

HB 2977 -1 STAFF MEASURE SUMMARY

House Committee On Agriculture, Land Use, Natural Resources, and Water

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Sub-Referral To: House Committee On Revenue

Meeting Dates: 2/24

WHAT THE MEASURE DOES:

The measure increases the state transient lodging tax from 1.5 percent to 2.5 percent and transfers the additional moneys raised through the increase to the Recovering Oregon’s Wildlife Fund Subaccount, renamed from the Oregon Conservation Strategy Subaccount to fund projects in line with the “Oregon Conservation Strategy”, and the “Oregon Nearshore Strategy”.

Detailed Summary

Increases the state transient lodging tax from 1.5 percent to 2.5 percent applied to considerations charged on or after January 1, 2026. Makes the following changes to the Oregon Conservation Strategy Subaccount:

- Changes the name to Recovering Oregon’s Wildlife Fund Subaccount (Subaccount).
- Adds the money raised through the state transient lodging tax in excess of 1.5 percent, any gifts, grants, contributions, and other donations received for the Subaccount by the Oregon Department of Fish and Wildlife (ODFW) from public and private sources, and accrued interest to the Subaccount.
- Expands authorized uses of Subaccount moneys by including (1) the promotion, implementation, revision, or enhancement of policies in the Oregon Conservation Strategy, 2016, and the “Oregon Nearshore Strategy”, 2026, or any subsequent iterations of these policies as determined by ODFW and (2) nonfederal fund matching requirements for a conservation or restoration program designed to recover and manage the species in greatest need of conservation and its habitat as determined by ODFW.

Takes effect on 91st day following adjournment sine die.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Deletes the provision for accrued interest earnings on moneys in the subaccount to be credited to the subaccount.

FISCAL: May have fiscal impact, but no statement yet issued

REVENUE: May have revenue impact, but no statement yet issued

BACKGROUND:

The state lodging tax was established as 1 percent through House Bill 2267 (2003), with the intention to fund Oregon Tourism Commission programs. Its requirements were modified through House Bill 2197 (2005) and again through House Bill 2656 (2013) to expand on the definition of “transient lodging” and amend the types of providers to collect and remit lodging taxes. In 2016, House Bill 4146 modified the amount of the state lodging tax to 1.8 percent from July 1, 2016 to June 30, 2020, and to 1.5 percent thereafter. The transient lodging tax must be collected by whoever collects payment for occupancy of the transient lodging and submitted quarterly to the Oregon Department of Revenue.