

117TH CONGRESS  
1ST SESSION

# S. 1519

To provide assistance to the hotel industry, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 29, 2021

Mr. SCHATZ introduced the following bill; which was read twice and referred  
to the Committee on Finance

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## A BILL

To provide assistance to the hotel industry, and for other  
purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Save Hotel Jobs Act”.

5 **SEC. 2. SUPPORTING HOTEL OPERATORS AND WORKERS**  
6 **THROUGH GRANTS FOR PAYROLL COSTS.**

7 (a) DEFINITIONS.—In this section:

8 (1) COVERED PERIOD.—The term “covered pe-  
9 riod”, with respect to a grant, means the 270-day  
10 period beginning on the date on which the grant  
11 funds have been disbursed.

1           (2) COVID–19 PUBLIC HEALTH EMERGENCY.—  
2           The term “COVID–19 public health emergency”  
3           means the public health emergency declared by the  
4           Secretary of Health and Human Services under sec-  
5           tion 319 of the Public Health Service Act (42  
6           U.S.C. 247d) on January 31, 2020, with respect to  
7           COVID–19.

8           (3) HOTEL OWNER OR OPERATOR.—The term  
9           “hotel owner or operator” means a group which is  
10          primarily engaged in owning or operating an estab-  
11          lishment known to the public as a hotel that pro-  
12          vides lodging for the general public.

13          (4) LAID-OFF EMPLOYEE.—The term “laid-off  
14          employee” means an individual whose employment  
15          with a hotel owner or operator has been terminated  
16          during the COVID–19 public health emergency.

17          (5) PAYROLL COSTS.—The term “payroll  
18          costs”, with respect to a hotel owner or operator—

19                 (A) means, except as provided in subpara-  
20                 graph (B)—

21                         (i) the sum of payments of any com-  
22                         pensation with respect to employees of the  
23                         owner or operator that is—

24                                 (I) a salary, wage, commission,  
25                                 or similar compensation;

1 (II) a payment of cash tip or  
2 equivalent;

3 (III) a payment for vacation, pa-  
4 rental, family, medical, or sick leave;

5 (IV) an allowance for dismissal  
6 or separation;

7 (V) a payment required for the  
8 provisions of group health care or  
9 group life, disability, vision, or dental  
10 insurance benefits, including insur-  
11 ance premiums;

12 (VI) a payment of any retirement  
13 benefit; or

14 (VII) a payment of State or local  
15 tax assessed on the compensation of  
16 employees; and

17 (ii) the sum of payments of any com-  
18 pensation with respect to employees paid  
19 by a hotel owner or operator to a third-  
20 party hotel management company oper-  
21 ating the hotel that is compensation for  
22 any of the items described in subclauses  
23 (I) through (VII) of clause (i); and

24 (iii) the sum of payments of any com-  
25 pensation provided by the hotel owner or

1 operator to or as income of a sole propri-  
2 etor or independent contractor that is a  
3 wage, commission, income, net earnings  
4 from self-employment, or similar com-  
5 pensation; and

6 (B) shall not include—

7 (i) with respect to an individual em-  
8 ployee, any total payments described in  
9 subclauses (I) or (II) of subparagraph  
10 (A)(i) that are in excess of \$100,000 on an  
11 annualized basis, as prorated for the pe-  
12 riod during which the payments are made  
13 or the obligation to make the payments are  
14 incurred;

15 (ii) with respect to a sole proprietor or  
16 independent contractor, any total payments  
17 described in subparagraph (A)(iii) that are  
18 in excess of \$100,000 on an annualized  
19 basis, as prorated as described in clause  
20 (i);

21 (iii) taxes imposed or withheld under  
22 chapters 21, 22, or 24 of the Internal Rev-  
23 enue Code of 1986;

1 (iv) any compensation of an employee  
2 whose principal place of residence is out-  
3 side of the United States;

4 (v) qualified sick leave wages for  
5 which a credit is allowed under section  
6 7001 of the Families First Coronavirus  
7 Response Act (Public Law 116–127); or

8 (vi) qualified family leave wages for  
9 which a credit is allowed under section  
10 7003 of the Families First Coronavirus  
11 Response Act (Public Law 116–127).

