

**SUPERIOR COURT OF THE STATE OF WASHINGTON
KING COUNTY**

STATE OF WASHINGTON,

Plaintiff,

v.

MOTEL 6 OPERATING L.P. and G6
HOSPITALITY LLC,

Defendants.

NO. 18-2-00283-4 SEA

CONSENT DECREE

I. INTRODUCTION

1. The State of Washington, by and through its attorneys, Robert W. Ferguson, Attorney General, and Mitchell A. Riese and Andrea Brenneke, Assistant Attorneys General, filed this action against Defendants Motel 6 Operating L.P and G6 Hospitality LLC ("Motel 6" collectively) to enforce the Consumer Protection Act's ("CPA") prohibition against unfair or deceptive acts or practices in the conduct of any trade or commerce, RCW 19.86.020 and RCW 49.60.030(3), and the Washington Law Against Discrimination's ("WLAD") anti-discrimination protections in places of public accommodation, RCW 49.60.030(1)(b) and RCW 49.60.215(1).

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1 2. Defendant Motel 6 Operating L.P. is a for-profit corporation doing business at
2 various locations in the State of Washington, including motels located in King County and other
3 locations throughout the State.

4 3. Defendant G6 Hospitality LLC is a for-profit corporation that owns and operates
5 Motel 6 motels throughout the United States, including in the State of Washington.

6 4. Motel 6 motels are "place[s] of public resort, accommodation, assemblage, or
7 amusement" within the meaning of RCW 49.60.040(2).

8 5. The State alleges Motel 6 engaged in unfair, deceptive, and discriminatory
9 practices against its guests by employing a corporate policy or practice of providing private guest
10 registry information upon request, including guests' names, dates of birth, driver's license
11 numbers, and license plates numbers, to agents of U.S. Immigration and Customs Enforcement
12 within the Department of Homeland Security ("ICE" or "DHS/ICE").

13 6. Specifically, the State alleges that Motel 6 violated the CPA, RCW 19.86.020 and
14 RCW 49.60.030(3), and the WLAD, RCW 49.60.030(1)(b) and RCW 49.60.215(1), by:

15 a. Disclosing private guest registry information to ICE agents, in violation of the
16 public policy of the State of Washington, including the Washington State
17 Constitution and Motel 6's own privacy policy;

18 b. Disclosing private guest registry information to ICE agents with the knowledge
19 that ICE was requesting the guest registry information for the purpose of
20 discovering and investigating guests on the basis of national origin, including
21 guests with Latino-sounding names.

22 7. In agreeing to this Consent Decree, Motel 6 seeks to take corporate responsibility
23 for past actions that adversely affected some of its customers, compensate those individuals who
24 were harmed, and protect guest information with the integrity it deserves. Defendants represent

1 that they have taken actions to implement policies and procedures consistent with the terms in
2 section II, below, and recognize the importance of compliance moving forward.

3 8. The parties advise this Court that they wish to avoid the expense, delay, and
4 uncertainties of litigation, and therefore agree to settle this action by this Consent Decree, and
5 therefore, have agreed to file a joint motion for entry of this Consent Decree.

6 9. Defendants agree that they will not oppose the entry of this Consent Decree on
7 the ground that it fails to comply with Rule 65(d) of the Superior Court Civil Rules and hereby
8 waive any objection based thereon.

9 10. Defendants waive any right they may have to appeal from this Consent Decree.

10 **NOW, THEREFORE, it is hereby ORDERED, ADJUDGED, and DECREED:**

11 **II. INJUNCTIONS**

12 11. The injunctive provisions of this Consent Decree shall apply to Defendants and
13 their successors, assigns, transferees, officers, agents, servants, employees, representatives, and
14 all other persons in active concert or participation with Defendants.

15 **A. GENERAL INJUNCTIVE PROVISIONS**

16 12. Defendants shall implement and maintain the following policies and internal
17 procedures, and specifically agree that these injunctive provisions shall apply only at corporate
18 owned hotels in the State of Washington, except to the extent that paragraph II.A.12.a.vi. below
19 requires Defendants to maintain a brand standard requiring franchised properties to adopt
20 policies and practices that comply with The Policy

21 a. Response to Requests for Information from Law Enforcement, Including
22 DHS/ICE Agents:

23 i. Defendants shall maintain a policy ("The Policy") that they will not share
24 guest information with law enforcement, including ICE agents, without a
25

1 judicially enforceable warrant or subpoena, except where there is a
2 credible reason to believe that a guest, employee, or other individual is in
3 imminent danger.

