Executives From Hilton, Hyatt, Wyndham, And Choice Hotels International.

AHLA's Executive Committee Includes Hilton Chief Financial Officer Kevin Jacobs And Executives From Hyatt Hotels Corporation, Choice Hotels International, And Wyndham Hotels & Resorts:



**Chair of the Board
Kevin Jacobs**
Chief Financial Officer
& President, Global
Development, Hilton



Mark S. Hoplamazian
President & CEO,
Hyatt Hotels Corporation



Pat Pacious
President & CEO,
Choice Hotels
International



Geoff Ballotti
President & CEO,
Wyndham Hotels & Resorts

[American Hotel & Lodging Association, accessed [08/22/24](#)]

AHLA, Which Claims Resort Fees Were Created To “Provide Consumers With The Best Value,” Has Spent \$2.99 Million While Lobbying On Fee Disclosure And Related Legislation Since President Biden Vowed To Crack Down On Junk Fees—AHLA Has Stated Support For Two Of The Fee Reform Bills On Which It Lobbied.

AHLA’s Website Has A Page Dedicated To Resort Fees Which Claims The Hotel Industry Charges Resort Fees “In An Effort To Provide Consumers With The Best Value.” “The hotel industry provides guests full disclosure for resort and amenities fees charged up front. In fact, they were created in an effort to provide consumers with the best value by grouping amenity fees into one cost. If consumers were charged individual fees for all amenities, the cost would likely be prohibitive.” [American Hotel & Lodging Association, accessed [08/21/24](#)]

AHLA Claims That Resort Fees Are “Not Common Practice In The Hotel Industry,” And That “Approximately Only 6% Of Hotels Currently Charge Resort Fees.” “Indeed, these fees are not common practice in the hotel industry. Declining over the past decade, approximately only 6% of hotels currently charge resort fees. These are the properties that have far more available amenities than other lodging facilities.” [American Hotel & Lodging Association, accessed [08/21/24](#)]

Since October 2022, When President Biden Announced Efforts To Crack Down On Junk Fees, AHLA Has Spent \$2.99 Million While Lobbying On Mandatory Fee Disclosure, Consumer Deception, The Junk Fee Prevention Act, The Hotel Fees Transparency Act Of 2023, And The No Hidden FEEs Act Of 2023:

Registrant	Client	Lobbying Report	Year	Relevant Lobbying Issue	Amount
American Hotel & Lodging Association	American Hotel & Lodging Association	2nd Quarter - Report	2024	issues related to online consumer deception; H.R.2463 Junk Fee Prevention Act; issues related to display of mandatory fees, issues related to hotel resort fees; Hotel Fees Transparency Act of 2023 (S.2498); and No Hidden FEEs Act of 2023 (H.R.6543).	\$560,000.00
American Hotel & Lodging Association	American Hotel & Lodging Association	1st Quarter - Report	2024	issues related to online consumer deception; H.R.2463 Junk Fee Prevention Act; issues related to display of mandatory fees, issues related to hotel resort fees ; Hotel Fees Transparency Act of 2023 (S.2498); and No Hidden FEEs Act of 2023 (H.R.6543).	\$570,000.00
American Hotel & Lodging Association	American Hotel & Lodging Association	4th Quarter - Report	2023	issues related to online consumer deception; H.R.2463 Junk Fee Prevention Act; issues related to display of mandatory fees, issues related to hotel resort fees ; Hotel Fees Transparency Act of 2023 (S.2498); and No Hidden FEEs Act of 2023 (H.R.6543).	\$520,000.00
American Hotel & Lodging Association	American Hotel & Lodging Association	3rd Quarter - Report	2023	issues related to online consumer deception; H.R.2463 Junk Fee Prevention Act; issues related to display of mandatory fees, issues related to hotel resort fees ; supportive of Hotel Fees Transparency Act of 2023 (S.2498).	\$500,000.00
American Hotel & Lodging Association	American Hotel & Lodging Association	2nd Quarter - Report	2023	issues related to online consumer deception; H.R.2463 Junk Fee Prevention Act; issues related to display of mandatory fees, issues related to hotel resort fees.	\$470,000.00
American Hotel & Lodging Association	American Hotel & Lodging Association	1st Quarter - Report	2023	issues related to online consumer deception; H.R.2463 Junk Fee Prevention Act; issues related to display of mandatory fees, issues related to hotel resort fees.	\$370,000.00
					\$2,990,000.00

- **October 2022: The Biden Administration Announced An Initiative To "Reduce Or Eliminate Hidden Fees, Charges And Add-Ons" Or "Junk Fees."** "Last month, at a meeting of the White House Competition Council, President Biden called on all agencies to reduce or eliminate hidden fees, charges, and add-ons for everything from banking services to cable and internet bills to airline and concert tickets. These so called 'junk fees' are not just an irritant – they can weaken market competition, raise costs for consumers and businesses, and hit the most vulnerable Americans the hardest." [The White House, [10/26/22](#)]

AHLA Has Stated Support For Two Of The Bills On Which It Lobbied, The No Hidden FEES Act Of 2023 And The Hotel Fees Transparency Act:

- **AHLA Supported The No Hidden Fees On Extra Expenses For Stays Act Of 2023 (The No Hidden FEES Act).** "U.S. Representatives Young Kim (R-Calif.) and Kathy Castor (D-Fla.) introduced the No Hidden Fees on Extra Expenses for Stays Act of 2023 — or the No Hidden FEES Act — in Congress on Friday. [...] The act, supported by the American Hotel & Lodging Association, is the latest piece of proposed legislation targeting hotel fees, or what critics call 'junk fees' — the additional costs that get tacked on to a room rate at booking that often leave travelers surprised." [HotelDive, [12/05/23](#)]
- **AHLA Supported The Hotel Fees Transparency Act.** "In July, Senators Amy Klobuchar and Jerry Moran introduced the bipartisan Hotel Fees Transparency Act, which would require hotels and short-term rental operators to clearly show the final price of any rooms they advertise. [...] The American Hotel & Lodging Association also supports the act. In a statement obtained by Hotel Dive, AHLA President and CEO Chip Rogers called it 'an important bill that will create a single standard for mandatory fee display across the entire lodging ecosystem – from hotels to online travel agencies, metasearch sites, and short-term rental platforms.'" [HotelDive, [07/27/23](#)]

After President Biden's State Of The Union Address, AHLA Said It Would Work With The Biden Administration And Regulators To Increase Transparency Around Mandatory Fees, Adding "These Fees Provide Guests With Value."

February 2023: The AHLA Released A Statement From AHLA President And CEO Chip Rogers Saying It Would "Work With The Biden Administration, FTC, And Lawmakers" "To Ensure A Level Playing Field Around Transparency For Mandatory Fees." "AHLA will continue to work with the Biden Administration, the FTC and lawmakers on Capitol Hill to ensure a level playing field around transparency for mandatory fees, such as hotel resort fees." [American Hotel & Lodging Association, [02/08/23](#)]

- **The AHLA Added: "These Fees Provide Guests With Value And Include Various Unique Goods And Services At Each Property That Charges Them."** "These fees provide guests with value and include various unique goods and services at each property that charges them. It is crucial that the same standards for fee display apply across the lodging booking ecosystem, including for hotels, as well as online travel agencies, metasearch sites, and short-term rental platforms." [American Hotel & Lodging Association, [02/08/23](#)]

In February 2023, AHLA Submitted A Comment Letter To The FTC On Its Junk Fee Rulemaking, Saying Fees "Provide Guests With Value," Disputing Data That Resort Fees Made Up One-Sixth Of Total Industry Revenue—Or \$2 Billion Per Year.

