



Policy Solutions for Our Employees, Guests, and Communities

AHLA POLICY GUIDE 2021

FROM THE

President & CEO

America's hotels have a long legacy of making dreams come true—not just for our guests, but also for the 8.3 million people whose jobs our industry supports. That's more than one in every 25 American jobs.

Unfortunately, the COVID-19 pandemic has severely impacted our industry. Four in ten jobs lost since the pandemic began are in leisure and hospitality. Thousands of hotels, many of them small businesses, are in jeopardy of closing for good.

With travel not expected to resume until at least 2023, the road to recovery is long. But America's hoteliers remain resilient and optimistic about the future.

The American Hotel & Lodging Association (AHLA) is honored to lead the hotel industry's national advocacy agenda and share stories of opportunity, innovation, and service.

From the Administration and Congress to state capitols and city halls, we are committed to engaging policymakers and community leaders on important issues, including economic recovery and relief; addressing our workforce needs; bringing back travel; and protecting our guests and neighborhoods.

We will continue to work across the aisle to advocate for policies that will bring hotel jobs back, reignite the economy and strengthen the communities we serve.

Sincerely,

A handwritten signature in black ink that reads "Chip Rogers". The signature is fluid and cursive, with a long horizontal stroke at the end.

Chip Rogers, President & CEO



Keeping Our Guests and Employees Safe

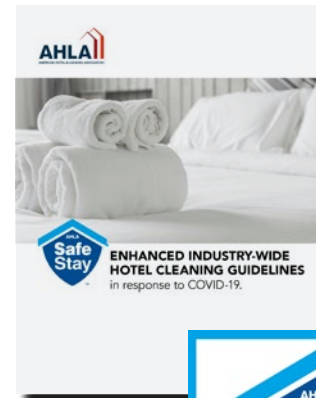
The hotel industry is centered on people taking care of people. Hotels have been investing in cleanliness, safety, and security for decades, working with experts to continuously review and update protocols, procedures and technologies that keep both employees and guests safe.



Safe Stay

Safe Stay® is an industry-wide initiative focused on enhanced hotel cleaning practices, social interactions, and workplace protocols to meet the new health and safety challenges and expectations presented by COVID-19.

We are bringing a new level of transparency and confidence to the entire hotel experience. The Safe Stay® guidelines were developed with the help of outside industry experts such as Ecolab and have been reviewed by the CDC. The guidelines and protocols have and will continue to evolve based on the recommendations of public health authorities, and in compliance with federal, state, and local laws.



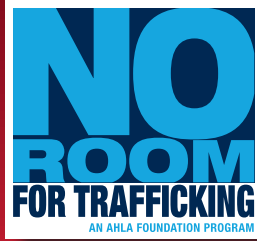
AHLA's Hospitality for Hope

Partnering to Serve Our Communities

Since the start of the pandemic, the hotel industry has been on the front lines to support national public health and safety priorities. AHLA launched the "Hospitality for Hope" initiative last year, identifying more than 20,000 hotels willing to provide temporary housing for emergency and healthcare workers during the COVID-19 public health crisis. The initiative identified a total combined 2.3 million rooms located near established healthcare facilities for frontline workers to use as they worked around the clock to save lives and provide lodging for those exposed to COVID to quarantine safely.

With vaccination distribution underway, hotels have the unique capability to serve as vaccination centers. AHLA is working with local, state and federal officials to offer hotels as vaccine administration sites in partnership with public health departments.





No Room for Trafficking

No Room for Trafficking is an AHLA Foundation program that builds on the industry's ongoing commitment and work to end human trafficking. Already each year, thousands of hotel employees are trained to spot and stop instances of human trafficking. With this program, our goal is train every hotel worker.

In light of the COVID-19 pandemic, the AHLA Foundation teamed up with ECPAT-USA to develop five ways that hotels can enhance efforts:

- ① Train
- ② Educate
- ③ Observe
- ④ Communicate
- ⑤ Escalate

AHLA will continue working with all levels of government and our Partner State Associations to ensure effective legislative solutions around the country.



Miami Dolphins Wide Receiver Albert Wilson (L) and AHLA President & CEO Chip Rogers (R) discuss how the sports and hotel industries can unite to fight exploitation ahead of large events like the Super Bowl at a No Room for Trafficking event in January 2020.

