U.S. Department of Labor

Wage and Hour Division
Washington, D.C. 20210

WHD-OL-1967-0189

July 6, 1967

Name*

This is in further reference to your letter of February 15, 1967, to the Regional Director in Atlanta, Georgia, concerning the covered enterprise which has a hotel in Main, another in Florida, and a cabana club in Florida.

A study of the congressional history of the section 13(a)(3) exemption indicates that those establishments commonly known as resort hotels are not the type of establishments to be considered for exemption under section 13(a)(3) of the act. For your information we refer you to the August 25, 1966, issue on pages 19907 – 19911. Therefore, it is the position of the WHPC Divisions that resort hotels generally are not exempt under section 13(a)(3). However, such hotels may qualify for exemption under section 13(a)(2) and 13(b)(8) of the amended act.

In respect to your question regarding the Florida hotel, it is possible to have more than one establishment on the same premises. Sections 779.303 through 779.305 of the enclosed bulletin should be helpful in regard to making a separation of the hotel and the liquor store operations.

In addition, the description you provide of the relationship between the hotel company and the various other shops would seem to be that of land-lost and tenant. Section 779.225(d) discusses this situation more fully.

As to the cabana club, the WHPC Divisions at the present time have under consideration the status of private clubs under the act and the information you desire in regard to this operation may be obtained from the Regional Office in the vary near future.

Sincerely yours,

Clarence T. Lundquist
Administrator

*Note: The actual name(s) was removed to protect privacy in accordance with 5 U.S.C. § 552(b)(7).