12 (6) SECRETARY.—The term “Secretary” means  
13 the Secretary of the Treasury or the Secretary’s del-  
14 egate.

15 (b) GRANTS.—

16 (1) IN GENERAL.—The Secretary shall award  
17 grants under this section to hotel owners or opera-  
18 tors for the purpose of assisting with payroll costs  
19 during the covered period in accordance with sub-  
20 section (d).

21 (2) INITIAL AWARDS.—

22 (A) IN GENERAL.—Each hotel owner or  
23 operator that applies for an initial grant under  
24 this section and meets the requirements under

1 subsection (c) shall, subject to funding available  
2 under subsection (h), receive such grant.

3 (B) AMOUNTS.—

4 (i) IN GENERAL.—The Secretary shall  
5 determine the amount of an initial grant  
6 awarded under this section on an individ-  
7 ualized basis with respect to each hotel  
8 owner or operator and in accordance with  
9 this subparagraph.

10 (ii) STANDARD MAXIMUM AMOUNT.—  
11 The maximum amount of an initial grant  
12 awarded under this section to a hotel  
13 owner or operator shall, except as provided  
14 in clause (iii), be the lesser of—

15 (I) subject to clause (iv),  
16 \$20,000,000; or

17 (II)(aa) in the case of a grant  
18 with respect to a hotel that was oper-  
19 ating for a 3-month period during cal-  
20 endar year 2019, the product obtained  
21 by multiplying by 3 the average total  
22 monthly payments for payroll costs of  
23 the hotel incurred in a 3-month pe-  
24 riod, selected by the owner or oper-  
25 ator, during calendar year 2019; or

1 (bb) in the case of a grant with  
 2 respect to a hotel that was not oper-  
 3 ating for a 3-month period during cal-  
 4 endar year 2019 and was operating  
 5 for a 3-month period during calendar  
 6 year 2020, the product obtained by  
 7 multiplying by 3 the average total  
 8 monthly payments for payroll costs of  
 9 the hotel, incurred in a 3-month pe-  
 10 riod, selected by the owner or oper-  
 11 ator, during calendar year 2020.

12 (iii) SPECIAL CIRCUMSTANCES.—

13 (I) IN GENERAL.—In the case of  
 14 a grant for a hotel that was not in op-  
 15 eration for a 3-month period in cal-  
 16 endar year 2019 or 2020, the max-  
 17 imum amount of an initial grant  
 18 awarded under this section shall be  
 19 the lesser of—

20 (aa) subject to clause (iv),  
 21 \$20,000,000; or

22 (bb) the amount applicable  
 23 under subclause (II), (III), or  
 24 (IV).

1 (II) OPERATING IN 2019 AND  
2 2020.—In the case of a grant with re-  
3 spect to a hotel that was in operation  
4 in calendar years 2019 and 2020, but  
5 not in operation for a 3-month period  
6 in either of those calendar years, the  
7 applicable amount for purposes of  
8 subclause (I)(bb) is—

9 (aa) the difference be-  
10 tween—

11 (AA) the product ob-  
12 tained by multiplying the av-  
13 erage monthly gross receipts  
14 of the hotel in calendar year  
15 2019 by 12; and

16 (BB) the product ob-  
17 tained by multiplying the av-  
18 erage monthly gross receipts  
19 of the hotel in 2020 by 12;  
20 or

21 (bb) an amount based on a  
22 formula determined by the Sec-  
23 retary.