5-Star Promise

The Hotel Industry's Commitment to Enhancing Employee Safety

The 5-Star Promise is a voluntary commitment by AHLA members to enhance policies, trainings, and resources, including employee safety devices, that together are aimed at strengthening safety and security for hotel employees and guests.

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

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, and more than 5,000 hotels have implemented employee safety devices.

We are proud of the progress we have made as an industry over the past two years, and we will continue our efforts to ensure America's hotels are safe places for all those who work in and visit them.

The AHLA Foundation

Making a Difference for Our Industry and Employees



The AHLA Foundation, the charitable giving arm of the American Hotel & Lodging Association (AHLA), is focused on improving lives, building careers, and strengthening the lodging industry. We are dedicated to building tomorrow's hotel industry today by opening doors to long-term, rewarding careers and creating opportunity for upward mobility.

When COVID-19 struck and travel came to a virtual halt, the AHLA Foundation quickly identified ways that we could support and, more importantly, provide hope to our industry's most vital resource: our people. In 2020, the Foundation pivoted to train more individuals, introduce new programs, and expand our partnerships to help build the future of the industry.



\$5,000,000

COMMITTED TO DIVERSITY, EQUITY & INCLUSION PROGRAMS



\$3,500,000

IN FREE TRAININGS AND EDUCATIONAL COURSES



\$1,000,000

IN ACADEMIC SCHOLARSHIPS



28,000

EDUCATIONAL COURSES OFFERED



20,000

FURLOUGHED EMPLOYEES SUPPORTED



1,000

APPRENTICES ENROLLED



LAUNCHED

NEW DIVERSITY, EQUITY & INCLUSION PROGRAM



LAUNCHED

NEW 2-YEAR HOSPITALITY SCHOLARSHIP PROGRAM



Strengthening the Hotel Industry's Commitment to Diversity, Equity & Inclusion

The hotel industry is committed to fostering careers for people of color and women to ensure our employees—from entry-level to C-suite—are as diverse as our guests.

Diversity, equity, and inclusion are central to the AHLA Foundation's mission of helping people build careers, improve their lives, and strengthen the lodging industry. We are building on a strong record of empowering women and people of color in the industry:

55% OF APPRENTICES ARE WOMEN

45% OF SCHOLARSHIP RECIPIENTS ARE STUDENTS OF COLOR

30% OF APPRENTICES ARE PEOPLE OF COLOR

\$3,800,000 IN ACADEMIC SCHOLARSHIPS GIVEN TO WOMEN

\$2,300,000 ACADEMIC SCHOLARSHIPS GIVEN TO STUDENTS OF COLOR

\$1,500,000 IN GRANTS HAVE BEEN GIVEN TO HELP TRAIN AND CERTIFY OPPORTUNITY YOUTH TO PREPARE FOR ENTRY-LEVEL JOBS IN THE INDUSTRY

NEARLY ALL EMPOWERING YOUTH PROGRAM RECIPIENTS ARE PEOPLE OF COLOR, AND 90% ARE BLACK

While we have made great progress in recent years, there is still more we can and will do. In 2020, the AHLA Foundation announced a new commitment of \$5 million over the next five years to advance diversity, equity and inclusion within the hotel and lodging industry.



Supporting Small Business Owners and Employees



Without question, 2020 was the most devastating year on record for the hotel industry and our employees: historically low occupancy and revenue, unimaginable job loss, and thousands of hotel closures—some temporary, others permanent—across the country.

While the toll on our industry and our employees has been tragic, hoteliers remain resilient, and we are optimistic about the future. As more people get vaccinated, we expect travel to begin resuming.

With travel not expected to return to 2019 levels until at least 2023, the road to recovery is long. Congress and the Administration can play a critical role in supporting our industry and jumpstarting our economy.



**HOTELS TO ADD
200K JOBS
BUT REMAIN
500K BELOW
2019 LEVELS**



**HALF OF U.S.
HOTEL ROOMS
PROJECTED TO REMAIN
EMPTY**



**BUSINESS TRAVEL
EXPECTED
DOWN
85%
THROUGH APRIL**

Providing Fiscal and Regulatory Relief

The impact of the COVID-19 pandemic on hotels has been severe, and unfortunately it will be long-lasting. Sixty-one percent (61%) of hotels are small businesses. As one of the first industries to feel the effects of the crisis and one of the last ones that will recover, hotels will continue to need COVID-19-related fiscal stimulus and regulatory relief to ensure they can keep their doors open and keep employees on payroll.

