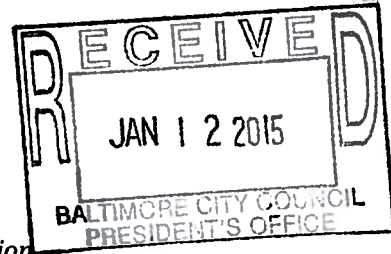




January 6, 2015

The Honorable Members of the Baltimore City Council
c/o Office of the City Council President
100 N. Holliday St., Suite 400
Baltimore, MD 21202



Re: Council Bill 14-0464, Hotels – Human Trafficking Prevention

Dear Mr. President and City Council Members:

As the city’s official destination marketing organization, Visit Baltimore’s mission is to generate economic benefits through the attraction of leisure, group and convention visitors. Last year, we booked 461,247 future hotel room nights from events at the Baltimore Convention Center (BCC) and in-house business at local hotels. We also welcomed 24 million visitors who generated \$5.15 billion in economic impact and \$266 million in local tax revenue including \$31.6 million in lodging taxes – 40% of which are directed to Visit Baltimore annually for tourism promotion. We count more than 40 city hotel properties (representing some 9,000 rooms) among our active membership base. Clearly, our operations are intrinsically tied to a healthy, professional and competitive hospitality sector.

Visit Baltimore has reviewed Council Bill 14-0464 Hotels – Human Trafficking Prevention. While we understand the Council’s good intentions, we do not support the proposed bill for reasons including:

1. Prohibiting the rental of sleeping rooms “for a period of less than ½ day” would threaten legitimate business (impacting hotel profitability and city revenues) and Baltimore’s overall competitive position.

If defined as 12 hours, there are many legitimate purposes for rentals less than that amount of time. For example, a traveler arriving after 10:00pm and departing at 7:00am may not stay for a 12 hour period – even if overnight. The more pressing issue is the attempt to regulate ‘day rates’ (a reduced rate granted for the use of a guest room during the daytime), a common industry practice and an important part of any hotel revenue model. This would apply most often to guests who need to add additional hours onto an existing reservation for a late checkout. It would also apply to customers for reasons such as:

- A layover between airline flight, train or bus journeys;
- Wedding party ready room;
- Nursing mothers; and,
- Motor coach and truck drivers who must be off the road for mandated rest periods.

It is also an important tool in the meetings industry, where ‘day rates’ are used for:

- Speaker ready rooms;
- Business interviews; and,
- Breakout rooms in the absence of available conference or meeting facilities.

As a top convention, meetings and event destination with easy links to major transportation routes, it is essential that Baltimore’s hotels are able to accommodate these requests. Otherwise, we stand to lose

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business to more flexible destinations. The city also benefits from 'day rate' activity – the 9.5% transient occupancy tax is levied on all hotel charges including day rates.

2. The proposed “anti-trafficking training” places onerous and unnecessary provisions on the lodging community, many members of which are already undertaking extensive voluntary efforts to combat human trafficking.

The bill is not particularly business-friendly and it would impose an additional cost of the required training and certification to all staff on to the business. Even more worrisome, the bill does not incorporate an industry voice in forming an appropriate training protocol, or, acknowledge existing efforts by individual hotels and corporate brands. Many hotel brands and independent educational providers (e.g. the American Hotel Lodging Education Institute) have developed and disseminated materials and resources to address the issues of prostitution and human trafficking. Based on an informal Visit Baltimore survey, we also believe a number of the city's 'big box' hotels (properties representing a majority of room inventory in the city) to have taken further measures to educate their customer-facing staff (e.g. management, front desk agents, bell persons, and security personnel) in identifying and reporting human trafficking activities and victims.

3. The proposed penalties criminalize lack of compliance.

The bill exposes hotel owners/operators to fines and jail if non-compliant.

In conclusion, Visit Baltimore understands the intent of Council Bill 14-0464 but cannot support the legislation as drafted nor offer sufficient amendments that would satisfy our concerns. We also have not seen police statistics that human trafficking is a problem in the city's hotel community, much one that necessitates legislative action.

Submitted respectfully,



Tom Noonan
President & CEO

Cc: Colin Tarbet
Angela Gibson