



Article Title

Minimum Length-of-Stay Requirements as Part of Hotel Revenue Management Systems: Are They Legal?

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Abstract

Many hotels have instituted revenue management systems that incorporate minimum length of stay requirements. The hotel will refuse to book the room unless the traveler agrees to book for two, three, or more nights. The English common law, case law in the United States, and many state statutes provide that a hotel has an obligation to provide a room to an acceptable guest if the hotel has a room available. This article attempts to answer the question: Are minimum length-of-stay controls legal or illegal? The author also provides a method for hotels to continue to use length-of-stay controls, maximize revenue, and comply with existing laws.

Methods

This article reviews the English and American common law that requires a hotel to sell a room to a guest in most situations if a room is available. The criminal and civil statutes of several representative states are reviewed to determine exactly what is required with respect to the duty to admit guests.

Conclusion

The minimum length-of-stay controls appear to violate state case law and state statutes that require a hotel to provide a room when rooms are available. Setting high one- or two-day rack rates for certain time periods would be an easy and legal way for hotels to maximize revenue while complying with their legal duty to provide rooms to guests.