24 (III) OPERATIONS BEGINNING IN  
25 2020 AND PRIOR TO SUBMISSION OF

1 THE APPLICATION.—In the case of a  
2 grant with respect to a hotel that  
3 began operating during the period be-  
4 ginning on January 1, 2020, and end-  
5 ing on the day before the date on  
6 which the application for the grant  
7 was submitted under subsection (c)  
8 and that was not in operation for a 3-  
9 month period in calendar year 2020,  
10 the applicable amount for purposes of  
11 subclause (I)(bb) is—

12 (aa) the total amount of  
13 fixed and operating expenses that  
14 were incurred for the hotel prior  
15 to the submission of the applica-  
16 tion minus any gross receipts re-  
17 ceived; or

18 (bb) an amount based on a  
19 formula determined by the Sec-  
20 retary.

21 (IV) HOTELS NOT IN OPERATION  
22 AS OF SUBMISSION OF THE APPLICA-  
23 TION.—In the case of a grant with re-  
24 spect to a hotel that is not in oper-  
25 ation on the date on which the appli-

1 cation for the grant was submitted  
2 under subsection (c), but has incurred  
3 payroll costs as of the date of enact-  
4 ment of this Act, the amount applica-  
5 ble for purposes of subclause (I)(bb)  
6 is—

7 (aa) the amount of such  
8 payroll costs; or

9 (bb) an amount based on a  
10 formula determined by the Sec-  
11 retary.

12 (iv) REDUCTION IN AWARD FOR PPP  
13 LOANS.—In the case that a hotel owner or  
14 operator receives a loan guaranteed under  
15 paragraph (36) or (37) of section 7(a) of  
16 the Small Business Act (15 U.S.C. 636(a))  
17 before, on, or after the date of enactment  
18 of this Act and is approved for a grant  
19 under this section, the amount of  
20 \$20,000,000 applicable under clauses  
21 (ii)(I) and (iii)(I)(aa) shall be reduced by  
22 the total amount of loans to such owner or  
23 operator guaranteed under such paragraph  
24 (36) or (37) that is forgiven under—

1 (I) section 1106 of the CARES  
2 Act (as in effect on the day before the  
3 date of enactment of the Consolidated  
4 Appropriations Act, 2021 (Public Law  
5 116-260));

6 (II) section 7A of the Small  
7 Business Act (15 U.S.C. 636m); or

8 (III) paragraph (37)(J) of sec-  
9 tion 7(a) of the Small Business Act  
10 (15 U.S.C. 636(a)).

11 (3) SUPPLEMENTAL AWARDS.—

12 (A) IN GENERAL.—The Secretary may  
13 make a supplemental grant in accordance with  
14 this section to a hotel owner or operator that  
15 has received an initial grant under paragraph  
16 (2) if, in the 3-month period following the dis-  
17 bursement of amounts from the initial grant,  
18 the revenue of the hotel owner or operator is  
19 not more than 50 percent of the revenue of the  
20 hotel owner or operator for the corresponding  
21 3-month period during 2019, due to the  
22 COVID–19 pandemic.

23 (B) AMOUNT.—A supplemental grant  
24 under this paragraph shall be in the amount  
25 equal to 50 percent of the amount of the grant

1 received by the hotel owner or operator under  
2 paragraph (2).

3 (C) QUALIFIED OWNERS OR OPERATORS.—

4 An owner or operator may not receive a supple-  
5 mental grant under this paragraph if the owner  
6 or operator was not in operation for the 3-  
7 month period in 2019 corresponding to the 3-  
8 month period following the disbursement of  
9 amounts from the initial grant under paragraph  
10 (2).

11 (c) ELIGIBILITY.—To be eligible to receive a grant  
12 under this section, a hotel owner or operator shall submit  
13 an application to the Secretary at such time, in such man-  
14 ner, and containing such information as the Secretary  
15 shall specify, including—

16 (1) in the case of an application for an initial  
17 grant, an assurance that, if applicable, the hotel  
18 owner or operator had a decline of not less than 40  
19 percent in gross receipts during any 3-month period  
20 in calendar year 2020, as compared to the same 3-  
21 month period in calendar year 2019;

22 (2) an assurance the hotel owner or operator  
23 has a policy for providing recall rights as described  
24 in subsection (e);

1           (3) an assurance that the hotel owner or oper-  
2           ator will use the funds of the grant during the cov-  
3           ered period in accordance with the requirement  
4           under subsection (d); and

5           (4) an assurance that—

6                   (A) the hotel of the owner or operator was  
7                   in operation on the date of enactment of this  
8                   Act; or

9                   (B) if not in operation on such date, had  
10                  incurred payroll costs as of such date.