AHLA POSITION

AHLA urges additional fiscal stimulus and liquidity measures through the Paycheck Protection Program (PPP) and industry-specific relief to help the hotel industry survive the pandemic. Federal agencies should remove any regulatory burdens that prohibit or limit debt modifications for hoteliers from their lending institutions.





Ensuring Guest and Employee Safety

Hotels are committed to delivering a clean and safe experience for guests and work environment for staff. Personal protective equipment and other cleaning and safety measures are critical to ensuring the safety and health of our employees and guests. This is a significant but necessary operating cost for hoteliers. Businesses that are already struggling for survival would benefit from a tax credit to help offset these additional operating expenses.

AHLA POSITION

Hotels support a tax credit related to spending on health and safety measures necessary for business operations.

Protecting Businesses from Undue Liability

We all have a shared responsibility to prevent the spread of COVID-19, including following proper public health guidance. Businesses that take those precautions should not have the additional worry of frivolous lawsuits as they try to recover.

AHLA POSITION

Hotels and other businesses that have reopened and are following proper public health guidance to protect employees and guests should be afforded a limited safe harbor from exposure liability related to COVID-19.

Protecting Against Future Losses

After 9/11, Congress passed the Terrorism Risk Insurance Act (TRIA), creating a system to protect against business interruption losses resulting from terrorism.

In the same way, a pandemic risk insurance program would protect hotels and other industries against economic losses from future pandemics and public health emergencies. Such legislation would require insurance companies to offer business interruption insurance policies that cover pandemics and create a program to cover losses and protect our economy in anticipation of future pandemics and public health emergencies. Like TRIA, the federal government would serve as a backstop to maintain marketplace stability to share the burden alongside private industry.

AHLA POSITION

Congress should create a pandemic risk insurance program to protect our economy in anticipation of future pandemics and public health emergencies.



Encouraging Travel & Tourism

Travel and tourism are critical drivers of the American economy, generating \$2.6 trillion in economic output and supporting one in ten American jobs—15.8 million in total—in 2019. The COVID-19 pandemic has decimated the U.S. travel industry. From March-December 2020, the pandemic has resulted in nearly \$500 billion in losses for the U.S. travel economy, equivalent to a daily loss of \$1.6 billion for ten months.

While travel is expected to begin resuming as more people become vaccinated, it will take years to return to our pre-pandemic levels. There are several steps Congress can take to help accelerate that regrowth.

AHLA POSITION

AHLA supports policies that promote travel to and within the U.S. and that will help jumpstart the regrowth of the travel and tourism industry. Examples include temporary travel and payroll tax credits to encourage business and leisure travel and funding domestic travel promotion.



Establishing Fair Per Diem Rates



**BUSINESS TRAVEL
NOT EXPECTED TO
RETURN
TO 2019 LEVELS
UNTIL 2023**

Government travel is incredibly important to the hotel industry, traditionally supporting tens of thousands of jobs and billions in travel spending that benefits communities across the country. Government per diem rates are also often used as a guide by other businesses and organizations in setting their travel standards. At a time when thousands of hotels are fighting for survival, establishing fair per diem rates reflective of hotels' current business situations is critical.

The General Services Administration (GSA) recognized the devastating impact COVID-19 has had on government travel and hotel occupancy when it established the FY2021 per diem rates. With travel not expected to return to pre-pandemic levels until at least 2023, future per diem rates should continue to reflect current economic conditions while supporting government travel and giving taxpayers a good value.

AHLA POSITION

AHLA urges Congress to pass legislation that will ensure federal per diem rates are not adversely impacted by the COVID-19 pandemic in 2022 and beyond.

Supporting Our Employees

Protecting Employee Choice

The hotel industry proudly supports those seeking to achieve the American Dream—from entrepreneurs opening hotels through the franchise model, to employees seeking workplace flexibility, upward mobility and exciting lifelong careers.

