

**Additional Frequently Asked Questions and Answers:**  
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A number of questions have been asked by hoteliers about FEMA and working with the FEMA Corporate Lodging Consultants program. Here are the answers to the most frequently asked questions.

***Time Period FEMA Takes to Get Evacuees Registered onto the CLC Website as Eligible for Lodging Assistance***

**Question:** How much time does it take for FEMA to show approval of evacuee registrations on the CLC website as eligible for lodging assistance?

**Answer:** FEMA has indicated that they enter this information **once every hour, but that evacuees should allow two to three hours from the time that they completed their online registration** with FEMA before they should expect their registration/application number to be part of the CLC website that hotels can access.

***Timeline for Payment of Hotels by CLC for Lodging Assistance Program Guests***

**Question:** If I register as a hotel to participate in the lodging assistance program, how quickly will Corporate Lodging Consultants provide payment to my property for guests who are qualified to stay under this program?

**Answer:** Corporate Lodging Consultants has indicated that hotels can invoice CLC as often as once daily through the CLC website. CLC sends out checks to hotels **once to twice weekly**. CLC does not pay by electronic transfer.

***Application of State and Local Hotel Tax to CLC Lodging Assistance Guests***

**Question:** When a hotel is billing CLC for guests under the lodging assistance program, should state and local hotel tax be included?

**Answer:** Since CLC is an entity under contract with the Federal Government, it is our belief that no state or local hotel tax is due on the CLC paid rooms of evacuees. Similarly, if the evacuees pay for their rooms themselves, there also is no Texas state or local hotel tax due because the Texas Governor has exempted these taxes from September 8<sup>th</sup> to October 14<sup>th</sup> for eligible Hurricane Ike victims.

***Right to Refuse Guests Who Want the Hotel to Invoice Corporate Lodging Consultants for Room Costs***

**Question:** Can a hotel insist that guests pay for their rooms and require the guest to seek any reimbursement for hotel charges from FEMA?

**Answer:** Yes, participation in any of the CLC or FEMA programs is voluntary. Hotels can choose not to certify their hotels for participation in the lodging assistance program offered by Corporate Lodging Consultants. In such a situation, the hotel will not be listed on Corporate Lodging Consultant's website listing of lodging options for evacuees in your city. Some guests may still seek to stay at your property,

but many will choose to go to properties for which lodging reimbursement from CLC is provided. Guests who do stay at non CLC participating properties will need to submit their lodging cost claims to FEMA directly and be reimbursed through FEMA in the amount of the federal per diem for area. Guests will need to confirm their eligibility for such reimbursement from FEMA. To find the current Federal Per Diem rate for your city, visit:

<http://www.gsa.gov/Portal/gsa/ep/perdiem.do?pf=y&queryYear=2008&queryState=Texas>. If your hotel property is not located in an area noted on the chart, the amount of federal per diem reimbursement is limited to \$70 per night. It should be noted that the new federal per diem rates do not go into effect until the 1st of October.

#### ***Ability of Hotel to Limit Inventory of Rooms Provided as Part of FEMA/CLC Lodging Program***

**Question:** Can a hotel limit the number of rooms that it provides as a participating hotel in the FEMA/CLC Lodging Program?

**Answer:** Yes, participation in any of the CLC or FEMA programs is voluntary and so is the amount of your inventory of rooms that you commit to the program.

#### ***Ability to Compel Evacuees to Vacate Rooms so Hotel Can Honor Other Reservations***

**Question:** Can a hotel compel evacuees to vacate rooms so that the hotel can honor other reservations?

**Answer:** It is certainly a difficult situation. Whether participating in the FEMA/CLC program or not, hotels will want to avoid compelling evacuees to leave if the other area lodging resources and shelters are full and there are few to no alternative lodging options in the area for evacuees. This is compounded by the likelihood that during an emergency, local authorities may refuse to compel evacuees to vacate lodging establishments to make room for incoming non-emergency guests. With this in mind, we have advised hotels to work with incoming nonemergency guests and groups to reschedule their reservations and events to a date after the emergency has subsided and alternative lodging can be provided for emergency evacuees. TH&LA outlined the notice process for such situations in a prior email that we can provide again upon request.

