



POLICY GUIDE 2025



Letter from our CEO

The American Hotel and Lodging Association (AHLA) is the leading voice representing every segment of the lodging industry – including major chains, independent hotels, management companies, REITs, bed and breakfasts, industry partners and more. America’s hotels have a long legacy of making dreams come true – not just for our guests but for the 9.2 million people whose jobs our industry supports (1 in every 25 American jobs).

Hotels are more than places to stay – they’re cornerstones of our communities. They anchor bustling downtowns and tourism centers, driving foot traffic and generating revenue for local restaurants, shops and small businesses. They’re a powerful force for economic opportunity and a model that allows people to build a living for themselves and their families.

At their core, our hotels are small businesses. They employ people from the neighborhoods they serve, and they welcome guests with stories that are as unique as the communities they represent. Each hotel has its own story, and those stories are affected by decisions from those at the top. A vital part of my role is ensuring those stories are told – a responsibility I take to heart. While many see chain hotels with household names and think of major brands and corporations, most hotels are independently owned and operate as small businesses.

In 2024 alone, the 64,000 U.S. hotels – including 33,000 small businesses – generated close to \$54 billion in state and local taxes and more than \$29 billion in federal taxes. As new business applications continue to soar, it’s clear that our industry is a critical incubator for entrepreneurship.

From the Administration and Congress to state capitals and city halls, AHLA is committed to engaging with policymakers and community leaders on important issues such as addressing our workforce needs, supporting small-business-friendly tax policies, promoting travel and tourism and protecting the franchise model.

We look forward to continued partnership with lawmakers to advocate for policies that strengthen our communities, bolster the economy and expand the hospitality industry’s footprint.

A handwritten signature in black ink, appearing to read "Rosanna".

Rosanna Maietta
President and CEO, AHLA



Supporting Small Business Owners and Employees

Protecting the Franchise Model

Background: Franchising has long served as the backbone of the hotel industry, accounting for some 36,000 hotels and supporting more than 2.8 million jobs. 57% of all U.S. hotels are franchised, providing opportunities – especially for minority communities – to achieve the American Dream of owning and operating their own business.

The franchise model is the best catalyst for entrepreneurship and job creation in American history. It fosters a higher likelihood of success while minimizing the risks associated with independent business ventures.

AHLA Position: AHLA opposes burdensome regulations aimed at weakening the franchise model, increasing operational costs, and creating barriers for the workforce.

Expanding the Workforce

Background: The unemployment rate in America is near historic lows, yet the hotel industry still suffers from a workforce shortage. Hoteliers often turn to the H-2B visa program, which is a temporary, seasonal guest worker program. The hotel industry has historically been the second-largest user of the H-2B program. The program permits employers to bring in foreign workers after proving that they cannot find enough U.S. workers to perform temporary, nonagricultural services or labor on a one-time, seasonal or peak load basis.

The H-2B program requires employers to make concerted efforts to hire American workers, ensuring that these visas are only used when the local workforce is insufficient to meet seasonal labor demands. Employers must pay H-2B workers wages that are competitive or higher than those of U.S. workers in similar positions, supplementing the U.S. workforce in key industries to create lower unemployment rates and higher average weekly wages.

Since 1990, the H-2B visa program has set a cap of 66,000 visas available for American businesses to supplement existing workforce shortages. More than three decades later, the number of visas available does not meet the current workforce needs and demands with over 100,000 jobs open in the hotel industry alone.

Across the country, **hoteliers have embraced higher wages**, additional workplace benefits and increased flexibility to attract workers and create career opportunities. With historically low unemployment rates and a critical lack of available American workers, hotels rely on legal guest worker programs to supplement the hospitality workforce. For resort and seasonal properties, temporary guest workers are essential to running daily operations.

AHLA Position: AHLA supports short-term congressional solutions to address the workforce shortage – such as increasing the number of available H-2B visas, which have not been adjusted for economic conditions in 34 years. AHLA supports current legislation in Congress that would **help to expand the workforce** so hoteliers can maintain and expand their operations, such as The Closing the Workforce Gap Act of 2024 and The H-2 Improvements to Relieve Employers (HIRE) Act.



