



# Policy Solutions for Our Workforce, Communities, and Guests

2019  
POLICY GUIDE



**AHLA** is committed to innovative solutions that support small business owners and keep our economy strong. That includes addressing our workforce needs, protecting our guests and neighborhoods, and promoting travel and tourism. Hoteliers will work across the aisle to advocate for policies so that our industry—and our communities—continue to thrive.

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**WELCOME**

# Brands

# Independent Properties

# Management Companies

# Owners

Cross section of our membership.

# Proudly serving every segment of the industry.

We are vibrant, dynamic, and diverse—from global brands to small and independent inns and bed & breakfasts that line main streets across the country.

AHLA is the singular voice that brings together and represents the lodging industry's multitude of constituents:

- Global hotel brands
- Hotel owners and Real Estate Investment Trusts (REITs) and management companies
- Branded and independent properties and bed & breakfasts
- State hotel associations
- Industry partners and suppliers

From owners and CEOs to every team member working in hotels across America, we are honored to support the millions of individuals who make our industry thrive.

Hotels have a presence and impact in every single Congressional district in the country, supporting **8 million jobs**, collecting billions in tax revenues, and reinvesting and supporting the communities we call home.

We aren't urban or rural, Democratic or Republican—we are everywhere and everyone. And we're committed to being a good employer, a good host, and a good neighbor.



**NEARLY  
26,000  
MEMBERS  
REPRESENTING  
3 MILLION  
ROOMS**



**HOTELS CONTRIBUTE NEARLY  
\$600  
BILLION  
TO U.S. GDP**



**HOTEL  
33,000  
PROPERTIES ARE  
SMALL  
BUSINESSES**

# Supporting our workforce



**8 MILLION  
AMERICAN  
JOBS**

The hotel industry is a major economic driver, supporting 8 million jobs and providing opportunities for lifelong careers, upward mobility, fast-tracked promotions, and workplace flexibility. A typical hotel supports more than 250 jobs in the local community. AHLA supports policies that empower entrepreneurs, encourage business growth and support those seeking to achieve the American Dream.

## Investing in Our People

One of the most acute challenges facing the hotel industry today is hiring associates to fill critical service positions. America is facing its tightest labor market in more than 30 years. In fact, the U.S. Department of Labor (DOL) announced in May 2018 that the number of available jobs outpaced those seeking employment. DOL estimates there are nearly one million job vacancies in the hospitality sector alone.\*

To meet our workforce needs, AHLA and our foundation arm, the American Hotel & Lodging Educational Foundation (AHLEF), are developing innovative, proactive programs that invest in our workforce, from creative recruitment and retention strategies, to launching innovative industry-wide programs to upskill our workforce and expand our talent pipeline.



## THE WALL STREET JOURNAL.

### Free Tuition: Hotels' Latest Attempt to Stem Employee Turnover

The American Hotel & Lodging Association and education company Pearson PLC are pairing up to launch a pilot program that will foot the bill for hotel-industry workers to get degrees

\*Source: U.S. Bureau of Labor Statistics, September 2018

In the next five years, AHLA and the hotel industry will:

- **Enroll 50,000 apprentices** into new and existing AHLA apprenticeship programs
- **Certify 125,000 job seekers** and current employees with industry certifications
- **Help 5,000 employees earn a college degree at no cost** to them through our Cost-Free College Program
- **Award more than \$5 million in scholarships** for students enrolled in hospitality-related degree programs
- **Train and certify 8,000 Opportunity Youth** ages 16-24 and connect them to potential employers in the hospitality sector in markets of high need



Yahia Liban, 2018 Opportunity Youth Graduate and now Front Desk Agent at Hyatt Regency LAX



AHLA apprentices, opportunity youth and industry employees visit AHLA offices



Opportunity Youth graduation ceremony in Los Angeles

## **Comprehensive Immigration Reform**

Hoteliers are working hard to build our talent pipeline, but we also need federal policies that help us meet the increasing demand for associates so we can serve our guests and continue to grow.

The domestic labor market alone cannot meet our industry's workforce needs. The hospitality industry is one of the largest employers of immigrants, representing nearly one-third of our workforce. We attract talent from around the globe, including both immigrants and temporary legal guest workers, and offer so many the opportunity to achieve the American Dream.

We support a balanced approach to immigration reform that enables us to meet the increasing demand for employees, while protecting our national security and ensuring all workers are protected by federal labor laws.

