

HB 2977 -5 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 5/8, 6/17

WHAT THE MEASURE DOES:

Renames the Oregon Conservation Strategy Subaccount as the Recovering Oregon's Wildlife Fund Subaccount. Increases the state transient lodging tax from 1.5% to 2.5%. Directs revenue generated from the increase in the tax rate be deposited into the Recovering Oregon's Wildlife Fund Subaccount. Directs revenues received by the Oregon Department of Fish and Wildlife as contributions for the Oregon Conservation Strategy or the Oregon Nearshore Strategy be transferred to the Recovering Oregon's Wildlife Fund Subaccount. Directs interest earned on the account be deposited in the account. Expands the use of the account to include promotion, implementation, or revision of the Oregon Conservation Strategy and the Oregon Nearshore Strategy policies. Expands the use of the account to include nonfederal fund matching requirements of conservation or restoration programs designed for the recovery and management of species. Applies the increased tax on or after January 1, 2026. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Wildlife's potential positive impact on tourism
- Need for dedicated funding for wildlife diversity advocacy
- Potential risk of an increase in the transient lodging tax on tourism
- Ability of the legislature to modify the transient lodging tax

EFFECT OF AMENDMENT:

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- Removes the reference to the Recovering Oregon's Wildlife Fund Subaccount retaining interest earned on the account
- Increases the state transient lodging tax by 1.25 percentage points
- Specifies 1.0 percentage point of the increased net revenues are distributed to the Recovering Oregon's Wildlife Fund Subaccount
- Specifies 0.25 percentage points of the increase in net revenues is distributed to the Department of State Police, the Department of Agriculture, the State Department of Fishing and Wildlife, and the Department of Justice in specific proportions. The purpose of the distributions is to combat poaching, to combat invasive species, and for wildlife stewardship.

BACKGROUND:

A 1% transient lodging tax was established by HB 2267 (2003) to help fund Oregon Tourism Commission programs. In 2016, the legislature increased the tax from 1% to 1.8% for July 1, 2016, to July 1, 2020, and 1.5% thereafter. The lodging provider or intermediary collect and remit the tax. There are some exclusions from the tax including health care facilities, emergency shelters, and military facilities.