February 2023: The AHLA Submitted A Letter To The FTC On Its Junk Fee Rulemaking. "The American Hotel and Lodging Association ('AHLA') appreciates the opportunity to submit this comment in response to the above-referenced Advance Notice of Proposed Rulemaking ('ANPR') published by the Federal Trade Commission ('FTC') on commencing a rulemaking to address certain deceptive or unfair practices relating to

fees under Section 18 of the FTC Act." [American Hotel & Lodging Association Comment Letter to the Federal Trade Commission, [02/07/23](#)]

- **According To The AHLA, "Fees Charged For Goods And Services" "Provide Guests With Value."** "The ANPR suggests that the fees charged for goods and services which are the subject of this proposed rulemaking have 'little or no added value to the consumer.' AHLA's members are committed to providing a high-quality offering of amenities and services that meet customer expectations and enhance guest experience. Additional fees at hotel properties provide guests with value and include various goods and services such as beach access, parking, concierge services, fitness center use, food and beverage credits, shuttle services, and a wide variety of other property-specific amenities." [American Hotel & Lodging Association Comment Letter to the Federal Trade Commission, [02/07/23](#)]
- **The AHLA Also Said It "Respectfully Disagrees With The Characterization" That Hotel Resort Fees Accounted For \$2 Billion Per Year, Or One-Sixth, Of Hotel Revenue.** "Furthermore, the FTC should rely on current data in deciding whether to engage in further rulemaking on this topic. For example, the Supplementary Information to the ANPR states that in 2015, resort fees accounted for one-sixth of hotel revenue, or two billion dollars per year. AHLA respectfully disagrees with the characterization of the data." [American Hotel & Lodging Association Comment Letter to the Federal Trade Commission, [02/07/23](#)]

Hilton Worldwide

Hilton Worldwide—The Second-Largest U.S. Hotel Chain By Market Capitalization And The Fourth-Worst Hotel For Resort Fees—Has Faced Multiple State Lawsuits For Hidden Fees And Has Spent \$1.48 Million Lobbying On Hotel Junk Fee Legislation And Other Issues While Telling Senators It Would “Quickly” Act To Disclose Fees.

Hilton Worldwide Is The Second-Largest U.S. Hotel Chain By Market Capitalization And Its CFO Serves As Chair For The American Hotel & Lodging Association’s Board Of Directors.

Hilton Was The Second Largest U.S. Hotel Chain By Market Capitalization, As Of August 20, 2024:



[CompaniesMarketcap.com, accessed [08/20/24](#)]

According To Its Website, Hilton Operates 24 Brands With Over 7,700 Properties In 126 Countries:

24
Brands

+1.2M
Rooms

7780
Properties

126
Countries &
Territories

+195M
Hilton Honors
Members

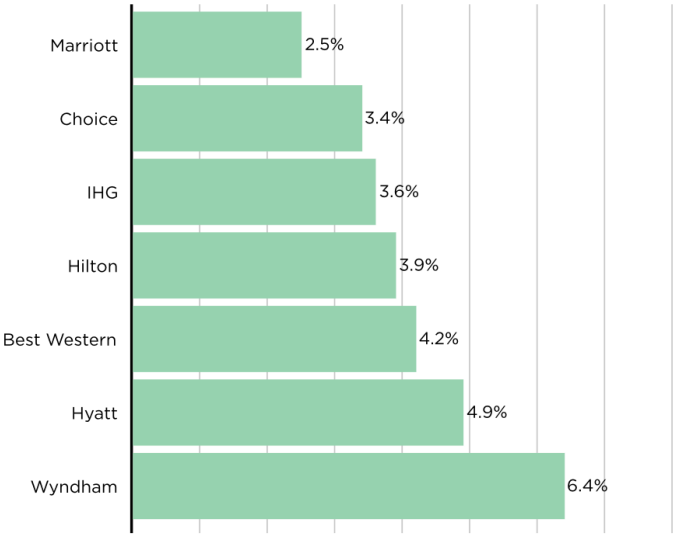
**Ranked
#1**
World's Best
Workplace by Great
Place to Work and
Fortune

[Hilton.com, accessed [08/20/24](#)]

In August 2024, NerdWallet Found That Hilton Was The Fourth-Worst Major Hotel For Resort Fees, Charging 3.9% Of Its Total Room Cost In Fees.

August 2024: NerdWallet Found That Hilton Was The Fourth-Worst Major Hotel Brand For Resort Fees, Charging An Expected 3.9% Of Its Total Room Cost In Fees. “NerdWallet analyzed the major hotel brands to find out which ones have the worst resort fees.” [NerdWallet, [08/01/24](#)]

The expected resort fee cost for a given room, as a percent of the total cost of the room.



Share

nerdwallet

[NerdWallet, [08/01/24](#)]

In May 2023, Texas Attorney General Ken Paxton Sued Hilton “For Misleading Consumers About The True Costs Of Hotel Rooms,” With “A Troubling Pattern Of Forcing Mandatory Fees Onto Their Customers” And Making “Millions Of Dollars In Fraudulent Charges”

May 2023: Texas Attorney General Ken Paxton Filed A Lawsuit Against Hilton “For Misleading Consumers About The True Costs Of Hotel Rooms In Violation Of Texas Consumer Protection Laws.” “Attorney General Paxton filed another lawsuit against a global hotel chain for misleading consumers about the true costs of hotel rooms in violation of Texas consumer protection laws. The lawsuit, filed against Hilton Domestic Operating Company, Inc. d/b/a Hilton Dopco, Inc. (‘Hilton’), comes after Paxton recently filed a lawsuit against Hyatt and settled claims against Marriott for similar behavior.” [Texas Attorney General Ken Paxton, [05/24/23](#)]

The Attorney General’s Office Stated Hilton Had “A Troubling Pattern Of Forcing Mandatory Fees Onto Their Customers” And Was Not Fully Transparent About Such Fees. “Hilton has developed a troubling pattern of forcing mandatory fees onto their customers. Worse, consumers are often not fully made aware of these fees, or in some instances they are shown the fees in ways that would be difficult to notice. Not only does Hilton misleadingly charge consumers higher rates than initially advertised, the services purportedly funded by the fees are often complimentary or included in the room rate at other non-resort locations.” [Texas Attorney General Ken Paxton, [05/24/23](#)]

The Attorney General’s Office Stated Hilton Made “Millions Of Dollars In Fraudulent Charges” By “Changing The Room Rates During Checkout And Charging Nominal Mandatory Fees Twice—First As A ‘Fee’ And Then As A ‘Tax.’” “Hilton has further compounded the illegal deception by changing the room rates during checkout and charging nominal mandatory fees twice—first as a ‘fee’ and then as a ‘tax,’ amounting in the aggregate to millions of dollars in fraudulent charges.” [Texas Attorney General Ken Paxton, [05/24/23](#)]

Following Texas’ Lawsuit, Hilton Claimed It Would Be More Transparent About Its Fees, Which Was Expected To End The Lawsuit. “Hilton’s endorsement of fee transparency comes in the context of legal pressure, too. In May, the Texas Attorney General sued Hilton, alleging that the company’s disclosure of hotel room costs and an alleged pattern of forcing mandatory fees violated its laws. A change in Hilton’s policy ought to help put an end to that lawsuit.” [Skift, [09/21/23](#)]

In July 2019, Hilton Faced A Lawsuit From Former Nebraska Attorney General Doug Peterson (R-NE) For Allegedly Hiding The True Costs Of Rooms For Consumers, Often Charging Hidden Fees As High As \$45 Per Night Per Room—The Lawsuit Was Settled In 2024, With Hilton Agreeing To Disclose Costs More Clearly.

July 2019: Former Nebraska Attorney General Doug Peterson (R-NE) Filed A Lawsuit Against Hilton For “Hiding The True Price Of Hotel Rooms From Consumers And Charging Hidden Fees To Increase Profits.” “Today, Attorney General Doug Peterson filed a lawsuit against Hilton, a multinational hotel company, for hiding the true price of hotel rooms from consumers and charging hidden resort fees to increase profits.” [Office Of Nebraska Attorney General, [07/23/19](#)]

- **Peterson Alleged “Hilton’s Deceptive And Misleading Pricing Practices And Failure To Disclose Fees Harmed Consumers And Violated Nebraska Consumer Protection Laws.”** “The Attorney General alleges that Hilton’s deceptive and misleading pricing practices and failure to disclose fees harmed consumers and violated Nebraska’s consumer protection laws. The Attorney General’s lawsuit

seeks to force Hilton to advertise the true prices of its hotel rooms up front, provide monetary relief to harmed Nebraska consumers, and pay civil penalties." [Office Of Nebraska Attorney General, [07/23/19](#)]

- **Peterson Also Alleged "Hilton Conceal[ed] The Total Price Of Hotel Rooms" And Charged Hidden Fees As High As \$45 Per Room Per Night.** "Hilton conceals the true total price of hotel rooms by advertising one rate, then charging mandatory 'resort fees,' 'daily mandatory charges,' or 'urban destination fees' on top of the advertised price. At least 78 Hilton properties in the United States currently charge these hidden fees, which range from \$15 to as much as \$45 per room per night, and consumers only find out about these fees after they begin to book a room." [Office Of Nebraska Attorney General, [07/23/19](#)]

