SENATE BILL REPORT
SHB 1080

As of March 13, 2025

Title: An act relating to fee disclosure for lodging accommodations.

Brief Description: Concerning fee disclosure for lodging accommodations.

Sponsors: House Committee on Consumer Protection & Business (originally sponsored by Representatives Donaghy, Ryu, Ramel, Morgan, Fosse, Pollet, Kloba, Berg, Ormsby, Reeves and Hill).

Brief History: Passed House: 3/3/25, 58-39.
Committee Activity: Business, Financial Services & Trade: 3/13/25.

Brief Summary of Bill

- Requires hotels and short-term rentals to disclose all fees and charges in the advertised, displayed, or offered rate, except for taxes and fees imposed by governments and assessment fees.
- Makes the fee and charges disclosure applicable to advertising, displays, or offers that are public in this state or from this state before the public in any state.
- Subjects hotels and short-term rentals that do not comply with the fee and charges disclosures to a civil penalty not exceeding $10,000 for each violation.

SENATE COMMITTEE ON BUSINESS, FINANCIAL SERVICES & TRADE

Staff: Clint McCarthy (786-7319)

Background: State Requirements for Lodging Accommodations. *Hotels.* In state law, "hotel" is defined and construed to mean any building held out to the public to be an inn, hotel, or public lodging house or place where sleeping accommodations, whether with or

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without meals, or the facilities for preparing the same, are furnished for hire to transient guests, in which three or more rooms are used for the accommodation of such guests. "Transient accommodation" is defined as any facility such as a hotel, motel, condominium, resort, or any other facility or place offering three or more lodging units to travelers and transient guests. Persons operating transient accommodations must obtain an annual operating license from the Department of Health and meet certain safety and health regulations.

Short-Term Rentals. "Short-term rental" means a lodging use, that is not a hotel, motel, or bed and breakfast, in which a dwelling unit, or portion thereof, is offered or provided to a guest by a short-term rental operator for a fee for fewer than 30 consecutive nights. Short-term rental operators are required to meet certain safety requirements including placement of carbon monoxide alarms, displaying emergency contact information, and posting fire exists and escapes, along with maximum occupancy limits. Short-term rental platforms that provide a means through which an operator offers a short-term rental have the following duties for short-term rental operators who use the platform:

- inform all operators to collect and remit all applicable taxes;
- inform operators of the short-term rental safety requirements; and
- provide operators with written notice that the operator's personal insurance policy that covers their dwelling unit may not provide liability protection, defense costs, or first party coverage when their property is used for short-term rental stays.

Federal Trade Commission's Rule on Unfair and Deceptive Fees. Effective May 12, 2025, the Federal Trade Commission has issued a rule to prohibit unfair or deceptive fees. The proposed Trade Regulation Rule on Unfair or Deceptive Fees would prohibit unfair or deceptive practices relating to fees for goods or services, specifically, misrepresenting the total costs of goods and services by omitting mandatory fees from advertised prices and misrepresenting the nature and purpose of fees. The final rule specifies that it is an unfair and deceptive practice for businesses to offer, display, or advertise any price of live-event tickets or short-term lodging without clearly, conspicuously and prominently disclosing the total price. The rule also requires businesses to clearly and conspicuously make certain disclosures before a consumer consents to pay. The rule further specifies that it is an unfair and deceptive practice for businesses to misrepresent any fee or charge in any offer, display, or advertisement for live-event tickets or short-term lodging. For the purpose of this rule, short term lodging includes hotels and short-term rentals.

Summary of Bill: Disclosure Requirements. Hotels and short-term rentals must disclose all fees and charges in the advertised, displayed, or offered rate, except for taxes and fees imposed by governments and assessment fees. The fee and charges disclosure is applicable to advertising, displays, or offers that are public in this state or from this state before the public in any state. Prior to a stay at a hotel or a short-term rental, all taxes and assessment fees must be included in the price to be paid.

Civil Penalties. Hotels and short-term rentals that do not comply with the fee and charges

disclosures are subject to a civil penalty not exceeding $10,000 for each violation. City attorneys, county prosecuting attorneys, or the Office of the Attorney General are permitted to enforce these requirements.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2025.

Staff Summary of Public Testimony: PRO: The original bill came out the day before the FTC rule on unfair and deceptive fees came out. The reason this is being run is that there has been some instability in consumer protections at the federal level. We want to make sure Washingtonians are protected. Most of the larger short-term rental sites already do this.

Persons Testifying: PRO: Representative Brandy Donaghy, Prime Sponsor.

Persons Signed In To Testify But Not Testifying: No one.