STATE OF NEW YORK

2394

2025-2026 Regular Sessions

IN SENATE

January 17, 2025

Introduced by Sen. PERSAUD -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to requiring third-party accommodation reservation services identify themselves as such to users and not levy certain cancellation fees

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general business law is amended by adding a new section 391-x to read as follows:

§ 391-x. Third-party accommodation reservation services. 1. Definitions. For the purposes of this section, the following terms shall have the following meanings:

(a) "Place of public accommodation" shall mean any inn, hotel, motel, motor court or other establishment that provides lodging to transient guests. Such term shall not include an establishment treated as an apartment building for purposes of any state or local law or regulation or an establishment located within a building that contains not more than five rooms for rent or hire and that is actually occupied as a residence by the proprietor of such establishment.

(b) "Third-party accommodation reservation service" means any website, mobile application or other internet service that: (i) offers or arranges for reserving on-premises service for a guest at a place of public accommodation; and (ii) that is owned and operated by a person other than the person who owns such place of public accommodation.

(c) "User" means any individual using a third-party accommodation reservation service to make reservations for themself and others in their party.

2. A third-party accommodation reservation service shall, upon a user attempting to complete a transaction on such service, inform the user that the third-party accommodation reservation service is not the place of public accommodation but instead a third-party accommodation reserva-

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

LBD06103-02-5

tion service. Users will then have the option to continue to use the third-party accommodation reservation service or cancel the transaction. At no point before a user chooses to continue to use the third-party accommodation reservation service shall the service charge the users' credit card.

3. No third-party accommodation reservation service shall levy a fee of more than ten percent of the cost of the first night of a reserved accommodation upon a user for canceling such reservation within forty-eight hours of the intended stay and shall not levy any such fee where the reservation is canceled more than forty-eight hours in advance, should the hotel waive the cancellation fee. Should the hotel not waive the cancellation fee, a third-party accommodation reservation service shall collect the cancellation fee and no more than a ten percent penalty.

4. Any person who violates, or causes another person to violate, a provision of this section or any rule promulgated pursuant thereto, shall be subject to a civil penalty that shall not exceed one thousand dollars for each violation. Violations by third-party accommodation reservation services under this section shall accrue on a daily basis for each day and for each place of public accommodation with respect to which a violation of this section or any rule promulgated pursuant to this section was committed. A proceeding to recover any civil penalty or restitution authorized pursuant to this section may be brought within any agency of the state designated to conduct such proceedings.

§ 2. This act shall take effect on the sixtieth day after it shall have become a law.