### **AHLA POSITION**

*AHLA urges Congress to pass comprehensive immigration reform.*

*AHLA also calls on Congress to pass legislation that strengthens the H-2B and J-1 visa programs, which the hotel industry relies on to augment our domestic workforce.*

## **Joint Employer Standard**

The hotel industry fosters opportunities for entrepreneurs across the country to open hotels through the franchise model. For more than 30 years, one of the cornerstones of labor law was the joint employer standard, which protected small businesses from undue liability involving employees over whom they do not have direct control.

In the 2015 Browning-Ferris (BFI) decision, the National Labor Relations Board (NLRB) reversed more than three decades of labor law when they redefined what it means to be a joint employer. The BFI standard makes businesses potentially liable for the actions of employees over whom they have no direct or immediate control. This creates uncertainty for employers and hurts franchisors and franchisees alike.

### **AHLA POSITION**

*We support rulemaking efforts by the NLRB and U.S. Department of Labor to bring clarity back to the joint employer standard.*

*We also urge Congress to pass common-sense legislation to reinstate the original definition of joint employer and provide clarity and certainty to the business community.*

## The 5-Star Promise

The hotel industry is centered on people taking care of people. Ensuring the safety and well-being of our employees and guests is paramount. Hotels have been investing in safety for decades, working with experts to continuously review and update protocols, procedures and technologies that keep both employees and guests safe.



*The CEOs of Marriott, Wyndham, Hilton, Hyatt and IHG join AHLA leaders and Tina Tchen, co-founder of the Time's Up Legal Defense Fund, to announce the 5-Star Promise, which commits nearly 20 hotel companies to implementation by 2020.*

In September 2018, AHLA and the major hotel brands took another step forward in our commitment to our workforce when we announced the 5-Star Promise. This comprehensive, unprecedented commitment includes a pledge to provide employee safety devices (ESDs) across the U.S. and to enhance our policies, trainings and resources related to sexual harassment and assault prevention and response.

Safety is a never-ending challenge, and the hotel industry is highly committed to solutions. We will continue to work, day in and day out, so that America's hotels are secure places for all those who work in and visit them.



# 5-STAR PROMISE

## Our Industry's Commitment to Employee Safety

**The 5-Star Promise** represents the hotel industry's commitment to advance safety and security for hotel employees and guests and includes these five core components:

- ★ Build on our People Culture
- ★ Mandatory anti-sexual harassment policies
- ★ Ongoing employee training and education
- ★ Employee safety devices
- ★ Vital partnerships with national organizations

# Investing in our community

As employers, taxpayers, and neighbors, hoteliers are proud to be an integral part of your communities, and we are committed to strengthening and growing them together.

AHLA supports the rights of property owners to occasionally rent out a room in their home, also known as homesharing. But commercial short-term rental operators use platforms such as Airbnb to list multiple units in the same metropolitan area or list units for extended periods of time. Many commercial operators flout basic safety and security laws, zoning rules and taxes. These illegal hotels create safety concerns, reduce

affordable housing inventory, drive up rent prices, and displace long-time residents.

In many cases, short-term rental companies also rely on tax agreements resulting from backroom negotiations called "voluntary collection agreements" (VCAs) that allow them to pay taxes on the honor system, instead of the transparent tax structures required of every other law-abiding business in America. A 2017 analysis found at least 58 percent of Airbnb VCAs include hidden provisions such as blocking auditor access to Airbnb books and back-tax amnesty provisions.

## **AHLA POSITION**

*AHLA supports common-sense regulations and accountability of the short-term rental industry to ensure a level and legal playing field within the lodging sector.*



