

Senate Bill 416

By: Senators Halpern of the 39th, Anavitarte of the 31st, Echols of the 49th, Jones II of the 22nd, Sims of the 12th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia
2 Annotated, relating to the "Fair Business Practices Act of 1975," so as to prohibit third-party
3 hotel booking websites from misrepresenting their affiliations with hotels; to designate such
4 misrepresentation as an unlawful, unfair, and deceptive trade practice; to provide for
5 definitions; to provide for statutory construction; to provide for a short title; to provide for
6 related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Stop Online Booking Scams Act."

10 **SECTION 2.**

11 Part 2 of Article 15 of Chapter 1 of Title 10 of the Official Code of Georgia Annotated,
12 relating to the "Fair Business Practices Act of 1975," is amended in subsection (b) of Code
13 Section 10-1-393, relating to unfair or deceptive practices in consumer transactions unlawful
14 and examples, by deleting "and" at the end of paragraph (36), by replacing the period with
15 "; and" at the end of paragraph (37), and by adding a new paragraph to read as follows:

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16 "(38) Failure to comply with the provisions of Code Section 10-1-393.22."

17 **SECTION 3.**

18 Said part is further amended by adding a new Code section to read as follows:

19 "10-1-393.22.

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

21 (1) 'Affiliation contract' means a contract between an online platform and the owner of
22 the physical accommodation, the entity that operates the physical accommodation, or the
23 franchisor of the physical accommodation to provide online reservation services for the
24 physical accommodation.

25 (2) 'Exhibition organizer or meeting planner' means the person responsible for all aspects
26 of planning, promoting, and producing a meeting, conference, event, or exhibition,
27 including overseeing and arranging all physical accommodation reservation plans and
28 contracts for the meeting, conference, event, or exhibition.

29 (3) 'Physical accommodation' shall have the same meaning ascribed to the term 'hotel'
30 in Code Section 3-9-10.

31 (4) 'Shared hotel brand' means an identifying trademark under which a hotel operator is
32 expressly licensed to operate in accordance with the terms of a hotel franchise or
33 management agreement.

34 (5) 'Third-party hotel booking website' or 'website' means an online platform, website,
35 phone or mobile application, call center, or service that facilitates the reservation or
36 booking of accommodations in this state for consumers but is not directly affiliated with
37 the physical accommodation being booked. Such term shall not include:

38 (A) An online platform, website, phone or mobile application, call center, or service
39 that is operated under a shared hotel brand;

40 (B) An online platform that facilitates the reservation or booking of accommodations
41 by connecting consumers to operators and owners of rental properties, hotels, motels,

42 or other short-term accommodations, provided that the online platform has an affiliation
43 contract with the owner, operator, or franchisor of the physical accommodation for
44 which they are facilitating bookings; or

45 (C) An exhibition organizer or meeting planner or the official housing bureau for a
46 meeting, conference, event, or exhibition held at the physical accommodation.

47 (b) Without otherwise limiting the definition of unfair or deceptive acts or practices under
48 this part, it shall be unlawful for a third-party hotel booking website to facilitate the
49 booking or reservation of accommodations in this state without clearly and conspicuously
50 disclosing to the consumer that:

51 (1) The website is a third-party booking service and not directly affiliated with the
52 physical accommodation; and

53 (2) The consumer is not directly booking with the accommodation itself, and the website
54 functions as an unaffiliated intermediary for the transaction.

55 (c) The disclosure required under subsection (b) of this Code section shall be displayed in
56 a clear and conspicuous manner on the webpage or interface where the consumer selects
57 accommodations for booking and shall appear first in any search results. A disclosure is
58 not clear and conspicuous if a consumer must take any action, such as clicking on a
59 hyperlink or hovering over an icon, to see it. The disclosure shall appear prior to the entry
60 of any personal data and shall be separate from any general terms and conditions or legal
61 disclaimers. In any oral communication with a consumer, the disclosure shall be
62 communicated before any offer or information regarding the accommodation. The
63 disclosure shall not be included solely in the third-party hotel booking website's general
64 terms and conditions or in any other section that requires the consumer to click through
65 multiple links or read extensive legal text."

66 **SECTION 4.**

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