



For Release

Federal Trade Commission Announces Bipartisan Rule Banning Junk Ticket and Hotel Fees

Rule targets bait-and-switch pricing for live-event tickets and short-term lodging

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The Federal Trade Commission today announced a final [Junk Fees Rule](#) to prohibit bait-and-switch pricing and other tactics used to hide total prices and bury junk fees in the live-event ticketing and short-term lodging industries. These unfair and deceptive pricing practices harm consumers and undercut honest businesses.

"People deserve to know up-front what they're being asked to pay—without worrying that they'll later be saddled with mysterious fees that they haven't budgeted for and can't avoid," said FTC Chair Lina M. Khan. "The FTC's rule will put an end to junk fees around live event tickets, hotels, and vacation rentals, saving Americans billions of dollars and millions of hours in wasted time. I urge enforcers to continue cracking down on these unlawful fees and encourage state and federal policymakers to build on this success with legislation that bans unfair and deceptive junk fees across the economy."

The Junk Fees Rule will ensure that pricing information is presented in a timely, transparent, and truthful way to consumers of live-event tickets and short-term lodging, two industries whose pricing practices the Commission has studied in particular. Consumers searching for hotels or vacation rentals or seats at a show or sporting event will no longer be surprised by a pile of "resort,"

“convenience,” or “service” fees inflating the advertised price. By requiring up-front disclosure of total price including fees, the rule will make comparison shopping easier, resulting in savings for consumers and leveling the competitive playing field.

The Commission launched this rulemaking in 2022 by requesting public input on whether a rule could help eliminate unfair and deceptive pricing tactics. After receiving more than 12,000 comments on how hidden and misleading fees affected personal spending and competition, the FTC announced a proposed rule in October 2023 and invited a second round of comments. The Commission received more than 60,000 additional comments which it considered in developing the final rule announced today.

The FTC estimates that the Junk Fees Rule will save consumers up to 53 million hours per year of wasted time spent searching for the total price for live-event tickets and short-term lodging. This time savings is equivalent to more than \$11 billion over the next decade.

FACT SHEET

The FTC’s Bipartisan Junk Fees Rule

This rule will help the FTC get money back to people misled by bait-and-switch pricing and hidden fees for live-event tickets and short-term lodging.



- Under the FTC’s Junk Fees Rule:**
- ✓ You’ll know the costs of live-event tickets and short-term lodging upfront.
 - ✓ Advertised prices will include all mandatory fees, with few exceptions.
 - ✓ Businesses must tell the truth about:
 - The total price of live-event tickets and short-term lodging.
 - Fees: How much? What for? Are they refundable?
 - ✓ Violators can be held liable for consumer redress and civil penalties.



The Final Rule

The final rule targets specific and widespread unfair and deceptive pricing practices in the sale of live-event tickets and short-term lodging, while preserving flexibility for businesses. It does not prohibit any type or amount of fee, nor does it prohibit any specific pricing strategies. Rather, it simply requires that businesses that advertise their pricing tell consumers the whole truth up-front about prices and fees.

To accomplish this, the Junk Fees Rule requires that businesses clearly and conspicuously disclose the true total price inclusive of all mandatory fees whenever they offer, display, or advertise any price of live-event tickets or short-term lodging. Businesses cannot misrepresent any fee or charge in any offer, display, or ad for live-event tickets or short-term lodging.

In addition, the rule requires businesses to display the total price more prominently than most other pricing information. This means that the most prominent price in an ad needs to be the all-in total price—truthful itemization and breakdowns are fine but should not overshadow what consumers want to know: the real total.

Finally, the rule requires businesses that exclude allowable fees up front to clearly and conspicuously disclose the nature, purpose, identity, and amount of those fees before consumers consent to pay. For instance, businesses that exclude shipping or taxes from the advertised price must clearly and conspicuously disclose those fees before the consumer enters their payment information.

Industries beyond live-event ticketing and short-term lodging are prohibited from deceiving consumers about fees and pricing per longstanding law. The FTC will use its law enforcement authority to continue to rigorously pursue bait-and-switch pricing tactics, such as drip pricing and misleading fees, in other industries through case-by-case enforcement.

The Commission vote approving publication of the final rule was 4-1, with Commissioner Andrew Ferguson dissenting. [Chair Lina M. Khan issued a separate statement](#), as did [Commissioner Rebecca Kelly Slaughter](#). Commissioner [Melissa Holyoak issued a concurring statement](#) and Commissioner [Andrew Ferguson issued a dissenting statement](#). The final rule will become effective 120 days after its publication in the Federal Register.

The primary staffers leading development of the final rule are Annette Soberats, Stacy Cammarano, and Karen Mandel in the FTC's Bureau of Consumer Protection.

The Federal Trade Commission works to promote competition and [protect and educate consumers](#). The FTC will never demand money, make threats, tell you to transfer money, or promise you a prize. Learn more about consumer topics at [consumer.ftc.gov](#), or report fraud, scams, and bad business practices at [ReportFraud.ftc.gov](#). Follow the [FTC on social media](#), read [consumer alerts](#) and the [business blog](#), and [sign up to get the latest FTC news and alerts](#).

Press Release Reference

[FTC Proposes Rule to Ban Junk Fees](#)

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