11          (d) USE OF FUNDS.—A hotel owner or operator re-  
12          ceiving a grant under this section shall use the full amount  
13          of such grant during the covered period for payroll costs.

14          (e) RECALL RIGHTS.—

15                  (1) POLICY.—

16                   (A) IN GENERAL.—The policy described in  
17                   this subsection shall, except as provided in  
18                   paragraph (4), include a requirement that the  
19                   hotel owner or operator offers to the laid-off  
20                   employees of the hotel supported by the grant  
21                   all positions which become available after the  
22                   owner or operator receives funding under this  
23                   section for which the laid-off employees are  
24                   qualified, as described in subparagraph (C).

1 (B) FORM.—The policy described in this  
2 subsection shall be provided to laid-off employ-  
3 ees in writing—

4 (i) by registered mail to the last  
5 known physical addresses of such employ-  
6 ees; and

7 (ii) by email and text message to the  
8 extent the owner or operator possesses  
9 such information.

10 (C) QUALIFICATIONS FOR A POSITION.—  
11 For purposes of this subsection, a laid-off em-  
12 ployee is qualified for a position if the laid-off  
13 employee—

14 (i) held the same or a similar position  
15 with the hotel at which the laid-off em-  
16 ployee was previously employed at the time  
17 of the laid-off employee's most recent ter-  
18 mination from employment; or

19 (ii) has the requisite skill level re-  
20 quired for the position.

21 (D) PRIORITY SYSTEM.—In offering a po-  
22 sition under the policy described in this sub-  
23 section, the hotel owner or operator shall give  
24 priority to a laid-off employee described in  
25 clause (i) of subparagraph (C) over a laid-off

1 employee described in clause (ii) of such sub-  
2 paragraph. In the case that more than 1 laid-  
3 off employee described in such clause (i), or  
4 more than 1 laid-off employee described in such  
5 clause (ii), is eligible for the same available po-  
6 sition, the hotel owner or operator shall offer  
7 the position to the laid-off employee with the  
8 greatest continued length of service at the hotel  
9 at which the laid-off employee was previously  
10 employed.

11 (E) ACCEPTANCE.—The hotel owner or op-  
12 erator shall allow a laid-off employee who is of-  
13 fered a position pursuant to the policy described  
14 in this subsection not less than 7 days from the  
15 date the offer is sent to the laid-off employee to  
16 accept or decline the offer.

17 (F) MULTIPLE CONDITIONAL OFFERS.—  
18 Under the policy described in this subsection, a  
19 hotel owner or operator may make simulta-  
20 neous, conditional offers of employment to laid-  
21 off employees, with a final offer of employment  
22 conditioned on application of the priority sys-  
23 tem under subparagraph (D).

24 (G) ADDITIONAL CIRCUMSTANCES COV-  
25 ERED BY THE POLICY.—A hotel owner or oper-

1 ator receiving a grant under this section shall  
2 ensure that the policy under this subsection will  
3 continue to apply in each of the following:

4 (i) The ownership of the hotel is sold  
5 or otherwise transferred to another entity  
6 conducting the same or similar operations  
7 as the hotel owner or operator receiving  
8 the grant conducted prior to the sale or  
9 transfer, including applicability with re-  
10 spect to any laid-off employee who was ter-  
11 minated from employment with the grant  
12 recipient prior to the sale or transfer.

13 (ii) The form of organization of the  
14 hotel owner or operator changes after the  
15 hotel owner or operator receives the fund-  
16 ing.