#### ***Right to Charge a Rate that is Higher than the Federal Per Diem Rate for Evacuees***

**Question:** Can a hotel charge a rate that is higher than the federal per diem for their area and ask the guest to cover the difference in rate?

**Answer:** A hotel that is participating in the CLC program (Corporate Lodging Consultants) to take hurricane victims can invoice the amount of the federal per diem rate to CLC for eligible guests and by separate agreement ask the eligible guest pay any difference in the nightly rate for the room. Conversely, for guests who are paying all of the charges up front, the guest can apply to FEMA for reimbursement and FEMA will first determine the guest's eligibility and will then reimburse at a rate that is no higher than the area's federal per diem rate. The guest would be liable for any difference above that rate. Again, guests need to confirm with FEMA their eligibility and any requirements for direct reimbursement with FEMA. It should be noted that many hotels that participate in the CLC program are honoring the federal per diem rate as a courtesy to the evacuees during this emergency

period. Additionally, close scrutiny is being paid by the Attorney General for any room night pricing by hotels that is increased beyond historic rates for that property when there is not an emergency.

#### *Damages and incidental expenses related to evacuees*

**Question:** Does FEMA or CLC cover damages to a hotel that may be caused by evacuees?

**Answer:** Neither FEMA or CLC considers themselves liable for damages that may be caused by evacuees at a lodging property. Such claims should be made directly against the evacuees. CLC has not indicated in its rules whether a hotel may ask guests participating in the lodging assistance program for a credit card or a cash deposit for potential damages to the room. It is clear that many evacuees may not have the financial resources to provide such guarantees or deposits due to the sudden circumstance and financial pressure caused by the emergency. We advise definitively as soon as CLC addresses our inquiry on this issue.

#### *Information about Price Gouging*

**Question:** How can a lodging operator be sure that they are not “price gouging”?

**Answer:** Once the Governor has declared an emergency, certain limitations are in effect for the private sector. For lodging operators, we have advised that a hotel cannot raise its rates to levels that are higher than the rates the hotel would normally have at full occupancy when there is not an emergency. How does a hotel determine what would constitute price gouging during an emergency/evacuation period?

- 1) Hotels should review their prior rate history for comparable rooms at full occupancy at their property. The pricing for the rooms during an emergency should be not be significantly above the hotel’s traditional full occupancy rate during that time period when there is not an emergency. Whenever possible, a courtesy rate or reduction should be considered.
- 2) It is understood that in certain cases, lodging rates may be higher than usual if there is a city wide convention or special non-emergency event that already has market lodging rates in the area at a higher level.
- 3) When the State Attorney General’s Office evaluates price gouging complaints, it may subpoena a hotel’s guest records to see what rates the property has received for comparable rooms in past and future time periods. They can use this information to determine if the rate during the emergency was significantly higher than what is normally charged under comparable non-emergency conditions during a similar time period.
- 4) Many of our lodging operators are offering special evacuee rates or are offering lower standard rates as a gesture of goodwill for the evacuees. Additionally, many hotels are providing courtesy waivers on charges for added persons in the room. Any assistance you can provide in this area to evacuees is appreciated.

#### *Important Phone Numbers and Contact Information for hotels and evacuees*

- **Evacuees should contact FEMA for Assistance. FEMA’s preferred method of contact is online at [www.fema.gov](http://www.fema.gov). Evacuees may also try calling FEMA at 800.621.3362.**
- Hoteliers with specific questions about the CLC / FEMA lodging assistance program can contact CLC at 866.545.9865, or online at [www.corplodging.com/ela](http://www.corplodging.com/ela)

- Hoteliers with other questions may contact the Texas Hotel & Lodging Association at 800.856.4328