Peterson Alleged Hilton Had Violated Nebraska's Consumer Protection Act And Uniform Deceptive Trade Practices Act Since At Least 2012 By "Hiding The True Price Of Hotel Rooms," "Failing To Clearly Disclose All Booking Fees," And "Misleading Consumers About What Resorts Fees Actually Pay For":

The Attorney General alleges that since at least 2012 Hilton has violated Nebraska's Consumer Protection Act and Uniform Deceptive Trade Practices Act and harmed Nebraska consumers by:

- **Hiding the true price of hotel rooms:** Hilton conceals the true total price of hotel rooms by advertising one rate, then charging mandatory "resort fees," "daily mandatory charges," or "urban destination fees" on top of the advertised price. At least 78 Hilton properties in the United States currently charge these hidden fees, which range from \$15 to as much as \$45 per room per night, and consumers only find out about these fees after they begin to book a room.
- **Failing to clearly disclose all booking fees:** The room prices Hilton lists on its own website do not include mandatory resort fees and these fees are not disclosed up front. Consumers do not learn the total price of their hotel rooms until they begin the booking process, and resort fee disclosures are often hidden in obscure areas, confusingly worded, or presented in smaller print than the advertised rates. This leads consumers to believe they will be paying less for a hotel room than the true total cost. It also makes it extremely difficult for consumers to gather all the information they need to compare prices and make informed choices.
- **Misleading consumers about what resort fees actually pay for:** In some instances, Hilton makes confusing or contradictory representations about why they are charging resort fees and what services or amenities consumers are actually paying for.

[Office Of Nebraska Attorney General, [07/23/19](#)]

January 2024: The Nebraska Attorney General Settled With Hilton, With The Company Agreeing To "Prominently Disclose The Total Price Of A Hotel Stay, Including Room Rate And All Other Mandatory Fees." "Nebraska Attorney General Mike Hilgers announced a settlement with Hilton Hotels regarding hidden fees. [...] In 2019, the Nebraska attorney general's office sued Hilton, arguing that their pricing model was deceptive, unfair, and a violation of the state's consumer protection laws. The hotel chains have committed to prominently disclose the total price of a hotel stay, including room rate and all other mandatory fees, on the first page of their booking websites as part of the total room rate." [KETV Omaha, [01/30/24](#)]

September 2023: Shortly After Sens. Amy Klobuchar (D-MN) And Jerry Moran (R-KS) Introduced The Hotel Fees Transparency Act, Hilton Told The Senators It Would "Quickly" Act To "Ensure Mandatory Fees Are Displayed Upfront."

In September 2023, Hilton Told Sens. Amy Klobuchar (D-MN) And Jerry Moran (R-KS) It Would "Quickly" Act To "Ensure Mandatory Fees Are Displayed Upfront On All Hilton Websites And Apps." "Hilton said on Thursday that it would 'quickly' act to 'ensure mandatory fees are displayed upfront on all Hilton websites and apps.' Hilton made the comments on Thursday in a letter to U.S. Senators Amy Klobuchar and Jerry Moran — co-sponsors of legislation to create a standard for mandatory fee display for hotels and

short-term rentals. Hilton announced in the letter it now supports this legislation. (See letter, embedded below.)” [Skift, [09/21/23](#)]

In July 2023, Sens. Klobuchar And Moran Introduced The Hotel Fees Transparency Act, Which Would Require Hotels To “Clearly Show The Final Price Of Any Rooms They Advertise.” “In July, Senators Amy Klobuchar and Jerry Moran introduced the bipartisan Hotel Fees Transparency Act, which would require hotels and short-term rental operators to clearly show the final price of any rooms they advertise.” [HotelDive, [10/12/23](#)]

- **The Bill Was In Response To “Growing Rancor” Over Hotel Junk Fees.** “The act would require hotels and short-term rentals to clearly show the final price of any rooms they’re advertising. The proposed legislation is in response to growing rancor toward resort fees — or as critics call them, ‘junk fees’ — which government officials have increasingly taken aim at in recent months.” [HotelDive, [07/27/23](#)]

Since Q4 2022, When President Biden Announced His Plan To Crack Down On Junk Fees, Hilton Spent \$1.48 Million While Lobbying On The No Hidden FEES Act, The Hotel Fees Transparency Act, And Other “Mandatory Fee Transparency” Issues, Among Other Matters.

Since October 2022, When President Biden Announced His Initiative To Crack Down On Junk Fees, Hilton Has Spent \$1.48 Million While Lobbying On The No Hidden FEES Act, The Hotel Fees Transparency Act, And “General Discussions Related To Mandatory Fee Transparency,” Among Other Issues:

Registrant	Client	Lobbying Year Report	Year	Relevant Lobbying Issue	Amount
Hilton Worldwide	Hilton Worldwide	2nd Quarter - Report	2024	“H.R. 6543: NO HIDDEN FEES ON EXTRA EXPENSES FOR STAYS ACT OF 2023; ALL PROVISIONS”; “S. 2498: HOTEL FEES TRANSPARENCY ACT OF 2023; ALL PROVISIONS”; “GENERAL DISCUSSIONS RELATED TO MANDATORY FEE TRANSPARENCY”	\$250,000
Hilton Worldwide	Hilton Worldwide	1st Quarter - Report	2024	“H.R. 6543: NO HIDDEN FEES ACT OF 2023; ALL PROVISIONS”; “S. 2498: HOTEL FEES TRANSPARENCY ACT OF 2023; ALL PROVISIONS”; “GENERAL DISCUSSIONS RELATED TO MANDATORY FEE TRANSPARENCY”	\$380,000
Hilton Worldwide	Hilton Worldwide	1st Quarter - Amendment	2023	GENERAL DISCUSSIONS RELATED TO MANDATORY FEES	\$370,000
Hilton Worldwide	Hilton Worldwide	3rd Quarter - Report	2023	“S. 2498: HOTEL FEES TRANSPARENCY ACT OF 2023; ALL PROVISIONS”; GENERAL DISCUSSIONS RELATED TO MANDATORY FEES	\$180,000
Hilton Worldwide	Hilton Worldwide	4th Quarter - Report	2023	“H.R. 6543: NO HIDDEN FEES ACT OF 2023; ALL PROVISIONS”; “S. 2498: HOTEL FEES TRANSPARENCY ACT OF 2023; ALL PROVISIONS”; “GENERAL DISCUSSIONS RELATED TO MANDATORY FEE TRANSPARENCY”	\$160,000
Hilton Worldwide	Hilton Worldwide	2nd Quarter - Report	2023	GENERAL DISCUSSIONS RELATED TO MANDATORY FEES	\$140,000
Total:					\$1,480,000

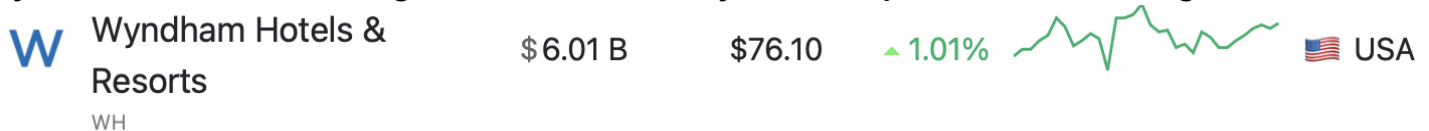
- October 2022: The Biden Administration Announced An Initiative To "Reduce Or Eliminate Hidden Fees, Charges And Add-Ons" Or "Junk Fees."** "Last month, at a meeting of the White House Competition Council, President Biden called on all agencies to reduce or eliminate hidden fees, charges, and add-ons for everything from banking services to cable and internet bills to airline and concert tickets. These so called 'junk fees' are not just an irritant – they can weaken market competition, raise costs for consumers and businesses, and hit the most vulnerable Americans the hardest." [The White House, [10/26/22](#)]

Wyndham

Wyndham Hotels & Resorts—Which Claims To Be “The World’s Largest Hotel Franchising Company” And Runs 25 Major Brands—Was The Worst Major Hotel For Resort Fees, According To A 2024 NerdWallet Analysis.

