

**FISCAL IMPACT OF PROPOSED LEGISLATION**

79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office

**Measure: HB 2400**

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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**Measure Description:**

Authorizes any state agency or department to enter into agreements with any political subdivision for collection, enforcement, administration and distribution of local transient lodging taxes of such political subdivision.

**Government Unit(s) Affected:**

Cities, Counties, Department of Administrative Services (DAS), Department of Revenue(DOR),  
Statewide

**Summary of Expenditure Impact:**

Potential costs associated with the measure are indeterminate (see analysis below).

**Analysis:**

HB 2400 amends ORS 305.620 to add local transient lodging taxes to the list of taxes imposed by a local government for which a state agency may enter into an agreement with the local government to collect, enforce, administer, and distribute. The measure does not require a state agency to enter into such an agreement; however, if there was an agreement under the measure it is assumed that the state agency would charge the local government for any costs and would potentially require an increase in their Other Funds expenditure limitation. For example, the Department of Revenue (DOR) estimates, based on other agreements DOR has under this statute, that an increase in Other Funds expenditure limitation of up to \$381,967 and one position (0.50 FTE) could be needed in 2017-19. This amount would include one-time administrative and technology costs that would not continue into 2019-21, when the costs would decrease to approximately \$87,500, primarily for the continuation of the position.

Since it is unknown how many, if any, new agreements would occur as a result of the measure, the cost is indeterminate.