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PENNSYLVANIA

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United States Senate

WASHINGTON, DC 20510

July 6, 2015

Ms. Mary K. Engle
Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, D.C. 20580

Dear Director Engle,

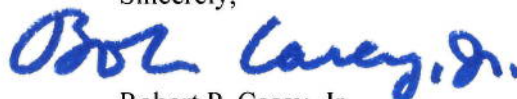
I write to express my concerns with so-called “drip pricing” in the hotel industry. As a result of this pricing scheme, American consumers are at risk of paying substantial resort fees hidden to the public eye in securing their travel accommodations. This practice is misleading and unfair to the many Americans who book hotel rooms online.

Instead of advertising base rates that reflect the real prices paid by consumers, hotels are charging “tail-end” fees, which do not appear until the reservation transaction is near completion. These practices mask the true cost of hotel stays and merely aid hotels in optimizing their placement in search engine results. This hinders the consumer’s ability to make a complete, informed decision in choosing the right hotel. In addition, such practices that misrepresent the hotel room reservation price quoted to consumers may be in violation of federal law that governs deceptive commercial practices.

For some time, consumer advocates and members of the public have called for improvements in advertising regulations to require resort fees—such as charges for newspapers, onsite exercise facilities, Internet access and other amenities—to be clearly disclosed throughout the shopping and reservation process. While I applaud the Commission’s previous actions calling for several companies to review their websites to ensure proper representation of the total reservation price paid by consumers, some companies have continued to engage in misleading advertising practices. American consumers deserve a higher industry standard in this regard.

Given the size of the hotel industry and the wide range of consumers affected by these pricing tactics, I strongly encourage you to take action regarding drip pricing. In particular, I encourage the Commission to consider strengthening advertising standards to better serve the public in making well-informed decisions regarding their hotel stays and to prevent behavior that misleads middle-class families.

Sincerely,



Robert P. Casey, Jr.
United States Senator