Protecting Hoteliers' Bottom Lines (Tax)

Background: AHLA supports tens of thousands of small businesses as part of the industry that generates over \$352 billion in annual revenue and supports 9.2 million American jobs. As a pillar of the U.S. economy, the hotel industry not only creates jobs but also delivers essential services that boost local economies, foster tourism and facilitate business travel. However, rising operational costs, ongoing labor shortages and the approaching expiration of key tax provisions in 2025 threaten the industry's growth and long-term stability. With 57% of hotels operating as franchises and 52% being small businesses, including the majority owned by minority and women establishments, extending the 2025 tax provisions is essential. These benefits provide critical resources for renovations, upgrades and other improvements that keep hotels competitive and modern. If these policies lapse, the consequences will extend far beyond individual businesses, resulting in lost jobs, higher lodging costs and reduced investment in local communities. The impact would reverberate throughout the entire economy, affecting tax collections at the federal, state and local levels, suppliers, workers and the broader tourism industry.

AHLA Position: AHLA supports the following policies that encourage U.S. businesses to flourish and grow, American workers and their families to thrive and the U.S. economy to remain the global leader.

- **Make the Small Business Deduction Under Section 199A Permanent.**

The majority of hotel owners are bona fide small business owners who license the name and standards from nationally recognized hotel brand companies. They own real estate, acquire capital, employ workers and undertake the financial risk. Eliminating this critical deduction will result in a dramatic tax hike on small businesses and cost local jobs.

- **Preserve the Like-Kind Exchange.**

Maintaining Internal Revenue Code Section 1031, allowing for like-kind exchanges, as it currently exists, is critical. Any limits, caps or efforts to repeal the current law would significantly reduce new investments and inhibit job creation. This provision allows real estate owners to defer capital gains taxes if the proceeds are employed to purchase another property and in the process, create new jobs, improve their community and promote economic activity.

- **Permanently Extend Bonus Depreciation/Full Expensing.**

Full expensing provides incentives for hotel industry members to make capital improvements that support jobs across a myriad of sectors, enhance existing properties and draw in new guests with modern updates. Allowing this provision to permanently expire would hinder small businesses' ability to not only make capital improvements but also contribute to local economic growth by supporting skilled tradespeople and manufacturing businesses.

- **Maintain Current Individual and Family Marginal Tax Rates.**

The expiration of the current individual and family marginal rates as well as the current standard deduction provisions mean American workers' paychecks won't go as far. Increasing individual tax rates would harm not only American workers but also small business owners and American travelers amidst economic uncertainty.

State and Local Tax

Background: Hotels are integral contributors to communities nationwide, generating more than \$83 billion in federal, state, local and lodging taxes in 2024. Of this total, close to \$54 billion went to state and local governments, including \$25 billion in lodging-related taxes – such as sales taxes on room revenue, hotel occupancy taxes, tourism improvement district fees and other room rental taxes – and more than \$12 billion in property taxes.

AHLA Position: AHLA believes that occupancy taxes should be dedicated to tourism promotion, and we support any legislation that protects that funding. Occupancy taxes are essential for the success and vitality of the tourism industry, helping fund marketing campaigns that attract both domestic and international visitors. The tourism and hospitality sectors were hit hardest by the COVID-19 pandemic, making it more crucial than ever to protect these revenues and ensure they are used for their intended purpose – promoting tourism.

Online Travel Agencies (OTAs) often charge customers the same or more than hotels for room bookings, but due to legal loopholes, they may remit taxes based only on the wholesale price they paid for the room. The loophole should be closed. Parity is achieved when OTAs remit taxes on the amount they charge customers.

Protecting Guests and Employees

Human Trafficking Prevention

Background: The hotel industry is committed to preventing human trafficking at hotels. The No Room for Trafficking campaign, spearheaded by the AHLA Foundation, elevates, assesses, educates and supports the fight to end human trafficking, and will ensure hotel employees are continuously developing a better understanding of ways to identify and report suspected human trafficking.

AHLA Position: AHLA supports legislation such as the HOTEL Act, which requires federal employees to prioritize accommodations that have trained employees to detect human trafficking. Additionally, we support legislation that mandates human trafficking prevention training on the state and city levels. AHLA encourages hoteliers to work with state and federal authorities to help combat human trafficking.

Safety and Health Ordinances



Background: The hotel industry works to deploy the best tools and technology to support our employees and deliver a safe environment, such as through our 5-Star Promise initiative. This effort, started in 2018, is a commitment to provide employee safety devices and adopt enhanced policies, training and resources around sexual harassment and assault to build on the hotel industry's longstanding efforts to promote employee and guest safety.

Nearly 60 member companies representing an estimated 20,000 hotel properties have made the pledge. As a result, an estimated 1.2 million employees will be better protected on the job. Today, nearly all these hotels have implemented four pillars of the pledge. In addition, more than 5,000 hotels have implemented employee safety devices. The industry has taken additional measures to ensure the safety of our employees and guests in response to COVID-19.

