

The Honorable Marc Berman, Chair Assembly Business and Professions Committee California State Assembly 1021 O St, Sacramento, CA 95814

June 13, 2023

RE: Senate Bill 683 (Glazer): Price Transparency Requirements: OPPOSE

Chair Berman, Vice Chair Flora, and Members of the Assembly Business & Professions Committee:

On behalf of the Travel Technology Association (Travel Tech) and our members, I submit the following comments concerning legislation in California regarding lodging price transparency, Senate Bill 683.

Travel Tech advocates for public policy that promotes market transparency and competition to encourage innovation and preserve consumer choice. We represent the leading innovators in travel technology, including online travel agencies, metasearch companies, travel management companies, and short-term rental platforms. Our members' vital role in the travel and tourism industry empowers consumers, creates a fair and competitive marketplace, fosters accountability, and promotes positive customer experiences.

Promoting transparency is a top priority for the Travel Technology Association. It is essential that travelers make informed decisions without hidden surprises or unexpected expenses. To do so, the Travel Technology Association supports a single federal standard for regulations on lodging price display. We take this position to create uniformity and certainty for lodging operators, travel technology companies, and most of all, travelers, who will have a better understanding of what is included in advertised prices for trips both in and out of their home state.

Public policy that supports clear and upfront information about the total cost of travel early in the planning process and across all booking and advertising channels encourages competitive pricing practices.

As you may know, both the Biden Administration and the U.S. Congress are engaged in significant deliberations on price transparency. Late last year, President Biden addressed the issue of price transparency in public comments, and during the State of the Union address on February 7<sup>th</sup>, he called for Congress to act on this matter. As a result, U.S. Senators Blumenthal (D-CT) and Whitehouse (D-RI) introduced <u>legislation</u> to create a federal standard for lodging

price display. Last week, the Senate Commerce Subcommittee on Consumer Protection, Product Safety, and Data Security held a <a href="hearing">hearing</a> on "Protecting Consumers from Junk Fees." Lastly, the Federal Trade Commission issued an Advance Notice of Proposed Rulemaking (ANPRM) to address certain deceptive or unfair acts or practices relating to fees in November 2022, meaning the agency may soon take action on this matter.

A patchwork of varying state regulations, with different regulations for and possible penalties on, the lodging providers and the technology platforms will translate into a significant compliance burden for the travel industry. But most importantly, it will also be a source of great confusion for consumers to know whether they are covered by their state regulations or the regulations of the state where their lodging choice is located.

Considering these issues, the Travel Technology Association must oppose SB 683 (Glazer) and urge you to hold off on taking action at the state level at this time and allow the federal legislative and rulemaking processes to create a uniform standard for consumer protection on lodging price display.

Thank you for your careful consideration of this matter.

Sincerely,

Laura Chadwick
President & CEO

The Travel Technology Association

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www.traveltech.org