Wyndham Hotels & Resorts Claims To Be “The World's Largest Hotel Franchising Company,” With About 9,200 Properties And 25 Brands, Including Super 8, Days Inn, Ramada, And Others.

Wyndham Was The Tenth Largest U.S. Hotel Chain By Market Capitalization, As Of August 20, 2024:



[CompaniesMarketcap.com, accessed [08/21/24](#)]

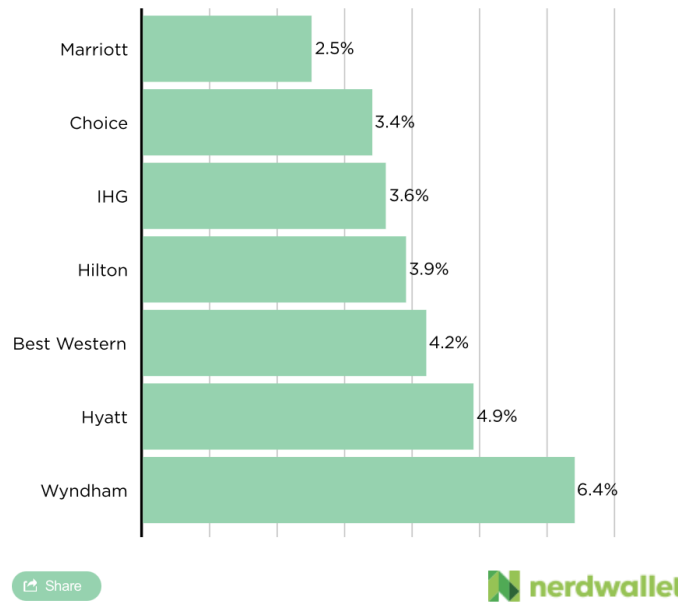
Wyndham Hotels & Resorts Claims To Be “The World's Largest Hotel Franchising Company By The Number Of Properties,” With About 9,200 Properties Across 95 Countries. “Wyndham Hotels & Resorts (NYSE: WH) is the world's largest hotel franchising company by the number of properties, with approximately 9,200 hotels across over 95 countries on six continents. Through its network of nearly 885,000 rooms appealing to the everyday traveler, Wyndham commands a leading presence in the economy and midscale segments of the lodging industry.” [Wyndham Hotels & Resorts, [08/20/24](#)]

Wyndham Operates 25 Hotel Brands, Including Super 8, Days Inn, Ramada, And Others. “The Company operates a portfolio of 25 hotel brands, including Super 8®, Days Inn®, Ramada®, Microtel®, La Quinta®, Baymont®, Wingate®, AmericInn®, Hawthorn Suites®, Trademark Collection® and Wyndham®.” [Wyndham Hotels & Resorts, [08/20/24](#)]

August 2024: A NerdWallet Analysis Found That Wyndham Was The Worst Major Hotel For Resort Fees, Charging An Average Of 6.4% Of Its Room Cost And Up To 45% For Some Lower-Cost Rooms.

August 2024: NerdWallet Found That Wyndham Was The Worst Major Hotel Brand For Resort Fees, Charging An Expected 6.4% Of Its Total Room Cost In Fees. “NerdWallet analyzed the major hotel brands to find out which ones have the worst resort fees.” [NerdWallet, [08/01/24](#)]

The expected resort fee cost for a given room, as a percent of the total cost of the room.



[NerdWallet, [08/01/24](#)]

Wyndham Charges Resort Fees Of \$30-\$50 A Night, According To NerdWallet. “Wyndham resort fees typically run between \$30 and \$50 per night.” [NerdWallet, [08/01/24](#)]

NerdWallet Found That Although Wyndham’s Room Rates Were Often Low, Resort Fees Could Comprise As Much As 45% Of A Room’s Cost. “But a big reason why Wyndham scored so low is because of how high the resort fees are relative to the room rates. One Wyndham property, the Rio All-Suite Hotel & Casino, often has among the cheapest nightly rates of any of the Las Vegas resorts. NerdWallet’s analysis found that, given the relatively low nightly rates, the \$44.22 resort fee netted out to a painful 45% of the total cost.” [NerdWallet, [08/01/24](#)]

In 2016, A Jury Awarded A Fired Wyndham Whistleblower \$20 Million After She Exposed The Company’s Practice Of Tricking Elderly Consumers Into Buying Timeshares—The Whistleblower Said Wyndham “Pounced On Them.”

2016: A Jury Awarded A Wyndham Whistleblower \$20 Million After She Was Fired For Exposing The Company’s Practice Of Tricking The Elderly Into Taking Large Debts To Buy Timeshares, Stating, “They Pounced On Them. A Lot Of Them Couldn’t Hear A Lot Of Them Had Walkers.”

2016: A Jury Reached A Verdict Against Wyndham Worldwide, Ordering It To Pay \$20 Million To A Whistleblower Who Revealed That Wyndham “Tricked The Elderly Into Buying Timeshares” And “Duped [Them] Into Taking Out Huge Loans.” “There is a major development about a case against a renowned resort company -- Wyndham Worldwide. 7 On Your Side's Michael Finney reported about two lawsuits claiming sales people tricked the elderly into buying timeshares. Now, years later -- a jury has reached a verdict. Michael Finney first reported about this case four years ago. Some elderly customers claimed they

were duped into taking out huge loans. Sales people from one office claimed they were trained to deceive, and now, a jaw dropping result.” [ABC 7, [12/01/16](#)]

- **HEADLINE: Jury orders Wyndham Worldwide to pay \$20 million to whistleblower** [ABC 7, [12/01/16](#)]
- **The Jury Ordered Wyndham To Pay \$20 Million In Damages To The Whistleblower.** “She just won a wrongful termination lawsuit against the timeshare company, Wyndham Vacation Ownership -- and it is huge. A San Francisco jury ordered Wyndham to pay her \$20 million in damages.” [ABC 7, [12/01/16](#)]

The Whistleblower Was Fired Four Years Prior To The Verdict For “Exposing Fraudulent Sales Of Timeshares To The Elderly.” “‘The abuse toward the elderly people I feel them, I loved them,’ said Patricia Williams. Four years ago Patricia was fired for exposing fraudulent sales of timeshares to the elderly. ‘I gotta tell you I’m proud of it now. I’m proud to be a whistleblower,’ said Patricia.” [ABC 7, [12/01/16](#)]

The Whistleblower Said Wyndham Sales People “Targeted Vulnerable Senior Citizens” And Tricked Them Into Taking Large Debts, Stating ‘They Pounced On Them. A Lot Of Them Couldn’t Hear A Lot Of Them Had Walkers.’” “Williams was a sales person at the Wyndham Resort in San Francisco. She says some sales people targeted vulnerable senior citizens, tricking them into taking out credit cards and using them to buy expensive timeshares. ‘They pounced on them. A lot of them couldn’t hear a lot of them had walkers,’ said Patricia.” [ABC 7, [12/01/16](#)]

Wyndham Claimed, “The Allegations In This Case Were Isolated To A Single Sales Office Years Ago Involving A Small Group Of Individuals Who Are No Longer Employed By The Company, And Are Wholly Inconsistent With Both Our Values And Business Practices.” “Wyndham said it disagrees with the verdict and is contemplating an appeal telling us: ‘The allegations in this case were isolated to a single sales office years ago involving a small group of individuals who are no longer employed by the company, and are wholly inconsistent with both our values and business practices. We operate a robust, highly-developed sales compliance program, including video recordings of the closing process...and a rigorous code of conduct.’” [ABC 7, [12/01/16](#)]

Omni Hotels

Omni Hotels & Resorts, Which Operates Over 50 Hotels And Resorts, Reached Separate Settlements In 2024 With The Attorneys General Of Pennsylvania And Colorado For ““Charging Hidden Fees,” Including “Hidden, 11th-Hour, Resort Fees.””

Omni Hotels & Resorts Operates Over 50 Hotels And Resorts.

Omni Hotels & Resorts Operates Over 50 Hotels And Resorts In The U.S. And Canada. “Omni Hotels & Resorts creates genuine, authentic guest experiences at over 50 distinct hotels and resorts in the most popular leisure and business destinations across the United States, as well as in Canada. With 26 iconic golf courses, including multiple short courses, 25 award-winning spas featured in dynamic locales nationwide, every Omni proudly opens its doors to share the true spirit of its destination.” [Omni Hotels & Resorts, [07/25/24](#)]

In November 2023, Pennsylvania Attorney General Michelle Henry Announced A Settlement With Omni Hotels Management Corporation Requiring It To Disclose All Fees Associated With A Stay—AG Henry’s Office Said, “These Hidden, 11th-Hour, Resort Fees Dupe Consumers.”