4 ii. All warrants or subpoenas presented by law enforcement, including
5 DHS/ICE agents, must be sent to Defendants' legal department or other
6 individual(s) designated by Defendants who have been trained to comply
7 with The Policy and to address requests from law enforcement, including
8 DHS/ ICE agents. Except where Defendants are responding to or
9 complying with a judicially enforceable search warrant, or there is a
10 credible reason to believe that a guest, employee, or other individual is in
11 imminent danger, Defendants will train and require their employees not
12 to provide guest information in response to any request, warrant, or
13 subpoena from law enforcement, including DHS/ICE agents, without first
14 obtaining authorization and directions from Defendants' legal department
15 or other trained individual(s) designated by Defendants. A "credible
16 reason" includes articulation by a law enforcement agent of particularized
17 concerns related to an individual currently on the property or notification
18 by the G6 legal department of a state or local law that requires hotels to
19 share guest lists with local law enforcement.

20 iii. 24-Hour Hotline: Defendants shall maintain a 24-Hour Hotline to assist
21 employees at corporate-owned Motel 6 properties when they receive any
22 request for guest information from law enforcement, including DHS/ICE
23 agents, including assistance in complying with legal obligations under
24 Washington law, including the terms of this Consent Decree.

- 1 iv. Defendants shall instruct their employees at corporate-owned properties
2 in Washington that they are expected to call the 24-Hour Hotline if they
3 have any questions about The Policy.
- 4 v. Defendants shall develop, disseminate, maintain, and implement written
5 policies and procedures that incorporate and implement the terms of The
6 Policy, both to be approved by the Attorney General's Office ("AGO").
- 7 vi. Defendants shall maintain a brand standard requiring Motel 6 franchised
8 properties to adopt and implement policies and procedures that comply
9 with The Policy.
- 10 vii. Defendants shall maintain records of all subpoenas and warrants, and,
11 within sixty days of the entry of this Consent Decree, train Washington
12 employees, and implement and maintain a system, to create and maintain
13 incident reports for all guest information and guest list disclosures made
14 by its Motel 6 corporate-owned properties, in a centralized location.
- 15 viii. Defendants shall publish The Policy to its public website.
- 16 ix. Defendants shall create and publish on its public website a mechanism for
17 any guest at a Motel 6 property to report when he or she believes that guest
18 information has been provided to law enforcement, including DHS/ICE
19 agents, or that The Policy has been violated in any manner.
- 20 x. Defendants shall maintain records of all guest reports or complaints of
21 improper information sharing with law enforcement, including DHS/ICE
22 agents, including but not limited to violation of The Policy, in a
23 centralized corporate location consistent with Defendants' document
24 retention policy and the provisions of this Consent Decree, whichever
25 period is longer.

1 xi. During the term of this Consent Decree, any changes to The Policy, or the
2 written policies or procedures to implement it, must be approved in
3 advance by the AGO. Such approval will not be unreasonably withheld or
4 delayed.

5 **13. Training**

6 a. Defendants shall train each Motel 6 property employee who has access to guest
7 information (e.g. housekeepers and property maintenance persons do not have
8 access to guest information) to understand their responsibilities with regard to
9 The Policy, including an emphasis on the priority of protecting the privacy rights
10 of its guests, as well as the purpose and procedures regarding Defendants' 24-
11 Hour Hotline, such as when it is appropriate and necessary to contact Defendants'
12 legal 24-Hour Hotline.

13 b. The content of the training provided by Defendants regarding The Policy shall be
14 in writing and Defendants shall record and maintain records of the dates, location,
15 trainer, and attendance at each training.

16 **14. Compliance Plan**

17 a. Defendants shall develop and submit to the AGO, within thirty (30) days of entry
18 of this Consent Decree, copies of its current policies, and as applicable, draft
19 written policies and procedures that incorporate the terms of The Policy, for the
20 AGO's prior approval. The AGO will provide its review and comments, if
21 necessary, or approval, within thirty (30) days of receipt of the policies,
22 procedures and drafts.

23 b. Defendants shall also develop and submit to the AGO a draft compliance plan
24 within ninety (90) days following the entry of this Consent Decree for the AGO's
25 prior approval. At a minimum, the compliance plan must consist of the following:

(1) implementation and dissemination of the written policies and procedures that incorporate the terms of The Policy; (2) a training schedule for all employees of corporate-owned Motel 6 properties in Washington who have access to guest lists and/or guest information regarding Defendants' obligations under this Consent Decree; (3) training materials to prevent discriminatory, unfair, or deceptive practices; and (4) meaningful oversight mechanisms to ensure compliance with The Policy and related procedures.

- c. The first training shall take place within one-hundred twenty (120) calendar days following the entry of this Consent Decree.

