

HB 4134 -1 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 2/4, 2/11

WHAT THE MEASURE DOES:

Renames the Oregon Conservation Strategy Subaccount to the Recovering Oregon's Wildlife Fund Subaccount. Increases the state transient lodging tax from 1.5% to 2.75%. Specifies the net revenue from 1.0 percentage point of the increase is to be distributed to the Recovering Oregon's Wildlife Fund Subaccount. Specifies the percentages of the net revenue, from the 0.25 percentage points increase, to be distributed to the Department of State Police, the Department of Agriculture, the State Department of Fishing and Wildlife, and the Department of Justice. Determines distributions from the 0.25 percent points increase are to be used for wildlife stewardship, wolf management compensation, combating poaching and controlling invasive species. Allows the use of the Recovering Oregon's Wildlife Fund Subaccount to include promotion, implementation, revision or enhancement of the State Wildlife Action Plan and for nonfederal fund matching requirements of conservation or restoration programs designed for the recovery and management of species. Requires transient lodging receipts describe the amount from the increased tax as a "nature conservation fee." Applies the tax increase on or after January 1, 2027. 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
- Benefits of funding wildfire mitigation and workforce training
- Potential risk of an increase in the transient lodging tax on the tourism industry

EFFECT OF AMENDMENT:

-1 Modifies the revenue to be distributed from the increase transient lodging tax to the Recovering Oregon's Wildlife Fund Subaccount from 1.0 percentage point to 0.9 percentage points. Directs the 0.1 percentage points remaining to the Higher Education Coordinating Commission for deposit in the Oregon Conservation Corps Fund.

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% from July 1, 2016, to July 1, 2020. Thereafter, the tax was set at 1.5%. Lodging providers or intermediaries collect and remit the tax. There are some exclusions from the tax including health care facilities, emergency shelters, and military facilities.