

74TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE

MEASURE: HB 2196 A
CARRIER: Rep. Barnhart

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action: Do pass as amended and be printed engrossed

Vote: 8-0-1

Yeas: Berger, Bruun, Gelser, Olson, Read, Rosenbaum, Witt, Barnhart

Nays:

Exc.: Butler

Prepared By: Mazen Malik, Economist

Meeting Dates: 2/14, 4/13

WHAT THE BILL DOES: Modifies amount of tax imposed on the gross ticket sales of professional boxing and wrestling events. Sets the tax range, and allows the Boxing and Wrestling Commission to set the tax rate by rule within the range. Repeals ORS 463.370.

ISSUES DISCUSSED:

- The matches and their changing nature.
- The nature of the fee and what it allows for regulation.
- What else does it fund?
- Mixed martial arts events.
- Fee or a tax?
- Delegation of authority.
- Who else is benefiting from the tax (Old language about funding).

EFFECT OF COMMITTEE AMENDMENTS: The amendment eliminates ORS 463.370, which transfers extra funds to the child abuse and neglect. The changes in the transfers relaxes the definition from being a tax with a 3/5 majority requirement to a fee.

BACKGROUND:

The Boxing and Wrestling Commission regulates the professional boxing and wrestling events, as well as entertainment wrestling. The state police receive these payments and uses as a revenue source to cover policing and security costs included in these and other events. The amounts of revenue that the 6% tax on gross ticket sales generates vary from one year to the next based on the number of events. In the three fiscal years preceding FY 2006, the tax averaged about \$83,000. However, it was as low as \$5,000 in fiscal year 2002 and as high \$123,794 in last fiscal year.

This bill changes the rate from a fixed 6% to a range that goes from one to 10% of the gross ticket sales. The amounts of tax charged will be set by administrative rules, which are yet to be developed.

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This summary has not been adopted or officially endorsed by action of the committee.