

S. 2498, Hotel Fees Transparency Act of 2024

As reported by the Senate Committee on Commerce, Science, and Transportation on August 1, 2024

By Fiscal Year, Millions of Dollars	2024	2024-2029	2024-2034
Direct Spending (Outlays)	0	0	0
Revenues	0	*	*
Increase or Decrease (-) in the Deficit	0	*	*
Spending Subject to Appropriation (Outlays)	0	4	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Statutory pay-as-you-go procedures apply?	Yes
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035?	No	Contains intergovernmental mandate?	Yes, Under Threshold
		Contains private-sector mandate?	Yes, Under Threshold
* = between -\$500,000 and \$500,000.			

S. 2498 would require providers of short-term lodging and websites that advertise or offer such lodging to display upfront the full lodging price and each mandatory fee required to complete a booking. The Federal Trade Commission (FTC) would be responsible for enforcing the requirements of the bill.

Using information from the FTC, CBO estimates that implementing S. 2498 would cost \$4 million over the 2024-2029 period to issue guidance and monitor and enforce violations. Any related spending would be subject to the availability of appropriated funds.

Additionally, companies that fail to meet the new requirements could face civil penalties, which are recorded in the federal budget as revenues. However, the extent to which businesses would violate the bill's requirements after they go into effect is uncertain. Furthermore, if a business does violate those requirements and the FTC chooses to proceed with an enforcement action, the extent to which the agency would pursue civil penalties rather than other remedies is also uncertain, as is the amount of time it would take to resolve each case. As a result, CBO estimates that any additional revenues collected under the bill would be insignificant over the 2024-2034 period.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



S. 2498 would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the cost to comply with those mandates would not exceed thresholds established in UMRA (\$100 million and \$200 million in 2024, respectively, adjusted annually for inflation).

The bill would preempt state and local laws governing the display of prices for short-term lodging. Although the preemptions would limit the application of state and local laws, it would impose no duty on state or local governments that would result in significant spending or loss of revenues.

The bill would require hotels, short-term rentals, online booking websites, and any other third-party temporary accommodation sellers to disclose upfront the total price of lodging, including any government-imposed fees. Information from industry sources and the FTC, indicates that several lodging providers already comply with provisions in the bill. CBO expects the cost for other entities to comply would be small because they already possess the fee information required to be displayed.

On March 1, 2024, CBO transmitted a [cost estimate for H.R. 6543](#), the No Hidden FEES Act of 2023, as ordered reported by the House Committee on Energy and Commerce on December 6, 2023. The two bills are similar, and CBO's estimates of their budgetary effects are the same.

The CBO staff contacts for this estimate are Margot Berman (for the Federal Trade Commission) and Grace Watson (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

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