**The Boston Globe**  
**SHORT-TERM RENTALS GET STRICT RULES IN BOSTON**

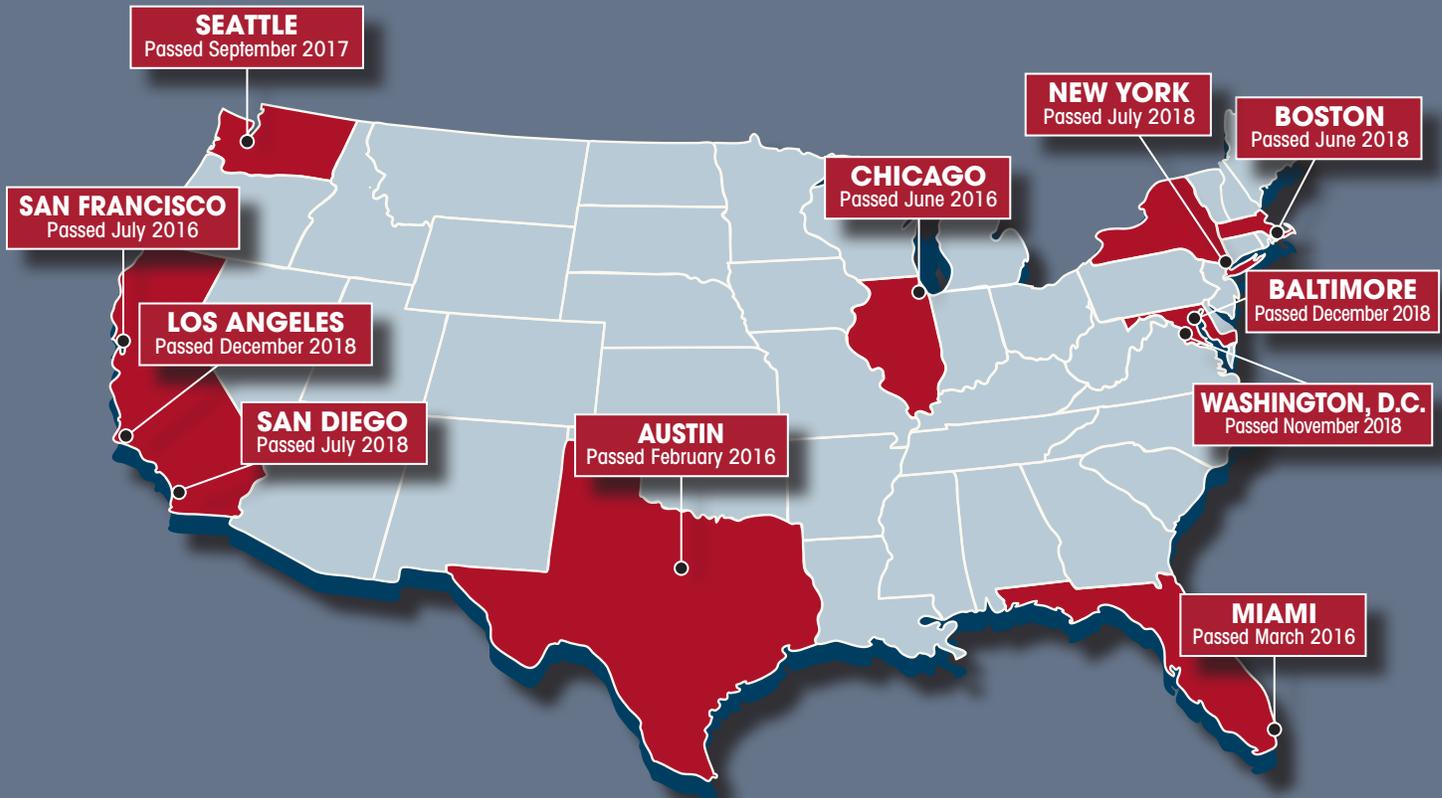
*Boston Mayor Marty Walsh signs an ordinance regulating short-term rental platforms in the city.*

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**TO LIM**

**L.A.**  
**REG**

ies

From Boston and New York to San Diego, increasingly more communities are reining in illegal hotels, supporting common-sense regulations, accountability and taxes on the short-term rental industry.



The San Diego  
Union-Tribune  
SAN DIEGO COUNCIL VOTES  
TO LIMIT AIRBNB RENTALS

Chicago Tribune  
AIRBNB RULES EASILY PASS  
CHICAGO CITY COUNCIL  
DESPITE VOCAL OPPOSITION

Los Angeles Times  
LOS ANGELES LAWMAKERS BACK NEW  
REGULATIONS ON AIRBNB

The Washington Post  
D.C. GIVES APPROVAL TO  
TIGHTEN LIMITS ON AIRBNB

# Protecting our guests

Technology has transformed the way guests search and book their hotel rooms. Hotels were among the first to move products to the online space. Today, online hotel bookings make up 15 percent of all U.S. e-commerce, with 500 online bookings happening every minute. Innovative mobile apps and other advances in technology are making the guest experience better and more exciting than ever. Unfortunately, efforts to mislead and even defraud consumers are also on the rise, compromising the guest experience.

## Online Booking Scams

Every day, deceptive websites, online ads, and search engines mislead thousands of consumers into believing they are booking directly with a hotel's website or call center, when in fact they have no relation. A survey commissioned by AHLA in 2018 found that **23 percent of consumers report being misled by third-party travel resellers** on the phone or online. That translates into 28.5 million hotel stays and \$5.2 billion in fraudulent and misleading hotel booking transactions in 2017 alone, resulting in extra fees, incorrect accommodations and even lost reservations.

In December 2017, the Federal Trade Commission announced a settlement with Reservation Counter, LLC, a third-party travel reseller, for charges that they misled consumers through deceptive online marketing and call center practices. The FTC's action set an important precedent about the need for transparency in the online booking process.

