Government Affairs Update

OHIO HOTEL & LODGING ASSOCIATION

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OHLA Members Storm Capitol Hill at LAS

Ohio once again brought a strong delegation to the AHLA-AAHOA Legislative Action Summit in Washington, DC on Sept. 10-11. Twenty OHLA/AAHOA members participated in sessions to learn the latest about national-level issues, met with members of the U.S. House and Senate and key staff members in their offices, visited the U.S. Capitol Building, and enjoyed visits to some of the capital city's most impressive and historic hotel properties, including the Willard Intercontinental and the Trump International.

Issues discussed by OHLA members included protecting consumers from online booking scams; ensuring local authority of short-term rental oversight and holding platforms accountable; financial support for the international destination marketing efforts of Brand USA; efforts to restrict hotel resort and amenities fees; drive-by ADA lawsuits; and the impact of our industry on the overall economy.

OHLA, AHLA and AAHOA work together every day to ensure that our entire industry has a strong voice. Your participation in legislative events at the national and state level are critical to our success. Plan ahead to attend the 2020 Legislative Action Summit – scholarship and stipend support is available! OHLA is currently adding new members to our government affairs committee.

Contact joe@ohla.org for more information on any of these opportunities.

Contact Your Member of Congress – Short-term rental platform accountability

OHLA's attendees at the national Legislative Action Summit discussed key policy issues with Ohio's Congressional delegation, including new federal legislation that would hold short-term online rental platforms accountable to state and local laws. The Protecting Local Authority and Neighborhoods (PLAN) Act, H.R. 4232, would amend a section of the federal Communications Decency Act which is currently used by rental platforms like Airbnb and HomeAway to allow commercial operators listing on those platforms to ignore local laws including basic safety and security requirements, zoning rules and taxes.

The PLAN Act is bipartisan legislation that would amend the Communications Decency Act to stop companies from profiting when they are knowingly facilitating transactions of illegal goods and services. The bill would ensure that state and local governments can pass laws and regulations addressing short-term rentals and make it clear that Section 230 does not shield online rental platforms from complying with state and local laws.

Even if you didn't attend the Legislative Action Summit, you can have an impact. Use this link to contact your Member of Congress to ask them to co-sponsor the PLAN Act, H.R. 4232.

Passed in 1996, the federal Communications Decency Act (CDA) played an important role in fostering the growth of the Internet. Section 230 of the CDA provides Internet platforms with broad immunity from liability for third-party content posted on their websites. The original intent of Section 230 was to shield an Internet company if users posted content that was obscene, lewd, excessively violent, or otherwise objectionable.

Unfortunately, today short-term rental platforms, such as Airbnb and HomeAway, have exploited Section 230 to avoid regulations and protect their profits. In fact, these companies have sued local governments in at least 10 cities across the country that enacted common-sense regulations of short-term rentals. Short-term rental companies claim immunity from state and local laws and regulations under Section 230. These companies have declined to be good corporate citizens and remove listings that violate local laws.

State and municipal governments in Ohio should be free to adopt and implement reasonable planning and zoning laws that govern short-term rentals. Billion-dollar companies should be accountable for the content on their websites from which they profit and should be required to remove rental listings when found to be illegal. H.R. 4232 will make it clear that short-term rental websites are not protected from local laws holding them accountable for removing illegal products or services.

Department of Labor Issues Overtime Rule

The federal government has issued a revised Overtime Rule which sets the minimum salary threshold for administrative, executive, and professional employees at $684 per week, or $35,568 per year. This is an increase from the current threshold of $455 per week or $23,660 per year, in place since 2004.

The rule will take effect on Jan. 1 and is expected to expand overtime pay obligations to an estimated 1.3 million additional workers.

In addition, the highly-compensated employee exemption's additional total annual compensation requirement was set at $107,432, an increase from $100,000.
Automatic increases to the salary levels, originally proposed under the Obama administration, were not included in the final rule this year. Federal courts intervened, and the rule has been on hold since 2017.

Employers may use nondiscretionary bonuses and incentive payments, including commissions, that are paid at least annually to satisfy up to 10 percent of the standard salary level.

Employers have three months to budget and prepare for any impacts of the new thresholds. OHLA's labor law partners suggest these steps:

- Analyze whether the overtime exemptions you have been relying upon will still apply

- Consider the application of alternative Fair Labor Standards Act (FSLA) exemptions

- Develop FLSA-compliant pay plans for employees who have been treated as exempt but who no longer will be

OHLA's Allied Members include legal partners who are expert in the area of employment law. If you need individual assistance from qualified attorneys, consult your OHLA Allied Member Directory or contact joe@ohla.org.

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