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Testimony of Nate Cloutier

Before the Joint Standing Committee on Housing and Economic Development
March 27, 2025

In Opposition to LD 992, *"An Act to Protect Consumers from Hidden Fees and Ensure Transparent Pricing for Live Event Tickets and Short-term Lodging"*

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, my name is Nate Cloutier, and I am here today on behalf of HospitalityMaine, representing Maine's restaurant and lodging industries. I am also testifying on behalf of the Maine Tourism Association (MTA). MTA has been promoting Maine and supporting members in every type of tourism business, such as lodging, restaurants, camps, campgrounds, retail, guides, tour operators, amusements, and historical and cultural attractions for over 100 years. HospitalityMaine and the Maine Tourism Association respectfully oppose LD 992, *"An Act to Protect Consumers from Hidden Fees and Ensure Transparent Pricing for Live Event Tickets and Short-term Lodging."*

LD 992 would require individuals selling tickets to entertainment events and renting short-term lodging to fully disclose all mandatory fees and display the total price of the ticket or lodging more prominently than other pricing information. Additionally, the bill introduces a private cause of action for consumers and imposes treble damages and penalties of up to \$5,000 per violation.

The Housing and Economic Development Committee recently heard a bill on this topic, LD 414, *"An Act to Prohibit Deceptive Pricing."* We appreciate that Senator Nangle's bill is more closely aligned with the Federal Trade Commission's (FTC) Final Rule on Unfair or Deceptive Fees (16 C.F.R. Part 464), which is specifically focused on short-term lodging and live event tickets.

LD 992 deviates from the FTC's Final Rule by allowing a private cause of action and imposing new penalties of up to \$5,000 per violation. In our view, introducing a private right of action could encourage excessive litigation, which would ultimately drive up costs for both businesses and

consumers. Maine already has solid enforcement tools in place under our state consumer protection laws and the Unfair Trade Practices Act. Additionally, the Office of the Attorney General has the authority to prosecute violations—either on its own or alongside the FTC—under the Federal Trade Commission Act, ensuring robust oversight.

We understand that amendments are currently being considered for LD 414 that would codify the FTC's final rule. Given the FTC's rulemaking process spanned over a year and incorporated input from more than 70,000 public comments from a wide range of industries, we would support such amendments.

Thank you for your time and consideration. I would be happy to answer any questions you may have.