

Senate Bill 150

By: Senators Gillis of the 20th, Starr of the 44th, Crotts of the 17th and Bowen of the 13th

AS PASSED SENATE

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Article 1 of Chapter 21 of Title 43 of the Official Code of Georgia Annotated,
2 relating to rights, duties, and liabilities of innkeepers, so as to provide that it shall be
3 unlawful for any operator of a hotel in Georgia to charge excessive room rates resulting in
4 price gouging during the duration of a special sporting event held in Georgia; to prohibit
5 hotels from imposing special service charges or fees or requiring guests to reserve room
6 nights before or after the special sporting event or to purchase other goods or services in
7 order to use the hotel rooms during the period of the special sporting event; to define certain
8 terms; to provide for legislative findings and declaration of purpose; to establish the public
9 policy of this state regarding hotel price gouging during special sporting events; to provide
10 for enforcement; to provide criminal penalties; to provide for related matters; to provide for
11 an effective date; to repeal conflicting laws; and for other purposes.

12 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

13 **SECTION 1.**

14 Article 1 of Chapter 21 of Title 43 of the Official Code of Georgia Annotated, relating to
15 rights, duties, and liabilities of innkeepers, is amended by adding following Code Section
16 43-21-15 a new Code Section 43-21-16 to read as follows:

17 "43-21-16.

18 (a) As used in this Code section, the term:

19 (1) 'Hotel' means a building containing four or more individual sleeping rooms or suites
20 that are available to the general public for compensation for overnight lodging purposes
21 and includes without limitation, hotels, motels, motor lodges, and bed and breakfast
22 establishments. Said hotel must be located within the same city or within a 50 mile
23 radius of the location of the special sporting event to be covered under this Code section.

24 (2) 'Operator' means the operator of a hotel whether or not the owner or lessee of the
25 hotel building who conducts the business of providing overnight accommodations to

1 guests. The term operator shall also include brokers, wholesalers, and other persons who
2 purchase and resell hotel rooms.

3 (3) 'Room night' means one night's single or double occupancy of a single sleeping
4 room, including one night's use of a suite.

5 (4) 'Special sporting event' means any athletic event or competition open to the general
6 public expected to draw a crowd of 10,000 or more spectators for the viewing of the
7 competition.

8 (b) The General Assembly has the power to protect the lives, health, morals, comfort, and
9 general welfare of the citizens of the state and, accordingly, finds and determines that:

10 (1) The convention and tourism industries are vital to the state's economy, and the hotel
11 industry is an essential component of the state's convention and tourism industries;

12 (2) It is a significant and legitimate public purpose to protect the state's convention and
13 tourism industries against long-term ill effects that could result from a perception of
14 rampant price gouging during special sporting events held within the state; and

15 (3) It is the intention of this Code section to safeguard the vital interests of the state
16 without preventing Georgia hotel operators from attaining profits during these special
17 sporting event periods reasonably expected from full occupancy of hotels during peak
18 convention and travel periods.

19 (c) It shall be unlawful for any hotel operator to:

20 (1) Provide rooms for compensation during the period of a special sporting event,
21 including the night before, whether in the form of room charges, special service charges,
22 fees, or otherwise, at rates in excess of 100 percent of the published room rates, exclusive
23 of special discounts, as in effect at the hotel between January 1 and December 31 of any
24 given year; or

25 (2) Require guests staying in hotel rooms during the period of the special sporting event
26 to reserve rooms before or after the special sporting event or to purchase other goods or
27 services in order to use the hotel rooms during the period of the special sporting event.

28 (d) Hotel operators providing rooms in violation of this Code section shall be guilty of
29 price gouging, which shall be a misdemeanor, punishable by a fine of not less than \$100.00
30 nor more than \$1,000.00. Each room night and each room provided in violation of this
31 Code section shall constitute a separate offense. In addition, any such violation of this
32 Code section shall be a violation of Part 2 of Article 15 of Title 10, the 'Fair Business
33 Practices Act of 1975,' and shall be subject to all penalties as set forth in said part.

34 (e) Any contract or arrangement for the use of rooms in violation of this Code section shall
35 be voidable by the person contracting to use such rooms."

36 **SECTION 2.**

- 1 This Act shall become effective upon its approval by the Governor or upon its becoming law
- 2 without such approval.

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SECTION 3.

- 4 All laws and parts of laws in conflict with this Act are repealed.