AHLA Position: Our industry is dedicated to ensuring the health and safety of both guests and employees. However, duplicative regulations can place unnecessary operational burdens on hoteliers and cause economic strain for both hotels and state and local governments. AHLA advocates for continued collaboration with government leaders to address health and safety concerns.

Encouraging Travel and Tourism

Per Diems

Background: Government travel is integral to the hotel industry, supporting tens of thousands of jobs and billions of dollars in travel spending that benefits communities across the country. Each year, the General Services Administration (GSA) sets per diem rates to reimburse federal employees' lodging and meal expenses for official travel within the continental U.S. The FY25 standard per diem rate for most of the continental U.S. is set at \$178, with \$110 allocated to lodging and \$68 to meals and incidental expenses, an increase from \$166 in FY24.

AHLA Position: AHLA supports market rate-based increases to the lodging per diem rates to ensure that hotels can offer lodging for government travelers.

Increase in Travel

Background: In 2023, the U.S. welcomed 67.3 million international visitors – which is only 85% of pre-pandemic levels. Growing this vital sector of the U.S. economy will aid the hotel industry and the U.S. economy overall.

AHLA Position: AHLA supports policies that promote travel to and within the U.S. and will help boost the travel and tourism industry. AHLA also supports temporary travel and payroll tax credits to encourage business and leisure travel and funding for domestic travel promotion.

Creating a Level Playing Field



Resort Fees

Background: The hotel industry prides itself on offering an array of amenities and services to ensure guests have what they want and need from their travel experience. Transparency and guest satisfaction are at the core of the industry's business model. It is critical that guests have the same expectation of fee transparency and disclosure wherever they shop for and book hotel rooms. Ensuring guests have all the necessary information prior to booking their rooms is central to the hotel industry's model and to consumer satisfaction.

AHLA Position: AHLA supports consistent fee-inclusive disclosure of lodging rates, fees and taxes. Additionally, AHLA advocates for an even playing field across the lodging ecosystem (including hotels, online travel agencies, metasearch sites and short-term rental platforms), which is necessary for guests' ability to compare options with confidence.

Alternative Accommodations

Background: The hotel industry supports home-sharing and the right of property owners to use their homes for legal, short-term rental operations. However, we are concerned with the growing number of commercial operators and out-of-state investors using short-term rental websites to operate multi-unit, full-time lodging businesses. These operations often undermine communities and circumvent basic zoning regulations. States and localities are addressing the growing challenges posed by short-term rentals, which can create safety risks, reduce affordable housing, drive up rent prices and displace long-term residents.

AHLA Position: AHLA believes short-term rentals should follow the same laws as hotels and other businesses. We promote policies that enable communities to collect taxes and address safety and zoning concerns. Additionally, AHLA opposes legislation that restricts local governments' ability to regulate alternative accommodations and mitigates their negative impact on housing markets.

The Hotel Industry at Work



No Room for Trafficking

AHLA, its members, and the AHLA Foundation are steadfastly committed to trafficking prevention, and hotels have been a leader in this area for many years. No Room for Trafficking (NRFT) is an AHLA Foundation initiative that builds on the industry's ongoing commitment and work to end human trafficking. Each year, thousands of hotel employees and vendors are trained to identify and report potential instances of human trafficking.

Since 2019, the No Room for Trafficking (NRFT) initiative has supported free anti-trafficking training for hotel employees through a partnership with PACT (formerly ECPAT-USA). These free training modules help hotel staff understand what to look for and how to respond to signs of trafficking, while explaining how to display human trafficking indicator signage in hotels, establish company-wide policies, coordinate with law enforcement and share success stories and best practices. The introductory hotel industry-focused training has been taken more than 1.8 million times since launch in 2020. In 2022, the AHLA Foundation announced expanded efforts to help stop human trafficking in its tracks by supporting survivors with the resources they need to break the cycle of re-victimization, through the industry's first-ever Survivor Fund, which has raised almost \$4 million.

No Room For Trafficking Survivor Fund Impact 2023-2024

28 Million
people are trafficked around
the world on any given day

\$500,000
distributed to industry's first-ever
human trafficking Survivor Fund

1,495
survivors served

4

Survivor Fund
inaugural

- Safe House Project
- Businesses Ending Slavery and Trafficking
- Restore NYC, Inc.
- University of Maryland SAFE Center

653
survivors have
been prepared for
employment
through trainings
and coaching
sessions.

853
survivors have
received
emergency
services to
support their exit.

164
survivors have
secured
non-exploitive
employment.

