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Oregon House Bill 4120A
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Oregon Senate Committee on Finance and Revenue

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Chair Hass and Members of the Committee:

On behalf of the member companies of TechNet, thank you for the opportunity to offer testimony on HB 4120A. TechNet represents over 70 of the nation's leading technology companies. TechNet's members include breakthrough startups and the most storied, life-changing technology companies on the planet; we as an industry keep America's innovation economy growing and creating more good-paying jobs.

Since our members provide technology solutions across many jurisdictions, our members need clear, statewide solutions rather than regulations that vary from one jurisdiction to the next. HB 4120A expands the definition of "transient lodging intermediary" to require platforms that facilitate short term rental transactions to collect and remit all local transient lodging taxes (TLTs) in the 113 local jurisdictions in Oregon, creating significant administrative hurdles.

Further, none of the 113 local jurisdictions have any such "uniformity" in their TLT laws. Rates, filing processes, timing, and auditing vary from jurisdiction to jurisdiction. This patchwork of laws at such a local level are devastating for new economy and platform based businesses that operate in Oregon and throughout the world.

As we have seen in other cities around the world, short-term rentals help spread the economic benefits of tourism throughout Oregon, and into neighborhoods that historically have not been able to benefit from tourism. Short-term rentals provide several types of affordable accommodation for families, business travelers, and students, and provides support to the growing economy.

For these reasons, TechNet encourages the legislature to allow the Department of Revenue to set up a 21st century, centralized collection and remittance TLT system that works for the State of Oregon, local jurisdictions, and the short-term rental platforms. Even the Oregon League of Cities has encouraged having a structure where local jurisdictions can enter into an intergovernmental agreement with DOR for TLT collection and remittance. To this end, the implementation date of July 1, 2018 is too soon to set up and the Senate Committee on Finance and Revenue should consider a delay to July 1, 2019.