## AHLA POSITION

*Consumers have a right to know with whom they are doing business. AHLA urges lawmakers to crack down on websites that pose as hotels to prey on travelers. We urge Congress to pass the Stop Online Booking Scams Act to force online travel agencies to prominently disclose to consumers that they are not booking directly with the hotel.*



**23%**  
OF CONSUMERS  
MISLED



**74%**  
WANT ONLINE  
TRANSPARENCY



**70%**  
SUPPORT  
FTC ACTION



**72%**  
WANT LAWS  
ENFORCED

# NEARLY 97% OF THE ONLINE TRAVEL MARKET IS CONTROLLED BY TWO COMPANIES.

69% of travelers are unaware that most online travel agencies are owned by just two companies.



(Morning Consult, 2018; Kalibri Labs)

## Consolidation of Online Travel Agencies

At first glance, it seems as if consumers have unlimited options available for booking travel online. In reality, just two companies, Expedia and Booking Holdings, control nearly 97 percent of the online travel market. Seven in ten consumers (69%) are unaware that when they comparison shop among “digital middle men,” they’re comparing the same two companies.

### AHLA POSITION

Consumers should receive fair and transparent information, regardless of how or where they book their hotel stay. AHLA urges lawmakers to investigate anti-competitive practices within the online travel industry and provide greater protection and disclosure for consumers.

# Promoting travel and tourism



## Travel and tourism are critical drivers of the American economy,

generating \$2.3 trillion in economic output and supporting one in nine American jobs. Maintaining and growing this segment requires increasing the flow of international visitors to the U.S. while recognizing the value of government, business, and leisure travel here at home.

Global travel is growing, but the U.S. share of the international travel market has declined since 2015, costing a potential 96,000 new jobs and an additional \$30.7 billion in spending by international visitors. The U.S. can facilitate and encourage international visitors while keeping a strong commitment to security. The hotel industry supports a welcoming message to the world and policies that strike an appropriate balance between security and travel.

Congress recognized the importance of international visitors to the U.S. when it created Brand USA, a public-private partnership that promotes America as a travel destination for international visitors. It has been an unqualified success—welcoming international travelers, generating American jobs and enhancing America’s image abroad—at zero expense to American taxpayers. Brand USA must be reauthorized by the end of 2020.

### **AHLA POSITION**

*AHLA urges Congress to reauthorize Brand USA to ensure we can keep fighting for America’s share of global travel dollars.*

*AHLA also calls on Congress to pass the JOLT Act to modernize the Visa Waiver Program and facilitate streamlined travel into the U.S., while bolstering homeland security and counterterrorism efforts.*

**TRAVEL &  
TOURISM  
GENERATE  
\$2.3  
TRILLION  
IN ECONOMIC  
OUTPUT**



# Heart of the House



**AHLA's Heart of the House program gives Members of Congress and local elected officials a behind-the-scenes look at how a hotel in their home district or state operates.**



Led by a hotel's general manager, these tours offer elected officials the opportunity to meet constituents who work at the property, learn more about the economic impact of the hotel industry in their community, and discuss policy issues affecting the industry. AHLA works with our partner state associations to select an appropriate property and handles all logistics.

Year after year, we receive overwhelmingly positive feedback from both congressional offices and hotel staff about their Heart of the House experience.

To schedule a tour: [gov.affairs@ahla.com](mailto:gov.affairs@ahla.com)



Rep. Gus Bilirakis (R-FL)  
at the Innisbrook Resort  
in Palm Harbor, Florida



Rep. Raul Ruiz (D-CA) at the Hilton in  
Palm Springs, California



Sen. Cory Gardner (R-CO) at the Little Nell in Aspen, Colorado

Rep. Susan Brooks (R-IN) at the Embassy Suites in Noblesville, Indiana



Rep. Kurt Schrader (D-OR)  
at the Hilton Portland  
and Executive Tower in  
Portland, Oregon



Rep. David Joyce (R-OH)  
at the Springhill Suites  
Independence in  
Cleveland, Ohio

Sen. Patty Murray (D-WA) at the Alexis Hotel  
in Seattle, Washington





# Contact our team

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The American Hotel & Lodging Association (AHLA) is the sole national association representing all segments of the 8 million jobs the U.S. lodging industry supports—including hotel owners, Real Estate Investment Trusts (REITs), chains, franchisees, management companies, independent properties, bed and breakfasts, state hotel associations, and industry suppliers. Headquartered in Washington, D.C., AHLA has provided strategic advocacy, communications support, and educational resources for more than a century.



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