Safe Stay

Safe Stay is an industry-wide initiative dedicated to enhancing hotel safety, security and health expectations of the hotel industry. Initially launched in response to the COVID-19 pandemic, this initiative reflects the hotel industry's ongoing commitment to enhancing health and safety measures.

In 2020, AHLA convened a Safe Stay Advisory Council, drawing from all segments of the hotel industry, to develop strategy and guidelines for a unified industry commitment to enhanced cleaning measures and safety. The Safe Stay initiative represents a new level of focus and transparency for an industry that has always prioritized rigorous standards for cleanliness and safety, with guidance on employee and guest health, employee responsibilities, cleaning products and protocols.

Responsible Stay

Responsible Stay's mission is to further strengthen the hotel industry's longstanding commitment to sustainability. America's hotels are reducing carbon emissions through efforts focused on energy efficiency, waste reduction, water conservation and responsible sourcing practices in order to make meetings, events and guest experiences as environmentally responsible as possible. By focusing on these core principles, the industry will continue to strengthen environmental policies, education and resources to provide a "responsible stay" for guests, protect the future of our planet and support communities across the country.

The Responsible Stay program includes these key collaborations and initiatives:

- **Green Key Global:** North America's trusted sustainability certification for the hospitality industry, designed by hoteliers, for hoteliers; co-owned by AHLA and Hotel Association of Canada.
- **Hotel Kitchen:** The one-stop resource for hotel food waste prevention needs (presented by AHLA and the World Wildlife Fund (WWF)) – including complimentary resources and training for team leads and employees to make a daily impact.

ForWard



An AHLA Foundation initiative, ForWard aims to celebrate and champion women in the hospitality industry through events, professional development and community building. In 2024 alone, 5,000 people engaged in ForWard events, leadership development programs and community building.

- **Events and Industry Conferences:** Hear from hospitality leaders, learn and grow through tailored sessions and network with peers.
 - **The ForWard:** Advancing Women in Hospitality Conference 2024 welcomed more than 900 attendees, a 300% increase from attendance at the inaugural event.
 - **ForWard Network:** Unites women and men working in the hospitality industry who are passionate about the mission of ForWard. The ForWard Network is growing with over 3,400 members – an 800% jump from May of 2023. This network is complementary and open to all, and an excellent opportunity to engage with the initiative without cost or travel required.

Background

AHLA Foundation works to support the hotel and lodging industry's greatest asset – our people. When the people who work in our industry thrive, the industry thrives along with them. Since its inception, the AHLA Foundation has reinvested nearly **\$44 million** into the hotel industry and supported more than **45,000 people** through its programs and initiatives.



Our Impact in 2024

Awarded **\$1 million in academic scholarships** to support 369 hospitality students at 57 colleges and universities nationwide.

Provided **360 professional development scholarships** to hotel industry employees, allowing them to earn industry certifications at no cost to advance their hospitality careers.

Invested in nearly **200 Opportunity Youth** with hotel training, industry credentials and job placement support in three markets.

Enrolled nearly **400 apprentices** through the Department of Labor's registered apprenticeship program, providing hands-on training and classroom education to advance careers in lodging management, hotel cook and maintenance.

- The AHLA Foundation has more than 2,000 apprentices in 49 states, plus Puerto Rico and the U.S. Virgin Islands.
- On average, 90% of apprentices who are enrolled in a registered apprenticeship finish the program and stay with their employer.

Supported the completion of more than **300,000 AHLA human trafficking awareness and prevention trainings** through our partnership with PACT (formerly ECPAT-USA), continuing our ongoing, industry-wide commitment to combat human trafficking.

Awarded **\$1.1 million in support of human trafficking survivors** through No Room for Trafficking Survivor Fund grants to community-based organizations.

Engaged more than **5,000 people in the ForWard Initiative**, by expanding access to events, leadership development and community building programs that champion women in hospitality.

Meet the Team!

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Meet the Team!

State and Local



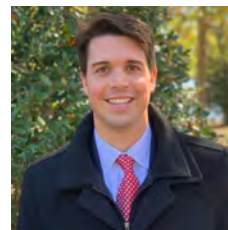
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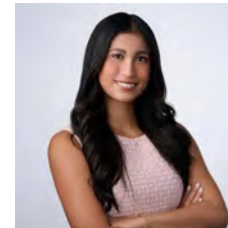
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Economic Impact Dashboard, District and State Data

<https://economic-impact.ahla.com/>



Economic Impact of the US Hotel Industry Report, Nationwide Data

<https://www.ahla.com/2025impact>

