

HB 2977 STAFF MEASURE SUMMARY

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

Action Date: 03/24/25

Action: Without recommendation as to passage, refer to Revenue by prior reference.

Vote: 6-3-0-0

Yeas: 6 - Hartman, Helm, Marsh, McDonald, McLain, Owens

Nays: 3 - Boice, Levy B, Scharf

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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Meeting Dates: 2/24, 3/24

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 the policies in 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 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, as well as 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, as well as accrued interest, to the Subaccount.
- Expands authorized uses of Subaccount moneys to include (1) the promotion, implementation, revision, or enhancement of policies in the Oregon Conservation Strategy (2016) and the Oregon Nearshore Strategy (2016) 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.

ISSUES DISCUSSED:

- Interplay between tourism and wildlife in Oregon
- Importance of including a broad spectrum of stakeholder voices in the conversation regarding transient lodging tax
- Other funding sources for the Oregon Department of Fish and Wildlife

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2003, a one percent state lodging tax was established to fund Oregon Tourism Commission programs (House Bill 2267). The tax requirements were modified by House Bill 2197 (2005) and again by House Bill 2656 (2013) to expand the definition of “transient lodging” and amend the types of providers that 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,

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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.