To amend the Restore Online Shoppers’ Confidence Act to protect consumers from deceptive practices with respect to online booking of hotel reservations and to direct the Federal Trade Commission to conduct a study with respect to online shopping for hotel reservations, and for other purposes.

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SECTION 1. SHORT TITLE.

This Act may be cited as the “Stop Online Booking Scams Act of 2016”.

SEC. 2. PROTECTION FROM DECEPTIVE ONLINE BOOKING PRACTICES.

The Restore Online Shoppers’ Confidence Act (15 U.S.C. 8401 et seq.) is amended—

(1) in section 2, by adding at the end the following new paragraph:

“(9) Hotel reservation transactions can be easily made online. Online commerce has created the opportunity for third party sellers to offer hotel reservations online while another company owns the hotel or provides the services purchased by the consumer. A consumer should have the utmost clarity as to which company such consumer is transacting with online. Actions by third party sellers that misappropriate brand identity, trademark, and other marketing content are harmful to consumers.”;

(2) in section 3—

(A) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(B) by inserting after subsection (b) the following new subsection:

“(c) REQUIREMENTS FOR THIRD PARTY ONLINE HOTEL RESERVATION SELLERS.—
“(1) IN GENERAL.—It shall be unlawful for a
third party online hotel reservation seller to charge
or attempt to charge any consumer’s credit card,
debit card, bank account, or other financial account
for any good or service sold in a transaction effected
on the Internet, unless the third party online hotel
reservation seller clearly and conspicuously discloses
to the consumer all material terms of the trans-
action, including—

“(A) before the conclusion of the trans-
action—

“(i) a description of the good or serv-
ice being offered; and

“(ii) the cost of such good or service;

and

“(B) in a manner that is continuously visi-
ble to the consumer throughout the transaction
process, the fact that the third party online
hotel reservation seller is a third party seller
and is not affiliated with the person who owns
the hotel or provides the hotel services or ac-
commodations.

“(2) DEFINITIONS.—In this subsection:

“(A) COMMISSION.—The term ‘Commis-
sion’ means the Federal Trade Commission.
“(B) THIRD PARTY ONLINE HOTEL RESERVATION SELLER.—The term ‘third party online hotel reservation seller’ means a person that sells, or offers for sale, hotel reservations on the Internet and is not affiliated with the person who owns the hotel or provides the hotel services or accommodations.”; and

(3) in section 6(a), by striking the period at the end and inserting “, damages, restitution, or other compensation on behalf of residents of the State, or such other relief that the court determines appropriate.”.

SEC. 3. STUDY AND REPORT.

(a) STUDY.—The Federal Trade Commission shall conduct a study on online hotel reservation shopping. Such study shall include an assessment of—

(1) the capacity of a consumer to understand which company such consumer is transacting with during online hotel reservation shopping;

(2) the extent to which consumers are harmed by uncertainty as to which company such consumers are transacting with during online hotel reservation shopping; and
(3) whether any practice by a third party online hotel reservation seller violates the Restore Online Shoppers' Confidence Act (15 U.S.C. 8401 et seq.).

(b) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Federal Trade Commission shall make publicly available on the website of the Commission a report that contains the results and conclusions of the study conducted under subsection (a).

(c) THIRD PARTY ONLINE HOTEL RESERVATION SELLER DEFINED.—In this section, the term “third party online hotel reservation seller” has the meaning given such term in subsection (c)(2) of section 3 of the Restore Online Shoppers’ Confidence Act (15 U.S.C. 8402).

SEC. 4. SENSE OF CONGRESS.

It is the sense of Congress that the Federal Trade Commission should revise its website to make it easier for consumers and businesses to report complaints of deceptive practices with respect to online booking of hotel reservations.