17 (iii) Substantially all of the assets of  
18 the hotel owner or operator were acquired  
19 by another entity which conducts the same  
20 or similar operations using substantially  
21 the same assets as the hotel owner or oper-  
22 ator prior to the acquisition.

23 (2) RATE OF COMPENSATION.—A laid-off em-  
24 ployee who returns to employment for a hotel owner  
25 or operator pursuant to a policy described in this

1 subsection shall, in accordance with paragraph (3),  
2 be compensated at a rate not less than the rate of  
3 compensation the laid-off employee had prior to the  
4 separation from employment.

5 (3) DURATION OF RIGHTS.—The rights de-  
6 scribed in paragraphs (1) and (2) shall apply for a  
7 period that does not end prior to the date that is 2  
8 years after the date of enactment of this Act.

9 (4) EXCEPTIONS.—The rights under this sub-  
10 section shall not apply—

11 (A) in the case of a laid-off employee  
12 whose employment was terminated for cause;

13 (B) in the case of a laid-off employee who  
14 has accepted another offer of employment after  
15 being recalled pursuant to a policy under this  
16 subsection;

17 (C) in the case the position no longer ex-  
18 ists due to a change in circumstances of the  
19 hotel;

20 (D) in the case the hotel owner or operator  
21 has made an offer of recall in accordance with  
22 the requirements under this subsection and the  
23 laid-off employee refuses or does not accept the  
24 position within 5 days of when the offer is sent;  
25 or

1           (E) in the case an applicable collective bar-  
2           gaining agreement waives the rights to recall  
3           under this subsection.

4           (f) TAX TREATMENT.—For purposes of the Internal  
5 Revenue Code of 1986—

6           (1) amounts awarded through a grant under  
7           this section shall not be included in the gross income  
8           of the hotel owner or operator that receives such  
9           amounts; and

10          (2) no deduction shall be denied, no tax at-  
11          tribute shall be reduced, and no basis increase shall  
12          be denied, by reason of the exclusion from gross in-  
13          come provided by paragraph (1).

14          (g) REGULATIONS.—

15          (1) IN GENERAL.—The Secretary shall pre-  
16          scribe regulations to carry out this section, which  
17          shall include—

18                 (A) remedial measures, including—

19                         (i) the authority for the Secretary to  
20                         clawback funds provided through this sec-  
21                         tion in the case of violations of the require-  
22                         ments under this section with respect to  
23                         such funds; and

24                         (ii) the authority for the Secretary to  
25                         impose fines on recipients of funds under

1           this section who are in violation of such re-  
2           quirements; and

3           (B) a requirement for recipients of funds  
4           under this section to publicly disclose the  
5           amount of such funds.

6           (2) CONSULTATION WITH DEPARTMENT OF  
7           LABOR.—With respect to the recall rights under sub-  
8           section (e), the Secretary shall, in prescribing regu-  
9           lations and enforcing the requirements under this  
10          section, consult with the Secretary of Labor.

11          (h) AUTHORIZATION OF APPROPRIATIONS.—There is  
12          authorized to be appropriated to the Secretary  
13          \$20,000,000,000, for fiscal year 2021, to remain available  
14          until expended, to make grants under this section.

15          **SEC. 3. PERSONAL PROTECTIVE EQUIPMENT TAX CREDIT.**

16          (a) IN GENERAL.—Subpart D of part IV of sub-  
17          chapter A of chapter 1 of the Internal Revenue Code of  
18          1986 is amended by adding at the end the following new  
19          section:

20          **“SEC. 45U. PERSONAL PROTECTIVE EQUIPMENT CREDIT.**

21          “(a) ALLOWANCE OF CREDIT.—For purposes of sec-  
22          tion 38, the personal protective equipment credit deter-  
23          mined under this section for the taxable year is an amount  
24          equal to 50 percent of the amount paid by an eligible tax-

1 payer for qualified personal protective equipment expenses  
2 during such year.