November 2023: Pennsylvania Attorney General Michelle Henry Announced A Settlement With Omni Hotels Management Corporation Requiring The Company To More Clearly Disclose Its Resort Fees, So That Consumers Are Not Left With “Surprisingly Larger Bills At Checkout.” “Attorney General Michelle Henry announced that her office has reached a settlement with Omni Hotels Management Corporation (Omni) regarding the company’s disclosure of resort fees and drip pricing, practices that leave consumers with surprisingly larger bills at checkout.” [Pennsylvania Attorney General Michelle Henry, [11/13/23](#)]

- **Omni Owned Two Hotels In Pennsylvania At The Time.** “Omni owns two hotels in Pennsylvania, the Omni William Penn Hotel in Pittsburgh and the Omni Bedford Springs Resort in Bedford.” [Pennsylvania Attorney General Michelle Henry, [11/13/23](#)]
- **Omni Hotels Management Corporation Is Affiliated With Omni Hotels & Resorts.** “These terms and conditions (‘Terms & Conditions’) govern your Membership in the Omni Select Guest® loyalty program (‘Select Guest’), which is owned and operated by Omni Hotels Management Corporation, a Delaware corporation (‘Omni’). [...] © 2024 Omni Hotels & Resorts. All Rights Reserved.” [Omni Hotels, accessed [08/21/24](#)]

Under The Settlement, Omni Agreed To Disclose All Fees Associated With A Stay, Including All Miscellaneous Mandatory Fees, On The First Page Of Its Booking Website. “Under the settlement, Omni agrees to immediately disclose all fees attached to a stay so consumers can budget responsibly and have the ability to compare prices.” [Pennsylvania Attorney General Michelle Henry, [11/13/23](#)]

- **Under The Settlement, Omni “Committed To Prominently Disclosing The Total Price Of A Hotel Stay, Including Room Rate And All Other Mandatory Fees, On The First Page Of Its Booking Website.”** “Through this settlement, Omni has committed to prominently disclosing the total price of a hotel stay, including room rate and all other mandatory fees, on the first page of its booking website as part of the total room rate.” [Pennsylvania Attorney General Michelle Henry, [11/13/23](#)]

Attorney General Henry’s Office Stated, “These Hidden, 11th-Hour, Resort Fees Dupe Consumers Into Thinking They Are Getting A Better Deal Than The Actual Bottom Line.” “These hidden, 11th-hour, resort fees dupe consumers into thinking they are getting a better deal than the actual bottom line. We credit Omni for stepping up and committing to fix this deceptive practice.” [Pennsylvania Attorney General Michelle Henry, [11/13/23](#)]

The Attorney General’s Investigation Focused On Drip Pricing, Where “Fees Are Gradually Disclosed To Consumers As They Go Through The Booking Process.” “The Office’s investigations of these hotel chains focused on the practice commonly referred to as drip pricing. With the drip pricing method employed by many hotel chains and online travel agencies, fees are gradually disclosed to consumers as they go through the booking process. Customers often don’t learn the total price of their booking, room rate plus resort fee, until the last page in the online booking process, or sometimes until they check in at the hotel. Attorney General Henry has argued that drip pricing is deceptive and a violation of Pennsylvania’s Consumer Protection Law.” [Pennsylvania Attorney General Michelle Henry, [11/13/23](#)]

In November 2023, Colorado Attorney General Phil Weiser Reached A Settlement With Omni Hotels To End Its Practice Of “Charging Hidden Fees,” With AG Weiser Saying, “Consumers Shouldn’t Have To Navigate Complex Agreements Or Dig Through Fine Print To Find The Total Cost Of Their Hotel.”

November 2023: Colorado Attorney General Phil Weiser Announced A Settlement With Omni Hotels To End Its Practice Of “Charging Hidden Fees.” “Attorney General Phil Weiser announced today that his office reached a settlement with Omni Hotels that will end the chain’s practice of advertising room prices lower than the total cost including all required fees. The agreement comes after an investigation by the Colorado Department of Law which found that the company was not being transparent enough with customers about the total nightly price of their rooms.” [Colorado Attorney General Phil Weiser, [11/09/23](#)]

- **Press Release HEADLINE: Omni Hotels to stop charging hidden fees under agreement reached with Colorado Attorney General’s Office** [Colorado Attorney General Phil Weiser, [11/09/23](#)]

Attorney General Weiser Said, “Consumers Shouldn’t Have To Navigate Complex Agreements Or Dig Through Fine Print To Find The Total Cost Of Their Hotel.” “Consumers shouldn’t have to navigate complex agreements or dig through fine print to find the total cost of their hotel,’ Weiser said. ‘That’s why we’re holding companies accountable and ensuring consumers get the whole story well before check-in.” [Colorado Attorney General Phil Weiser, [11/09/23](#)]

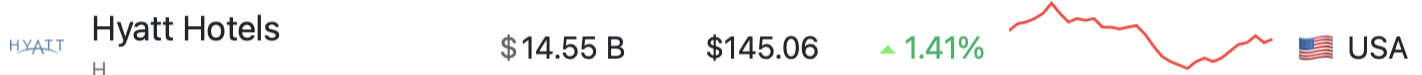
Under The Settlement, Omni Must “Clearly Display Any Mandatory Fees And The Total Room Price In Any Advertisement Or Other Public Communication About Room Rates, With The Total Price After Fees Being The Most Prominently Displayed Rate.” “Under the terms of the agreement, Omni will clearly display any mandatory fees and the total room price in any advertisement or other public communication about room rates, with the total price after fees being the most prominently displayed rate, and taxes listed separate from fees. The company will also provide consumers with an explanation of any amenities the fees paid give them access to and will train employees on the new pricing requirements.” [Colorado Attorney General Phil Weiser, [11/09/23](#)]

Hyatt Hotels

Hyatt Hotels—The Fifth Largest U.S. Hotel Chain—Was The Second-Worst Major Hotel For Junk Fees According To A 2024 NerdWallet Analysis, Which Found That It Charged \$20 More In Resort Fees Per Night Than The Industry Average In Its More Affordable Properties.

Hyatt Hotels—The Fifth Largest U.S. Hotel Chain By Market Capitalization—Operates At Least 1,350 Locations Worldwide.

Hyatt Hotels Was The Fifth Largest U.S. Hotel Chain By Market Capitalization, As Of August 21, 2024:



[CompaniesMarketcap.com, accessed [08/21/24](#)]

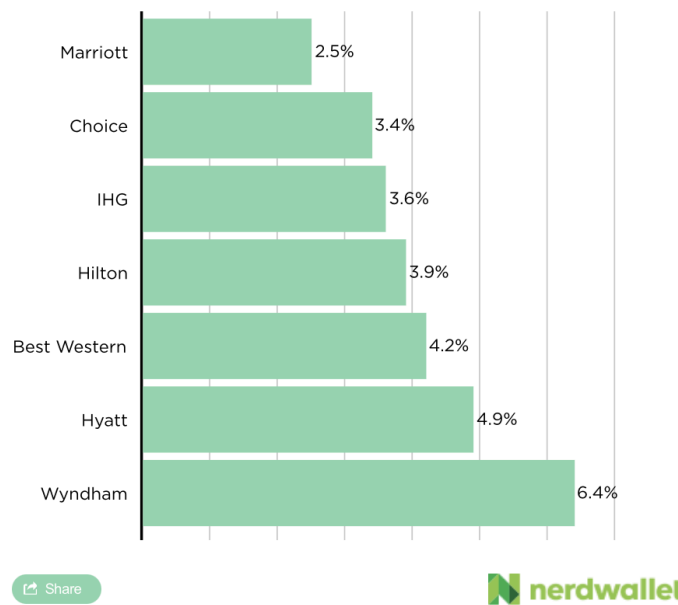
Hyatt Hotel Corporation’s Portfolio Includes Over “1,350 Hotels And All-Inclusive Properties In 78 Countries Across Six Continents.” “Hyatt Hotels Corporation, headquartered in Chicago, is a leading global

hospitality company guided by its purpose – to care for people so they can be their best. As of June 30, 2024, the Company’s portfolio included more than 1,350 hotels and all-inclusive properties in 78 countries across six continents.” [Hyatt Hotels Corporation, [08/20/24](#)]

August 2024: A NerdWallet Analysis Found That Hyatt Was The Second-Worst Major Hotel For Resort Fees, Charging An Average Of 4.9% Of Its Room Cost—NerdWallet Found That Hyatt’s More Affordable Properties Charged Over \$20 More Per Night In Resort Fees Than The Industry Average And Its “Ultra-Luxury” Brand Could Charge As Much As \$250 Per Night Per Person.

