

CALIFORNIA HOTEL & LODGING ASSOCIATION

CHLA protects the rights and interests of the California hotel and lodging industry.

Established in 1893, the California Hotel & Lodging Association (CHLA) is the largest state hotel association in the nation. Its members span all segments of the lodging industry including those represented by the California Association of Boutique & Breakfast Inns - California's largest association of certified boutique and breakfast inns.

CHLA is online at
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APRIL 17, 2024
SAFE CREDIT UNION
CONVENTION CENTER
SACRAMENTO



ISSUES SUMMARY





CALIFORNIA HOTEL & LODGING INDUSTRY ECONOMIC OVERVIEW

California's Hospitality Industry is Four Years Behind, and Significantly Hampered by Inflation

- The hotel industry employs 292,566 Californians.
- Hotels supported \$24 billion in federal, state, and local taxes.
- Direct visitor spending tallied \$149 billion in 2023.
- Visitor spending expressed in real terms is not expected to fully recover until 2027.
- Visits to California increased 4% in 2023 to nearly 270 million visitors.
- California room demand continued to recover in 2023, but remained 5% below the 2019 level.

AB 3150

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MEMBER
SHARON
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ISSUE

ENSURING HOTELS CAN ACCESS INSURANCE AND THAT PROVIDERS REMAIN AFFORDABLE

CHLA POSITION: California's insurance industry is stressed to the point of breaking as insurers race to reduce their exposure to the California market. This is being driven, in part, by recent large scale loss events, increased costs for any claims, and current state regulations. CHLA supports efforts to help stabilize the insurance market and to reduce or otherwise limit the burden on hotels and inns.

This measure would enable the general public to provide input into the development of fire severity maps before they take effect. These maps are commonly used by insurers to determine rates, and obtaining a reduction in listed risk according to the fire map can correlate directly to a reduction in the cost of insurance.

Position

SUPPORT

AB 2288

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ISSUE

ENDING ABUSE OF EMPLOYEES AND THE PAGA PROCESS

CHLA POSITION: Under California law, the Private Attorneys General Act enables employees to bring a lawsuit against an employer for violations of California Labor Code, including clerical errors. Under PAGA, attorneys receive the lion's share of the damage payouts, employees receive pennies on the dollar for their injuries, and businesses pay out exorbitant sums. CHLA supports reform of PAGA to ensure that employees get the payment they deserve and that employers are not subject to excessive and exorbitant claims from unscrupulous attorneys.

This bill would increase the size of the payouts required without ensuring that injured employees receive their fair share by expanding injunctive and declaratory relief in addition to penalties.

Position

OPPOSE

ISSUE

PROTECTING CALIFORNIA BY STOPPING ORGANIZED RETAIL THEFT

CHLA POSITION: California's public image has suffered greatly over the past several years due to highly publicized reports of organized retail theft rings. These reports affect employee safety and continue to heavily weigh on travel demand. CHLA supports efforts to reform public safety laws and how they are enforced across the state.

There are approximately 15 bills that variously seek to address and stop organized retail theft in the state of California. Some of these bills seek to increase the enforcement of state laws, while others seek to increase the penalties for violating state laws or reclassify the terms which determine whether parties are breaking the law. CHLA is in strong support of a number of these. For the purposes of your engagement with legislators, we encourage you to tell your stories of how organized retail theft, and/or the associated stigma, has affected your property.