

**SB 595 STAFF MEASURE SUMMARY**

**Senate Committee On Housing**

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**Prepared By:** C. Ross, LPRO Analyst

**Sub-Referral To:** Senate Committee On Finance and Revenue

**Meeting Dates:** 2/18

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**WHAT THE MEASURE DOES:**

Allows up to 30 percent of net revenue from local transient lodging tax to be used for housing for individuals with annual incomes at or below 125 percent of the local median income. Takes effect 91st day after *sine die*.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Transient lodging tax is a tax imposed on hotels and motels, spaces for recreational vehicles and tents, and other dwelling units that are occupied overnight or on a temporary basis. It is primarily used to promote tourism and may also be used to fund local services. Currently, at least 70 percent of the net revenue from new or increased transient lodging taxes must be used to support tourism and up to 30 percent may be used for local services.

Senate Bill 595 adjusts the percentage that must be used for tourism from at least 70 to at least 40, to allow up to 30 percent to be used for affordable workforce housing.