August 2024: NerdWallet Found That Hyatt Was The Second-Worst Major Hotel Brand For Resort Fees, Charging An Expected 4.9% Of Its Total Room Cost In Fees. “NerdWallet analyzed the major hotel brands to find out which ones have the worst resort fees.” [NerdWallet, [08/01/24](#)]

The expected resort fee cost for a given room, as a percent of the total cost of the room.



[NerdWallet, [08/01/24](#)]

NerdWallet Found That At “More Accessibly-Priced” Hyatt Properties, Resort Fees Were Still A “Relatively High” \$60.16, Exceeding The Industry Average of \$38.82. “Even at more accessibly-priced Hyatt properties that charge resort fees, they’re relatively high at an average of \$60.16. This exceeds the industry average of \$38.82 by more than \$20.” [NerdWallet, [08/01/24](#)]

NerdWallet Found That Hyatt’s “Ultra-Luxury” Brand Miraval Charged About 25% Of Its Room Rates In Resort Fees Per Person, Costing A Couple Over \$500 Resort Fees Per Room Per Night. “Hyatt got dinged especially hard by one outlier brand in particular: Miraval. Miraval is an ultra-luxury, all-inclusive resort where you won’t pay a dime for most expenses, including shuttle transportation, meals, nonalcoholic drinks, classes and use of other amenities. The employees don’t even accept tips. Nightly room rates usually exceed \$1,000 and sometimes well beyond that. Miraval’s resort fees are unique in that they are 25% of the overall rate. With a rate of \$1,000 per night, resort fees can cost about \$250 nightly, and — unlike many other resorts — Miraval charges per person. Couples can expect to pay over \$500 per room in resort fees alone.” [NerdWallet, [08/01/24](#)]

The New York Times Used Hyatt As An Example Of Hotel Junk Fees, Citing One Advertised Room Rate Of \$331 Soaring To \$421 After Fees.

The New York Times Used Hyatt As An Example For “What Does A Hotel Junk Fee Look Like?,” Citing A Real Price Of \$421 For An Advertised Room Rate Of \$331 At A Hyatt Property. “What does a hotel junk fee look like? Let’s say you’re booking a room this month at the Grayson Hotel by Hyatt. It may show up as \$331 for a room per night in an online search tool like Google or Expedia. But once you are in the checkout process, the real price goes up to \$421.” [The New York Times, [06/15/23](#)]

- **HEADLINE: Watch Out for ‘Junk’ Fees When Booking Travel Online** [The New York Times, [06/15/23](#)]

In 2023, Hyatt Faced Two Lawsuits From The State Of Texas And A Consumer Group For Charging “Illegal Hidden Fees” And “Systemically Cheating Consumers” Through “Deceptive” Fees—And In 2019, It Faced An Unsuccessful Class Action Lawsuit Over Its “Drip Pricing” Resort Fee Disclosure Practices.

In May 2023, Texas Attorney General Ken Paxton Sued Hyatt For “Deceptive Trade Practices” And Charging “Illegal Hidden Fees,” Including Resort, Destination, And Amenity Fees That Increased Room Rates Beyond The Advertised Price.

May 2023: Texas Attorney General Ken Paxton Filed A Lawsuit Against Hyatt Hotels Corporation For “Deceptive Trade Practices Regarding the True Price of Hotel Rooms.” “Attorney General Paxton filed a lawsuit against Hyatt Hotels Corporation d/b/a Hyatt Corporation; Hyatt Franchising, LLC (‘Hyatt’), one of the largest hotel operators in the country, for violating Texas consumer protection laws by marketing hotel rooms at prices that were not available to the public as advertised.” [Texas Attorney General Ken Paxton, [05/16/23](#)]

- **Press Release Headline: Paxton Sues Hyatt Hotels for Deceptive Trade Practices Regarding the True Price of Hotel Rooms** [Texas Attorney General Ken Paxton, [05/16/23](#)]

The Attorney General’s Office Stated Hyatt Charged “Mandatory And Unavoidable Fees—Such As Resort Fees, Destination Fees, Or Amenity Fees” And Was Not Fully Transparent About How These Increased Initially Advertised Room Rates. “Hyatt implemented this practice by charging consumers mandatory and unavoidable fees—such as resort fees, destination fees, or amenity fees—in addition to daily room rates. Even when these fees were eventually disclosed, they were done so in a manner that was unlikely to alert consumers that the initial rate that attracted them was not, in fact, the actual price of the room.” [Texas Attorney General Ken Paxton, [05/16/23](#)]

Attorney General Paxton, Accusing Hyatt Of “Charging Illegal Hidden Fees,” Said, “These Deceptive Practices Enabled Hyatt To Advertise Lodging At Artificially Low Rates.” “Hyatt’s lack of transparency regarding hotel room prices has misled consumers and violated Texas law,’ said Attorney General Paxton. ‘These deceptive practices enabled Hyatt to advertise lodging at artificially low rates, and it must end immediately. I will not stand by while Texas consumers are taken advantage of by Hyatt, or by any hotel chain that tries to get away with charging illegal hidden fees.’” [Texas Attorney General Ken Paxton, [05/16/23](#)]

In August 2023, Hyatt Was Sued For “Deceptive” Resort And Destination Fees By Consumer Protection Organization, Travelers United, Which Alleged The Company Was “Systemically Cheating Consumers Out Of Tens, If Not Hundreds, Of Millions Of Dollars Each Year.”

August 2023: Hyatt Hotels Corporation Was Sued For “Deceptive” Fees By Travelers United, A Consumer Protection Organization. “Hyatt Hotels Corp. is being sued over ‘deceptive’ fees by consumer protection organization Travelers United, public interest law firm Tycko & Zavareei LLP, which represents the plaintiffs, announced this week.” [HotelDive, [08/24/23](#)]

The Lawsuit Alleged Hyatt Was “Systemically Cheating Consumers Out Of Tens, If Not Hundreds, Of Millions Of Dollars Each Year” Through Falsely Advertising Hotel Room Rates Without Disclosing Resort And Destination Fees. “The filed complaint alleges that Hyatt has been ‘systemically cheating consumers out of tens, if not hundreds, of millions of dollars each year’ by falsely advertising hotel room rates that do not include the ‘destination fees’ and ‘resort fees’ that get tacked on at the end.” [HotelDive, [08/24/23](#)]

The Lawsuit Centered On Grand Hyatt Washington’s \$20 Per Night Destination Fee, Bundled Into A “Taxes And Fees” Section Of The Bill That Appeared To Be A Mandatory Government Fee. “Travelers United’s complaint centers on the Grand Hyatt Washington’s \$20-per-night ‘destination fee.’ Because Hyatt bundles the charge into a ‘taxes and fees’ portion of the bill disclosed late in the checkout process, it appears like a mandatory government fee, the complaint claims.” [HotelDive, [08/24/23](#)]

- **The Lawsuit Was Filed In Washington D.C., Which Requires Transparent Pricing By Law.** “Travelers United filed the case in Washington, D.C., whose laws require transparent upfront pricing.” [Skift, [08/26/23](#)]

The Day After The Lawsuit Was Filed, Hilton Claimed It Would Work “Very Quickly” To Disclose Mandatory Fees Upfront On Its Websites And Apps. “On September 20, 2023, Travelers’ United, represented by Tycko & Zavareei, filed a lawsuit challenging Hilton’s junk fee practices. A copy of the complaint is available here. The very next day, Hilton issued a public statement promising to work ‘very quickly’ to ‘ensure [that] mandatory fees are displayed upfront on all Hilton websites and apps.” [Tycko & Zavareei, [09/21/23](#)]

The Case Was Still Pending, As Of August 21, 2024. [Justia, accessed [08/21/24](#)]

In July 2019, Hyatt Hotels Faced An Unsuccessful Class Action Lawsuit Filed Over Its "Drip Pricing" Resort Fee Disclosure Practices, Despite The Federal Judge Conceding That Hyatt "Did Not Include The Fee In Its Initial Room Listing Quote."