3 “(b) MAXIMUM CREDIT.—The credit determined  
4 under this section with respect to any eligible taxpayer for  
5 any taxable year shall not exceed \$25,000.

6 “(c) DEFINITIONS.—For purposes of this section—

7 “(1) ELIGIBLE TAXPAYER.—

8 “(A) IN GENERAL.—The term ‘eligible tax-  
9 payer’ means any person engaged in the busi-  
10 ness of owning or operating a qualified hotel.

11 “(B) QUALIFIED HOTEL.—

12 “(i) IN GENERAL.—The term ‘quali-  
13 fied hotel’ means a lodging facility (as de-  
14 fined in section 856(d)(9)(D)(ii)) for  
15 which, with respect to each applicable  
16 month during the taxable year, the average  
17 number of hours worked by housekeeping  
18 staff at such facility during such month is  
19 greater than or equal to the average num-  
20 ber of hours worked by the housekeeping  
21 staff at such facility during calendar year  
22 2019 (as determined on an average month-  
23 ly basis).

24 “(ii) APPLICABLE MONTH.—The term  
25 ‘applicable month’ means any month be-

1           ginning after the date of enactment of the  
2           Save Hotel Jobs Act.

3           “(C) DOCUMENTATION REQUIREMENTS.—  
4           The Secretary may establish such documenta-  
5           tion requirements as are necessary to determine  
6           eligibility for a credit under this section.

7           “(2) QUALIFIED PERSONAL PROTECTIVE EQUIP-  
8           MENT EXPENSES.—The term ‘qualified personal pro-  
9           tective equipment expenses’ includes amounts paid  
10          or incurred—

11           “(A) for the purpose of reducing the risk  
12          of Coronavirus Disease 2019 (COVID-19)  
13          transmission between people on the premises of  
14          an eligible hotel, including—

15           “(i) gloves, medical masks, N-95 res-  
16          pirators, eye protection, gowns and aprons,  
17          boots or closed-toe work shoes, cleaning de-  
18          tergents, hand sanitizers, cleaning products  
19          and tools,

20           “(ii) retrofitting or installation of  
21          equipment, and

22           “(iii) any other relevant expense the  
23          Secretary, in consultation with the Sec-  
24          retary of Health and Human Services, de-  
25          termines necessary, and

1           “(B) at any time during a year in which,  
2           with respect to COVID–19—

3                   “(i) the President declares a national  
4                   emergency under the National Emer-  
5                   gencies Act (50 U.S.C. 1601 et seq.), or

6                   “(ii) an emergency involving Federal  
7                   primary responsibility is determined to  
8                   exist by the President under the section  
9                   501(b) of the Robert T. Stafford Disaster  
10                  Relief and Emergency Assistance Act (42  
11                  U.S.C. 5191(b)).

12          “(d) DENIAL OF DOUBLE BENEFIT.—No deduction  
13 shall be allowed under this chapter for any amount taken  
14 into account in determining the credit under this section.

15          “(e) DENIAL OF CREDIT FOR COUNTERFEIT  
16 ITEMS.—No credit shall be allowed under this section with  
17 respect to any item if the Secretary determines such item  
18 to be counterfeit or sold or distributed in bad faith.”.

19          (b) CREDIT MADE PART OF GENERAL BUSINESS  
20 CREDIT.—Subsection (b) of section 38 of such Code is  
21 amended by striking “plus” at the end of paragraph (32),  
22 by striking the period at the end of paragraph (33) and  
23 inserting “, plus”, and by adding at the end the following  
24 new paragraph:

1           “(34) the personal protective equipment credit  
2           determined under section 45U.”.

3           (c) CLERICAL AMENDMENT.—The table of sections  
4 for subpart D of part IV of subchapter A of chapter 1  
5 is amended by adding at the end the following new item:  
“Sec. 45U. Personal Protective Equipment Credit.”.

6           (d) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to expenses made or incurred after  
8 December 31, 2020, in taxable years ending after such  
9 date.

○