B. RECORDKEEPING AND REPORTING

15. Documents to be Preserved For The Duration of the Agreement

For a period of three (3) years following the entry of this Consent Decree, or for any period required by state or federal law, whichever is longer, Defendants shall preserve all records related to its obligations under this Consent Decree in a centralized location, including all documents, whether in paper or electronic form, that relate to the following:

- a. The written policies and procedures that incorporate the terms of The Policy and any changes and modifications thereto, together with the effective date(s) of those changes.
- b. The written training materials provided by Defendants regarding the policies and procedures that incorporate the terms of The Policy, together with the dates, location, trainer, and attendance at each training.
- c. Records of all subpoenas, warrants, and guest information disclosures made by Motel 6 properties to law enforcement, including DHS/ICE.
- d. Guest or consumer reports and complaints related to the disclosure of guest information to law enforcement authorities, including DHS/ICE;

- 1 e. Risk Management Incident Reports of incidents involving the sharing of guest
2 information with law enforcement, including DHS/ICE agents; and
3 f. Logs of any calls to the 24-Hour Hotline made by employees of Defendants'
4 corporate-owned properties in Washington.

5 **16. Reporting Requirements**

6 For a period of three (3) years following the entry of this Consent Decree, Defendants
7 shall provide the AGO with:

- 8 a. Bi-annual Compliance Reports, on the six (6) month and yearly anniversaries
9 each year of the entry of the Consent Decree, including all changes to the policies
10 and procedures that incorporate the terms of The Policy, a copy of the training
11 materials used and records of attendance, a summary of all incidents of guest
12 information provided to law enforcement, including DHS/ICE agents, and a
13 summary of all complaints related to the disclosure of guest information to law
14 enforcement, including DHS/ICE;
15 b. Records of any complaint related to the disclosure of guest information to law
16 enforcement authorities, including DHS/ICE, that it receives from guests or
17 consumers. Defendants shall provide the written complaint within ten (10) days
18 of its receipt. Defendants shall further provide the AGO all information the AGO
19 reasonably requests concerning such complaint, including information regarding
20 any investigation or resolution of such complaint.

21 **17. Inspection, Copying & Cooperation**

- 22 a. Upon reasonable notice to counsel for Defendants, representatives of the AGO
23 shall be permitted to inspect and copy all records maintained by Defendants,
24 consistent with Defendants' obligations under this Consent Decree.

b. Upon notice to counsel for Defendants, if the AGO has reason to believe that Defendants may not be in compliance with the terms of this Consent Decree, the AGO shall be further permitted to take additional steps to enforce compliance with this Consent Decree, and cooperation by Defendants will not be unreasonably withheld.

III. SETTLEMENT FUND

18. Defendants shall transfer Twelve million dollars (\$12,000,000.00) to the Attorney General. This money shall be referred to as the “Settlement Fund,” and will be used for restitution, monetary damages to compensate persons aggrieved by Defendants’ conduct, for recovery of attorneys’ fees and costs incurred by counsel for the State in prosecuting this action, future monitoring and enforcement of this Consent Decree, for the costs of administering the settlement fund, or for any lawful purpose in the discharge of the Attorney General’s duties at the sole discretion of the Attorney General.

19. The Settlement Fund shall be paid in two installments: the first payment of Six million dollars (\$6,000,000.00) within fourteen (14) calendar days following the entry of this Consent Decree and the second payment of Six million dollars (\$6,000,000.00) within ninety (90) calendar days following the entry of this Consent Decree. The payments shall be made by valid checks, made payable to the “Attorney General—State of Washington,” and shall be delivered to the Office of the Attorney General, Attention: Mitchell Riese, Civil Rights Division, 800 Fifth Avenue, Suite 2000, Seattle, Washington 98104-3188.

20. The AGO will make reasonable efforts to locate individuals who may be entitled to payment for restitution and/or damages from the Settlement Fund .

21. To assist the AGO with its efforts to locate individuals who may be entitled to payment for restitution and/or damages from the Settlement Fund, within thirty (30) calendar days of a request, Defendants shall produce to the AGO or its Settlement Administrator, as

1 directed by the AGO and to the extent the information is available to Defendants in its HotelKey
2 and G6HMS databases, the names and last known addresses, and other information that may
3 assist the AGO in locating each motel guest and that is stored in its HotelKey and G6HMS
4 databases. In addition, if the AGO has credible evidence that there are additional guests who
5 may have been aggrieved by Defendants' sharing of guest lists with DHS/ICE, Defendants will
6 be given a reasonable amount of time to locate additional records of such guests that may be
7 useful in identifying and contacting individuals who may be entitled to payment from the
8 Settlement Fund. Defendants' obligations under this section will end when the AGO concludes
9 its efforts to locate and investigate the claims of individuals who may be entitled to payment of
10 the Settlement Funds as outlined in Section 23 below.

