

**HB 2977 A    STAFF MEASURE SUMMARY****Carrier:** Sen. Nash**Senate Committee On Rules****Action Date:** 06/25/25**Action:** Do pass the A-Eng bill.**Vote:** 3-2-0-0**Yeas:** 3 - Golden, Jama, Manning Jr**Nays:** 2 - Bonham, Hayden**Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Prepared By:** Anna Glueder**Meeting Dates:** 6/24, 6/25**WHAT THE MEASURE DOES:**

The measure increases the state transient lodging tax from 1.5 percent to 2.75 percent. It renames the Oregon Conservation Strategy Subaccount as the Recovering Oregon's Wildlife Fund Subaccount and specifies that the net revenue from 1.0 percentage point of the increase is to be distributed to the Subaccount. It specifies that the net revenue from 0.25 percentage points of the increase is to be distributed to the Department of State Police, the Department of Agriculture, the State Department of Fish and Wildlife (ODFW), and the Department of Justice. It specifies that distributions from the 0.25 percent increase are to be used for wildlife stewardship, wolf management compensation, and combating poaching and invasive species. It directs revenues received by the ODFW as contributions for the Oregon Conservation Strategy or the Oregon Nearshore Strategy to be transferred to the Subaccount. It expands the use of the account to include promotion, implementation, revision, or enhancement of the Oregon Nearshore Strategy policies. It 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. It applies the increased tax on or after January 1, 2026, and takes effect on the 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Permanence of the tax allocation
- Nexus between tax source and spending purpose
- History of funding wildlife conservation efforts in Oregon
- Level of transient lodging tax in different cities and jurisdictions
- Potential to use net revenue for purposes relating to wildfire

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

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