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# Traveller Protection and Destination Development Act, 2026 Fact Sheet

## Protecting consumers while growing the economy

### Overview

Tourism is a major economic driver that creates jobs and attracts investment to Alberta and supporting local destinations is key to strengthening the province's visitor economy. Alberta's government is proposing to introduce the Traveller Protection and Destination Development Act and amend the *Consumer Protection Act* to prevent tourism businesses from charging hidden or misleading fees while ensuring that visitors continue to pay their fair share to help maintain Alberta's reputation as a premier travel destination.

If passed, the Traveller Protection and Destination Development Act would:

- Require all fees charged to consumers to be clearly disclosed at the time of booking;
- Establish clear governance and accountability standards for the use of destination marketing fees;

### Consumer Protections

If passed, amendments to the *Consumer Protection Act* will prohibit businesses from surprising customers with hidden fees at the end of their stay by requiring accommodation providers to disclose the full price of overnight accommodations to consumers at the time of booking, including all mandatory fees and charges. If requested by a customer, they must also explain the purpose of each mandatory fee and how the funds will be used.

If passed, the Traveller Protection and Destination Development Act will protect consumers by closing loopholes for misleading fees and ensuring destination marketing fees used as advertised.

### Destination Marketing Fees

Destination marketing fees (DMFs) are fees that many tourism businesses, such as hotels, already voluntarily charge their customers with the intent to support local tourism destination marketing and development, typically by distributing the proceeds to local destination marketing organizations and accommodation associations.

If passed, the Traveller Protection and Destination Development Act will create a fair and consistent approach to the collection, remittance and usage of voluntary destination marketing fees by creating a framework that:

- Establishes clear requirements for the designation, operations and governance of one trustee, destination marketing organization, and, if applicable, accommodation association per region,
- Sets parameters for the use of DMFs to ensure they deliver proven, measurable economic benefits for participating businesses,
- Establishes transparent reporting and accountability mechanisms to prevent misuse and maintain trust, and
- Provides the flexibility needed to encourage a coordinated approach to local destination marketing and development.

If passed, this legislation will maintain flexibility for a coordinated approach to local destination marketing and development by ensuring DMFs go support the local area where they're generated and enabling designated destination marketing organizations and accommodation associations to:

- Set destination marketing fee rates locally,
- Define the destination's geographic boundaries locally, and
- Use the fees in a way that best supports the local destination's growth.

DMFs will continue to be voluntary and industry-led, with tourism businesses continuing to have the ability to choose whether to charge these fees to their customers. By providing this consistent framework, Alberta will

ensure destination marketing fees are reinvested where they have the greatest impact and give consumers and businesses confidence in the transparency and fairness of the system.

## Industry Information

If passed, this legislation applies to tourism businesses who choose to charge a destination marketing fee on the purchase price of an accommodation or tourism experience, in addition to destination marketing organizations and accommodation associations who receive the fee.

If passed, the legislation would come into force upon proclamation. Regulations are being developed to supplement the legislation. Until December 31, 2026, there will be a transition period to allow existing businesses and organizations to come into compliance.

Under the new framework, destination marketing fees can only be charged in areas with a designated destination marketing organization and, where applicable, a designated accommodation association. If there is no designated organization (DMO) in place, a destination marketing fee cannot be charged. If a tourism business chooses to continue voluntarily charging their customers a destination marketing fee, this legislation would require 100 per cent of fee to be remitted to the region's designated trustee. If a destination marketing fee is collected through an online marketplace, the operator remains responsible for remitting the fee. Designated trustees are responsible for receiving destination marketing fees from operators, holding those funds in trust, and remitting them to the designated DMO and, if applicable, the designated accommodation association.

If passed, only designated destination marketing organizations and accommodation associations will be permitted to use the proceeds from destination marketing fees. Destination marketing fees may only be used for activities that drive proven and measurable growth of the visitor economy, to be prescribed in regulation. These include activities that support destination marketing, destination development, visitor experience enhancement, and related administration tied directly to those purposes. Destination marketing fees cannot be transferred to municipalities, except as payment for goods or services related to permitted purposes. Restrictions apply only to destination marketing fees. Organizations may continue to use other revenue sources, such as membership dues or grants, for other activities.

The act allows only one designated DMO, one designated accommodation association, and one designated trustee per geographic area. Eligible applicants must be incorporated as a society under the Societies Act or registered as a company under Part 9 of the *Companies Act*. Trustees must meet professional and eligibility requirements set out in the act, including being a registered trust corporation or a chartered professional accountant in good standing. Designated DMOs and, if applicable, designated accommodation associations, must prepare and submit an annual report to the minister, in a form and manner satisfactory to the minister. In response to industry feedback, additional reporting requirements will be prescribed in the regulation.

If passed, the legislation sets out circumstances under which the minister may or must refuse, suspend, or cancel a designation, including failure to meet eligibility requirements, non-compliance with the act or regulations, or public interest considerations. The legislation also includes a range of enforcement tools to ensure compliance, including inspections, investigations, injunctions, administrative penalties, and offences. Offences include charging a destination marketing fee where no DMO is designated, retaining any portion of the fee, failing to remit fees as required, using fees for purposes other than those prescribed in the act, or knowingly providing false information under the act.