AHLA supports labor policies that empower entrepreneurs, encourage business growth, and protect employee freedoms. The Protecting the Right to Organize Act, or PRO Act, would rewrite our country's labor laws, hurting employees and employers alike.

Among other provisions, the PRO Act would:

- Repeal right-to-work laws that give employees the choice of whether to join a union;
- Undermine secret ballot elections;
- Compromise employee privacy; and
- Adopt an expansive definition of what it means to be a joint employer, creating uncertainty and undue liability for franchisors and franchisees alike.

AHLA POSITION

AHLA urges Congress to oppose the PRO Act.



Passing Comprehensive Immigration Reform

The hotel industry thrives because our employees are as global as our guests. We have always been a major employer of immigrants, and we also rely on legal guest worker programs to augment our workforce. We believe that the United States can have both an effective and welcoming legal immigration process that enables hotels and other businesses to meet our workforce needs, while also protecting our national security.

AHLA POSITION

AHLA urges Congress to pass comprehensive immigration reform and to pass legislation that strengthens the H-2B and J-1 visa programs.



Protecting Our Guests



Encouraging Competition

Nearly 97 percent of the online travel booking market is controlled by just two companies, Expedia and Booking Holdings. Hotels must participate in a marketplace dominated by these two players which aggressively acquire competitors. Three in four consumers (75%) are unaware that when they comparison shop online, they are simply comparing results from the same two parent companies.

Hotels are also uniquely impacted by the search engine dominance of Google, which they rely on as a consumer access point.

AHLA POSITION

AHLA urges lawmakers to review anti-competitive practices within the online travel industry and provide greater protection and disclosure for consumers.



(Morning Consult, 2019; Kalibri Labs)

Promoting Transparency

Hotels strive to create memorable experiences for all guests, every single day. That means delivering amenities and services that meet our guests' expectations and evolving tastes; offering real, tangible value; and ensuring that booking transactions are transparent. Most destinations have a wide variety of accommodation options available. Having all the information ahead of time allows consumers to choose the best property for their situation and their budget.

When guests choose a property with a resort or amenities fee, the fee is clearly displayed by hotels prior to the end of the booking process, in accordance with guidance issued by the U.S. Federal Trade Commission. Third-party travel websites may not always provide the same booking transparency and cost breakdowns as hotels, and they may charge additional service fees that are not clearly disclosed at the time of booking.

AHLA POSITION

All online lodging advertisers, including third-party online travel agencies and short-term rental platforms, should be held to the same standards of transparency.

Creating a Level Playing Field

The hotel industry supports home sharing, the rights of property owners to rent out a room in their home, and we have advocated for ordinances that officially legalize such short-term rentals. But we also believe short-term rentals should abide by the same laws as hotels and every other business: registering their business, paying taxes, following laws and regulations, and removing illegal listings.

States and localities across the country have recognized the growing challenge of short-term rentals, which create safety concerns, reduce affordable housing inventory, drive up rent prices, and displace long-term residents. Many have adopted laws and ordinances, such as zoning regulations and tax collection requirements, to rein in illegal hotels.

Unfortunately, some short-term rental platforms, such as Airbnb and HomeAway, are exploiting a loophole in federal law, Section 230 of the federal Communications Decency Act (CDA), to avoid complying with state and local laws and ordinances. They have even gone so far as to sue in federal and state courts to avoid compliance.

AHLA POSITION

AHLA supports the right of state and local governments to adopt regulations and accountability measures governing short-term rentals. AHLA urges Congress to amend Section 230 of the federal Communications Decency Act (CDA) to make it clear that CDA 230 does not shield Big Tech short-term rental platforms from complying with state and local laws.



AHLA: Proudly Serving Every Segment of the Industry

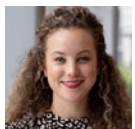
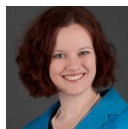
AHLA is the singular voice that brings together and represents the lodging industry's multitude of constituents: global hotel brands; hotel owners and Real Estate Investment Trusts (REITs); management companies; branded and independent properties and bed & breakfasts; state hotel associations; and industry partners and suppliers.

AHLA focuses on strategic advocacy, communications support, and workforce development programs to move the lodging industry and our employees forward. Learn more at www.ahla.com.

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