

HB 2768 STAFF MEASURE SUMMARY

House Committee On Economic Development and Trade

Prepared By: Adam Crawford, LPRO Analyst

Sub-Referral To: House Committee On Revenue

Meeting Dates: 3/22

WHAT THE MEASURE DOES:

Expands the definition of "tourism promotion" for purposes of local transient lodging tax revenue expenditures to include providing for tourism programs, beautification projects, benches, parking facilities, restrooms, and the construction or improvement of sidewalks. Takes effect on the 91st day after sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

As of 2015, 85 of Oregon's 242 cities and 15 of the 36 counties had a local transient lodging tax (TLT). While the TLT tax rates vary, under current Oregon law a local government may not decrease the percentage of TLT revenues that were expended or agreed to be expended to fund tourism promotion or tourism-related facilities. If a local government increases their lodging tax or imposes a new tax, 70 percent of the net revenue must be used for tourism promotion or tourism-related facilities or to finance debt of tourism-related facilities. The remaining 30% may be used to fund other services in the city or county.

House Bill 2768 expands the definition of tourism promotion, allowing TLT revenues to be spent on a wider variety of uses.