

**“Examining Legislation to Promote the Effective Enforcement of the ADA’s Public Accommodation Provisions”**

**House Committee on the Judiciary  
Subcommittee on the Constitution and Civil Justice**

**Testimony of Mili Shah  
Hotel Owner and Operator**

**May 19, 2016**

Chairman Franks, Ranking Member Cohen, and distinguished members of the Subcommittee, thank you for the opportunity to testify today. It is an honor to appear before you to share my story.

My name is Mili Shah and I am second generation hotelier from Georgia. My family migrated from India in the 1980’s and has been in the hotel business for over thirty years. I grew up in my parents’ first hotel, a Days Inn in Milledgeville, Georgia. It was there, where I learned the important life lessons of hard work and perseverance while greeting customers at the front desk and learning the books. I also learned firsthand how customer service is not only the pathway to a successful business, but also a hallmark of the industry.

I am also here representing the Asian American Hotel Owners Association (AAHOA). AAHOA members own over 40% of all hotels in the United States and employ over 600,000 American workers, accounting for nearly \$10 billion in payroll annually. My story is remarkably similar to those of thousands of hoteliers and small business owners across the country.

After practicing law at a law firm for a few years, I ultimately decided to return to the family business and become a hotelier like my parents. I now personally own two hotels in Atlanta, Georgia. Between the two properties, we serve nearly 150 guest rooms and employ over twenty dedicated employees. My family also owns several hotels in the Southeast and employs nearly 400 people. Whether it is a family or a business traveler staying at our properties, we are in the business of hospitality and we make it our daily goal to make sure that everyone’s stay is comfortable and enjoyable. Ensuring customer satisfaction and guest service is truly the essence of our business.

Recently, other small businesses have come under attack by unscrupulous attorneys and serial plaintiffs seeking to make a quick buck. To advance their corrupt goals, these bad actors manipulate one of the most important civil rights laws in our country, the Americans with Disabilities Act (ADA). I am appalled by the acts of these attorneys who are using disabled Americans to extort thousands of dollars in settlements for hardworking small business owners like myself.

The intent of the ADA has always been to prohibit discrimination and to ensure all Americans have equal opportunities. Unfortunately, the law has become a weapon for scheming lawyers seeking to squeeze small business owners into quick settlements.

Last year, I learned that I was being sued for alleged violations of the ADA at my hotel in Atlanta. I was devastated to think that a guest at my hotel was denied service and had a poor experience because of some issue he may have faced at my hotel. I immediately contacted the general manager to learn when the plaintiff in the suit had stayed at our property and to find out as much as I could about his visit. I was very surprised to find out that he never had a reservation and never actually stayed at our hotel.

I then began to look closely into the accusations the plaintiff and his attorney made against my property. The claims he made seemed peculiar from the beginning because many of the issues were written in extremely vague and general terms. He described improper compliance in our parking lot, inadequate signage, and a failure to provide accessible entry into the hotel's pool. While each of the allegations did not seem to address our hotel property, the last issue really raised red flags with me. The swimming pool at my hotel is closed. It is empty and covered with a tarp. In fact, since I have owned the property, it has never been open as we noticed our guests have not requested it and the franchise does not require it. As a result, being sued for failing to provide entry into a part of the hotel that is closed was shocking.

I also did some research into the plaintiff and his attorney and found that he has sued nearly 100 other businesses and each suit is nearly identical! In fact, the same plaintiff and his attorney has sued my father at one of his hotels! In that suit, he made the same, exact accusations. It is clear that this plaintiff had no desire to stay at the properties he targets and makes claims that do not apply to the specific properties.

In my case, I am left with a difficult choice. Either I can fight the suit, subject my business, employees, and family to months of intrusion and litigation, and pay thousands of dollars in defense fees. Alternatively, I could settle with the plaintiff and pay his attorney thousands of dollars, in which the attorney will likely be the only one with the financial gain. It is a no-win situation. Worse, is that nothing prevents this plaintiff and his attorney, or anyone else seeking to exploit the ADA for personal gain, from suing my business under the same allegations. In fact, the same attorney and the same plaintiff could simply file the exact same lawsuit and extort even more money from me.

I contacted my insurance company and they agreed to help me defend against these baseless accusations because they are familiar with this plaintiff. After months of pre-litigation, I learned from my attorney that the judge had dealt with so many cases involving this plaintiff and attorney that he forced us to mediation. It would be easy to settle and end this issue now. However, doing so is exactly what this attorney wants and it will only encourage him to continue to target me and other hoteliers. In addition, settling would imply that I am guilty of violating a civil rights law. It would send a signal to my customers that my hotel is substandard, that I do not care for my guests, and it could impact my ability to attract new customers. An adverse decision may also impact my ability to finance additional properties and grow my business.

As I reached out to my colleagues, I learned that these predatory practices by crooked attorneys and serial plaintiffs against hoteliers and small businesses have become a cottage industry across the country. In fact, I understand there have been over 10,000 of these types of suits in the last

two years alone. In these cases, the primary goal is to extract as much money as possible as opposed to focusing on eliminating barriers to access or improving accommodations.

Worse and most frightening is that often hoteliers are targeted because so many of us are minorities and first and second generation Americans. Small business owners in my community are terrified to receive legal letters accusing them of wrongdoing. Because of fear and communications barriers, they will often settle quickly for concern over what may happen if they do not. For small business owners like myself, we simply cannot afford to pay out settlement after settlement, and certainly cannot afford to defend against meritless suits aimed at preying on our fears. I know that I will go out of business if I have to defend against many more suits like this one.

I am asking you, as our nation's leaders, to fully understand the scope of this problem and help to find a solution that discourages attorneys from abusing the ADA for dishonest purposes. H.R. 3765, "the ADA Education and Reform Act," is a vehicle that could resolve these concerns. This bill balances the important protections conferred by the ADA, with affording small business owners the opportunity to address any issues that may exist.

H.R. 3765 requires detailed written notice describing a potential problem in order for the owner to recognize and address it. This provision alone would confront the issue of attorneys using intentionally vague descriptions to make finding any potential problem unnecessarily difficult. Further, it would prevent underhanded attorneys from going on a fishing expeditions hoping to find violations.

The bill calls for the notice period to last 60 days, allowing sufficient time for hoteliers to identify any areas of concern on the property and a 120-day period in which to cure the problem. Because this focuses on eliminating barriers, instead of encouraging quick settlements for attorney's fees, it provides a collaborative solution that promotes improved accessibility.

Mr. Chairman, and members of the Committee, thank you for the opportunity to testify before you today. I appreciate your listening to how an unscrupulous attorney has targeted me, my family, and several others, in an effort to extort money under the guise of promoting accessibility under the ADA.

Hoteliers have long supported the ADA because we want to provide a welcoming experience for all of our guests and ensure that our customers can enjoy all of the facilities and amenities at our hotels.

I ask to you to consider my story when evaluating H.R. 3765. Please help protect small business owners like myself who simply want to run our businesses free from fear that the next envelope we open might be a lawsuit that closes the doors to my hotel.

Thank you.