

**Phil Weiser**

COLORADO ATTORNEY GENERAL

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## News from Attorney General Phil Weiser

# Choice Hotels agrees to fully disclose all hidden fees in agreement with Attorney General's Office

Sept. 21, 2023 (DENVER) – Attorney General Phil Weiser today announced that hotel chain and hospitality company Choice Hotels International, Inc. agreed in a settlement to clearly and distinctly inform consumers of any room rates, mandatory fees, and previously-hidden prices, such as resort fees, in all future advertisements.

This **settlement** comes after an investigation found Choice—like many companies in the hospitality industry—misrepresents room rates, mandatory fees, and the total price in its advertising to consumers for the company's name-brand and affiliated hotels. The company owns several hotel brands, including Radisson, Country Inn & Suites, Comfort Suites, EconoLodge, and Roadway Inn.

The states' investigations focused on the practice commonly referred to as "drip pricing." Hotel chains and online travel agencies use drip pricing to gradually disclose fees to consumers as they go through the booking process. Under such pricing, customers often don't learn the total price of their booking—room rate plus resort fee—until the end of the online booking process or, in some cases, until they check in at the hotel. Although hotels say they charge resort fees to cover access to services, such as a pool or fitness room, they charge them regardless of whether customers use the services.

Attorney General Weiser said that the drip pricing model is deceptive and a violation of the Colorado Consumer Protection Act.

“With drip pricing, hotels lure customers with an advertised price that reflects only a portion of the full price, while hiding other charges, such as resort fees, until later in the buying process. Consumers should know up front the full price they are paying for a hotel room so they can make a booking that best fits their budget,” said Attorney General Weiser. “I appreciate that Choice Hotels cooperated with our investigation and agreed to clearly disclose all fees in the future. Sunshine is the best disinfectant. We will continue to combat hidden fees to protect consumers and their pocketbooks.”

Along with requiring prominent display of all fees and prices in an accurate manner on any future advertisements, the settlement also stipulates that Choice Hotels enforce third party compliance from their operators, licensees, franchisees, and owners of affiliated hotels. This includes consistent and accurate reporting on room pricing. Choice Hotels is also required to provide accurate pricing information to online travel agencies and other third parties that offer reservations at Choice Hotels.

Consumers who believe they have paid an undisclosed fee can file a complaint at [StopFraudColorado.gov](http://StopFraudColorado.gov).

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