11 22. The AGO, or its Settlement Administrator, as directed by the AGO, shall
12 investigate the claims of any individual who may be entitled to payment from the Settlement
13 Fund, make a determination as to which individuals are so entitled, and determine the appropriate
14 amount that should be paid to each individual. The Defendants will not seek to interfere with or
15 oppose the AGO's, or the Settlement Administrator's, determinations regarding the Settlement
16 Fund.

17 23. Within one (1) year of receipt of the payment specified in paragraph 16, the AGO,
18 and its Settlement Administrator, as directed by the AGO, shall conclude efforts to locate and
19 investigate the claims of individuals who may be entitled to payment from the Settlement Fund.
20 After paying those claims, the Attorney General shall use any remaining money in the Settlement
21 Fund for any lawful purpose in the discharge of the Attorney General's duties, including
22 recovery of the AGO's costs and fees associated with monitoring and implementing this Consent
23 Decree.

1 **IV. DURATION AND MODIFICATION**

2 24. This Consent Decree shall be in effect for a period of three (3) years from the date
3 of its entry. The Court shall retain jurisdiction for the duration of this Consent Decree to enforce
4 its terms, after which time the case shall be dismissed with prejudice.

5 25. Any time limits for performance imposed by this Consent Decree may be
6 extended by mutual written agreement of the parties. The other provisions of this Consent Decree
7 may be modified by written agreement of the parties or by motion to the Court. If the
8 modification is by written agreement of the parties, such modification will be effective upon
9 filing of the written agreement with the Court and shall remain in effect for the duration of the
10 Consent Decree or until such time as the Court indicates through written order that it has not
11 approved the modification.

12 26. The State may move the Court to extend the duration of the Consent Decree in
13 the event of material noncompliance or if the moving party believes the interests of justice so
14 require.

15 **V. ADDITIONAL PROVISIONS**

16 27. The parties agree that, as of the date of the entry of this Consent Decree, litigation
17 is not "reasonably foreseeable" concerning the matters described above. To the extent that
18 eitherparty previously implemented a litigation hold to preserve documents, electronically stored
19 information (ESI), or things related to the matters described above, the party is no longer required
20 to maintain such litigation hold. Nothing in this paragraph relieves either party of any other
obligations imposed by this Consent Decree.

21 28. This Consent Decree shall be binding upon and inure to the benefit of Defendants'
22 successors and assigns. Defendants and their successors and assigns shall notify the AGO at least
23 thirty (30) days prior to closing a transaction for any change in control that would change the
24 identity of the corporate entity or individual(s) responsible for compliance obligations arising

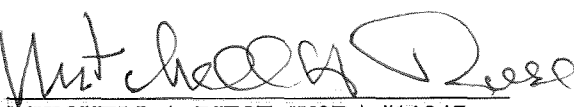
1 under this Consent Decree, including but not limited to dissolution, assignment, sale, merger, or
2 other action that would result in the emergence of a successor corporation or other business entity
3 or the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or
4 practices subject to this order.

5 29. All communications related to this Consent Decree shall be directed to: Civil
6 Rights Division Chief, Office of the Washington State Attorney General, 800 Fifth Avenue,
7 Suite 2000, Seattle, WA 98014.

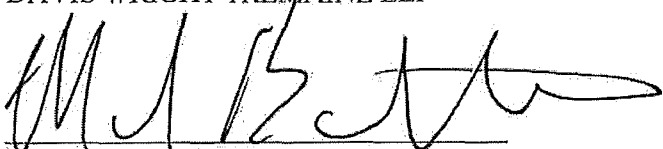
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9 Approved on this ____ day of _____, 2019.

10
11
12 The Hon. Dean S. Lum
Judge, King County Superior Court

13 Approved for entry and presented by:
14 ROBERT W. FERGUSON
Attorney General

15 
16 MITCHELL A. RIESE, WSBA #11947
17 ANDREA BRENNEKE, WSBA #22027
18 Assistant Attorneys General
Attorneys for Plaintiff

19
20 Approved for entry, notice of presentation waived:
21 DAVIS WRIGHT TREMAINE LLP

22 
23 MARK N. BARTLETT, WSBA #15672
24 AMBIKA K. DORAN, WSBA #38237
25 LAUREN B. RAINWATER, WSBA #43625

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1 Attorneys for Defendants

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