July 2019: Hyatt Hotels Faced A Class Action Lawsuit Filed In Chicago, Illinois Over Its Failure To Disclose Resort Fees. "In July 2019, attorneys with the firm of Bursor & Fisher, of Walnut Creek, Calif., and McMorrow Law, P.C., of Chicago, filed their class action lawsuit against Hyatt in Chicago federal court. The lawsuit was filed on behalf of named plaintiff Eric Washington, among others. According to the complaint, Washington and his fellow plaintiffs accused Hyatt Hotels of violating consumer fraud laws, by allegedly misleading customers into purchasing rooms that included additional mandatory 'resort fees.'" [Cook County Record, [06/11/20](#)]

- **The Lawsuit Alleged Hyatt Engaged In "Drip Pricing" Where Customers Were Shown A Different Rate Than What It Was In Actuality.** "The class action asserted Hyatt engaged in essentially a bait and switch campaign, known as 'drip pricing.' When customers would search for hotel rooms, Hyatt's

listings would show a room for a certain rate. In Blakey's decision, the judge referenced an initial listed rate of \$104 per night." [Cook County Record, [06/11/20](#)]

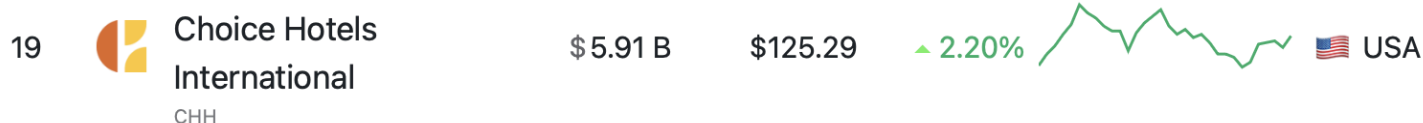
- **A Federal Judge Ultimately Struck Down The Class Action Suit, Arguing That The Fees Were Provided In The Booking Process.** "A Chicago federal judge has shut down a class action accusing Hyatt Hotels of deceiving customers by not including mandatory resort fees in the initial room rate quoted online when searching for a room at some of its properties. In the June 9 decision, the judge noted the resort fees are referenced twice during the booking process, with the total final rate, with fees, clearly displayed right before a customer would complete booking a room. Hyatt's 'booking process here provides clear and easy access to the existence, purpose, and amount of the resort fee,' said U.S. District Judge John Robert Blakey. 'Indeed, a customer booking a room through (Hyatt's) website or app would have necessarily noticed a price discrepancy between the initial price quote and the final charges before committing to the transaction.'" [Cook County Record, [06/11/20](#)]
- **However, The Judge Conceded That Hyatt "Did Not Include The Fee In Its Initial Room Listing Quote."** "In his decision, Blakey said there is little to no chance a customer could be deceived by Hyatt's booking practices. While conceding Hyatt did not include the fee in its initial room listing quote, Blakey said the fees were readily disclosed amid a 'transparent' booking process. If the customer chose to pay the final room rate, Blakey said, it was not as a result of any trickery on Hyatt's part." [Cook County Record, [06/11/20](#)]

Choice

Choice Hotels International—“One Of The Largest Lodging Franchisors In The World,” With Nearly 7,500 Hotels Across 22 Brands—Was The Sixth-Worst Major Hotel Brand For Resort Fees In 2024, Charging 3.5% Of Its Total Room Cost In Fees.

Choice Hotels International Is “One Of The Largest Lodging Franchisors In The World,” With Nearly 7,500 Hotels Across 22 Brands, Including Comfort, Quality Inn, Econo Lodge, And Others.

Choice Hotels International Was The Eleventh Largest U.S. Hotel Chain By Market Capitalization, As Of August 21, 2024:



[CompaniesMarketcap.com, accessed [08/21/24](#)]

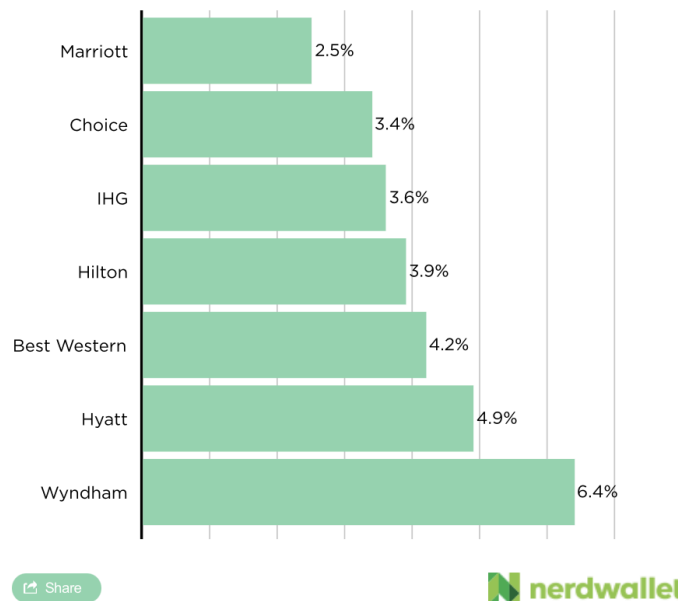
Choice Hotels International “Is One Of The Largest Lodging Franchisors In The World,” With Nearly 7,500 Hotels Across 22 Brands In 45 Countries And Territories. “Choice Hotels International, Inc. (NYSE: CHH) is one of the largest lodging franchisors in the world. The challenger in upscale and a leader in midscale and extended stay, Choice® has nearly 7,500 hotels, representing more than 630,000 rooms, in 45 countries and territories. A diverse portfolio of 22 brands that range from full-service upper upscale properties to midscale, extended stay and economy enables Choice® to meet travelers' needs in more places and for more occasions while driving more value for franchise owners and shareholders.” [Choice Hotels International, [08/20/24](#)]

Choice Hotels International Inc.’s Brands Include Comfort, Quality Inn, Sleep Inn, Econo Lodge, And Rodeway Inn. “The suit targets six familiar hotel chains: Hilton Worldwide Holdings Inc, Wyndham Hotels & Resorts, Inc, Four Seasons Hotels and Resorts US Inc, Omni Hotels and Resorts Inc, and Hyatt Hotel Corporation, in addition to Choice Hotels International Inc, which includes the budget conscious brands Comfort, Quality Inn, Sleep Inn, Econo Lodge, and Rodeway Inn. Collectively the defendants have thousands of hotels in the United States.” [CBS News, [04/29/24](#)]

A 2024 NerdWallet Analysis Found That Choice Was The Sixth-Worst Major Hotel Brand For Resort Fees, Charging 3.5% Of Its Total Room Cost In Fees.

August 2024: NerdWallet Found That Choice Hotels Was The Sixth-Worst Major Hotel Brand For Resort Fees, Charging An Expected 3.4% Of Its Total Room Cost In Fees. “NerdWallet analyzed the major hotel brands to find out which ones have the worst resort fees.” [NerdWallet, [08/01/24](#)]

The expected resort fee cost for a given room, as a percent of the total cost of the room.



[NerdWallet, [08/01/24](#)]

In 2023 Alone, Choice Hotels International Settled With Attorneys General In Pennsylvania, Colorado, Oregon, And Texas For “Hidden, 11th-Hour, Resort Fees,” “Sneaky And Deceptive” Rate Practices, “Misrepresent[ing] Room Rates,” And “Misleading Room Rates.”

In September 2023, Pennsylvania Attorney General Michelle Henry Announced A Settlement With Choice Hotels International Inc. Requiring It To Disclose All Fees Associated With A Stay—AG Henry’s Office Said, “These Hidden, 11th-Hour, Resort Fees [...] Dupe Consumers.”

