

House Bill 3001

Sponsored by COMMITTEE ON REVENUE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Increases state transient lodging tax rate. Requires 50 percent of increased revenue to be distributed to Travel Oregon to promote cultural tourism to Oregon in markets outside Oregon and 50 percent to be used by Oregon Tourism Commission to award grants to bring to Oregon shows or artists from outside Oregon.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to cultural tourism in Oregon; creating new provisions; amending ORS 284.131 and 320.305;
3 prescribing an effective date; and providing for revenue raising that requires approval by a
4 three-fifths majority.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 320.305 is amended to read:

7 320.305. (1) A tax of *[one]* _____ percent is imposed on any consideration rendered for the
8 sale, service or furnishing of transient lodging. The tax imposed by this subsection shall be in ad-
9 dition to and not in lieu of any local transient lodging tax. The tax shall be collected by the tran-
10 sient lodging provider.

11 (2) The transient lodging provider shall withhold five percent of the amount the provider collects
12 under subsection (1) of this section for the purpose of reimbursing the provider for the cost of tax
13 collection, record keeping and reporting.

14 **SECTION 2.** The amendments to ORS 320.305 by section 1 of this 2013 Act apply to con-
15 sideration rendered on or after the effective date of this 2013 Act for the sale, service or
16 furnishing of transient lodging.

17 **SECTION 3.** ORS 284.131 is amended to read:

18 284.131. (1) All moneys collected, received by or appropriated to the Oregon Tourism Commis-
19 sion must be deposited into an account established by the commission in a depository bank insured
20 by the Federal Deposit Insurance Corporation. In a manner consistent with the requirements of ORS
21 chapter 295, the chair of the commission shall ensure that sufficient collateral secures any amount
22 of funds on deposit that exceeds the limits of the Federal Deposit Insurance Corporation's coverage.

23 (2) Subject to the approval of the chair, the commission may invest moneys collected or received
24 by the commission. Investments made by the commission must be limited to investments described
25 in ORS 294.035 (3)(a) to (i).

26 (3) Interest earned on any moneys invested under subsection (2) of this section must be made
27 available to the commission in a manner consistent with the biennial budget of the commission.

28 (4) **Except as provided in subsection (5) of this section**, the commission shall spend state
29 transient lodging tax moneys appropriated to the commission under ORS 320.335 as follows:

30 (a) At least 80 percent must be used to fund state tourism marketing programs.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 (b) As much as 15 percent must be used to implement a regional cooperative tourism marketing
2 program that:

3 (A) Requires fund allocations to focus on creating new business from out-of-state and interna-
4 tional markets;

5 (B) Utilizes a regional allocation formula that distributes revenue to regions, the boundaries of
6 which are established by the commission, in proportion to the amount of transient lodging tax re-
7 venues collected in each region;

8 (C) Distributes revenue to recipients that are selected by the commission as organizations able
9 to conduct tourism-related marketing for each region;

10 (D) Requires advertising, publications, CD-ROMs, websites, videos and other tourism promotion
11 materials funded through the regional cooperative tourism marketing program to carry the Oregon
12 Tourism Commission logo and marketing tag line; and

13 (E) Encourages funding recipients to incorporate design elements from commission advertising
14 and promotional campaigns, such as fonts, images and other design elements.

15 **(5)(a) Any amount of tax on transient lodging that is imposed under ORS 320.305 in an**
16 **amount in excess of one percent of the consideration rendered and appropriated to the**
17 **commission under ORS 320.335 shall be spent in the manner prescribed in paragraph (b) of**
18 **this subsection.**

19 **(b)(A) Fifty percent of the amount described in paragraph (a) of this subsection shall be**
20 **distributed to Travel Oregon for the purpose of promoting cultural tourism to Oregon in**
21 **markets outside the state.**

22 **(B) Fifty percent of the amount described in paragraph (a) of this subsection shall be**
23 **deposited by the commission in a separate account that conforms to the requirements of**
24 **subsection (1) of this section and shall be used by the commission to award competitive**
25 **grants to nonprofit arts organizations in Oregon for the purpose of bringing to Oregon shows**
26 **or artists from outside the state. The awards may not be used to fund the operations of the**
27 **nonprofit arts organizations that receive grants under this subparagraph.**

28 **(c) The commission may adopt rules to establish procedures and standards for distrib-**
29 **utions and awards made under this subsection.**

30 [(5)] **(6) All moneys in the account that are not state transient lodging tax revenues are con-**
31 **tinuously appropriated to the commission for the purposes of carrying out the functions of the**
32 **commission.**

33 [(6)] **(7) All expenditures from the account are exempt from any state expenditure limitation.**

34 **SECTION 4. This 2013 Act takes effect on the 91st day after the date on which the 2013**
35 **regular session of the Seventy-seventh Legislative Assembly adjourns sine die.**

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