September 2023: Pennsylvania Attorney General Michelle Henry Announced A Settlement With Choice Hotels International Inc. Requiring The Company To Disclose Its Resort Fees, So Consumers Are Not

Left With “Surprisingly Larger Bills At Checkout.” “Attorney General Michelle Henry announced that her office has reached a multi-state settlement with Choice Hotels International, Inc. (‘Choice’) regarding the disclosure of ‘resort fees’ and ‘drip pricing’ — practices that leave consumers with surprisingly larger bills at checkout. Under the settlement, Choice, which owns such brands as Quality and Comfort hotels, agrees to immediately disclose all fees attached to a stay so consumers can budget responsibly and have the ability to compare prices.” [Pennsylvania Attorney General Michelle Henry, [09/21/23](#)]

Attorney General Henry Said, “These Hidden, 11th-Hour, Resort Fees Are Intentionally Designed To Dupe Consumers Into Thinking They Are Getting A Better Deal Than The Actual Bottom Line.” “The fairness we seek for consumers is reasonable and appropriate— be up front with shoppers who have many lodging options and are free to explore those options,’ Attorney General Henry said. ‘These hidden, 11th-hour, resort fees are intentionally designed to dupe consumers into thinking they are getting a better deal than the actual bottom line. We credit Choice for stepping up and committing to fix this deceptive practice.’” [Pennsylvania Attorney General Michelle Henry, [09/21/23](#)]

The Attorney General’s Investigation Focused On Drip Pricing, Where “Fees Are Gradually Disclosed To Consumers As They Go Through The Booking Process.” “The states’ investigations focused on the practice commonly referred to as ‘drip pricing.’ With the ‘drip pricing’ method employed by many hotel chains and online travel agencies, fees are gradually disclosed to consumers as they go through the booking process. Customers often don’t learn the total price of their booking, room rate plus resort fee, until the last page in the online booking process, or sometimes until they check in at the hotel.” [Pennsylvania Attorney General Michelle Henry, [09/21/23](#)]

In September 2023, Colorado Attorney General Phil Weiser Reached A Settlement With Choice Hotels International Inc. Requiring It To Clearly Disclose “Previously-Hidden” Prices, Including Resort Fees, After An Investigation Found Choice “Misrepresent[ed] Room Rates, Mandatory Fees, And The Total Price In Its Advertising To Consumers.”

September 2023: Colorado Attorney General Phil Weiser Announced A Settlement With Choice Hotels To Clearly Disclose “Previously-Hidden” Prices, Including Resort Fees. “Attorney General Phil Weiser today announced that hotel chain and hospitality company Choice Hotels International, Inc. agreed in a settlement to clearly and distinctly inform consumers of any room rates, mandatory fees, and previously-hidden prices, such as resort fees, in all future advertisements.” [Colorado Attorney General Phil Weiser, [09/21/23](#)]

An Investigation Done By Attorney General Weiser’s Office Found Choice “Misrepresent[ed] Room Rates, Mandatory Fees, And The Total Price In Its Advertising To Consumers For The Company’s Name-Brand And Affiliated Hotels.” “This settlement comes after an investigation found Choice—like many companies in the hospitality industry—misrepresents room rates, mandatory fees, and the total price in its advertising to consumers for the company’s name-brand and affiliated hotels. The company owns several hotel brands, including Radisson, Country Inn & Suites, Comfort Suites, EconoLodge, and Roadway Inn.” [Colorado Attorney General Phil Weiser, [09/21/23](#)]

The Investigation Focused On Drip Pricing, Where “Fees Are Gradually Disclosed To Consumers As They Go Through The Booking Process.” “The states’ investigations focused on the practice commonly referred to as ‘drip pricing.’ Hotel chains and online travel agencies use drip pricing to gradually disclose fees to consumers as they go through the booking process. Under such pricing, customers often don’t learn the total price of their booking—room rate plus resort fee—until the end of the online booking process or, in some cases, until they check in at the hotel.” [Colorado Attorney General Phil Weiser, [09/21/23](#)]

Attorney General Weiser Said, “Consumers Should Know Up Front The Full Price They Are Paying For A Hotel Room So They Can Make A Booking That Best Fits Their Budget.” “With drip pricing, hotels lure

customers with an advertised price that reflects only a portion of the full price, while hiding other charges, such as resort fees, until later in the buying process. Consumers should know up front the full price they are paying for a hotel room so they can make a booking that best fits their budget,' said Attorney General Weiser." [Colorado Attorney General Phil Weiser, [09/21/23](#)]

In September 2023, Oregon Attorney General Ellen Rosenblum Reached A Settlement With Choice Hotels Requiring It To Clearly Disclose Previously “Hidden” Resort Fees—AG Rosenblum Called Choice’s Practices “Sneaky And Deceptive.”

September 2023: Oregon Attorney General Ellen Rosenblum Announced A Settlement With Choice Hotels International Inc. Over The Disclosure Of “Hidden” Resort Fees. “Attorney General Ellen Rosenblum announced today that the Oregon Department of Justice has reached a settlement with Choice Hotels International, Inc. regarding the disclosure of what they call ‘resort fees.’ Choice Hotels is one of the largest hotel chains in the world. It operates many recognizable hotel chains, including over 90 locations across Oregon, operating brands like Clarion Hotels, Quality Inn, Sleep Inn, Econo Lodge, and Rodeway Inn.” [Oregon Department of Justice, [09/22/23](#)]

- **Press Release HEADLINE: AG Rosenblum Announces Multi-State Settlement with Choice Hotels Over Hidden Fees** [Oregon Department of Justice, [09/22/23](#)]

Attorney General Rosenblum Said, “Figuring Out How Much A Hotel Room Is Actually Going To Cost Should Not Be So Hard! Price Comparisons Need To Be Truthful, Quick And Easy— Not Sneaky And Deceptive.” “‘Figuring out how much a hotel room is actually going to cost should not be so hard! Price comparisons need to be truthful, quick and easy— not sneaky and deceptive,’ said AG Rosenblum.” [Oregon Department of Justice, [09/22/23](#)]

Under The Settlement, Choice Hotels Agreed To “Prominently Disclose The Total Price Of A Hotel Stay, Including Room Rate, ‘resort Fee,’ And All Other Mandatory Fees, On The First Page Of Its Booking Website.” “With these settlements, Choice Hotels has committed to putting a policy in place to be upfront and transparent in the disclosure of mandatory fees, including resort fees, as part of the total price of a hotel stay—allowing consumers to be able to compare total price costs for hotels and find the one that is the best fit and price for them. Choice Hotels has committed to prominently disclose the total price of a hotel stay, including room rate, ‘resort fee,’ and all other mandatory fees, on the first page of its booking website as part of the total room rate.” [Oregon Department of Justice, [09/22/23](#)]

In September 2023, Choice Hotels International Inc. Reached A Settlement With The State Of Texas Over The Company’s Allegedly “Misleading Room Rates” Not Clearly Disclosing “Hidden Fees,” Including Resort Fees, Destination Fees, And Amenity Fees.

September 2023: Choice Hotels International Inc. Reached A Settlement With The State Of Texas “Over Allegedly Misleading Room Rates” And “Promoting Room Prices That Did Not Include All The Mandatory Fees Charged To Consumers.” “Choice Hotels International Inc. is at least the third major hotel chain to reach a settlement with the state of Texas over allegedly misleading room rates. As with the other chains, the state attorney general’s office accused Choice Hotels of promoting room prices that did not include all the mandatory fees charged to consumers for staying at one of the Rockville, Md., company’s affiliated hotels.” [San Antonio Express-News, [09/11/23](#)]

The Settlement Came After The Texas Attorney General Pursued Hotel Chains’ “Hidden” Fees, Including Resort Fees, Destination Fees, And Amenity Fees. “The attorney general’s office has been

pursuing hotel chains over fees that are allegedly 'hidden' or 'belatedly added.' The fees — often referred to as 'resort fees, destination fees, or amenity fees' — have misled customers and violated the state's consumer protection laws, the attorney general's office has said." [San Antonio Express-News, [09/11/23](#)]

Under The Settlement, Choice Was Required To “‘Clearly And Conspicuously’ Disclose All Mandatory Fees And The Total Price Of A Room In Any Advertisements” And To Ensure The Total Price Is “‘The Most Prominently Displayed Price.’” “The company is required to update various systems and platforms to comply with the agreement. It has until Nov. 30 to make the updates, but may seek an extension until Dec. 31. It must 'Clearly and Conspicuously' disclose all mandatory fees and the total price of a room in any advertisements. The total price also must be 'the most prominently displayed price.’” [San Antonio Express-News, [09/11/23](#)]