

Transient Lodging Tax Bills Advance

The Senate Finance and Revenue Committee, chaired by Senator Mark Hass (D-Beaverton), held hearings and work sessions on two lodging tax bills Monday. The League testified in support of both bills, which moved to the full Senate with unanimous “do pass” recommendations. For efficiency, HB 2400 will authorize the Oregon Department of Revenue (DOR) to collect local lodging taxes on behalf of a local government if the local government enters into an intergovernmental agreement (IGA) with DOR. This is a local option, and would be similar in function to IGAs for local marijuana tax collection. This is also a first step, as the DOR must then revise its tax filing requirements for a one-step filing to work practically. The League will continue to work to improve state tax filing and enforcement requirements so that IGAs with cities can become a reality.

The second bill recommended for passage is HB 3180, which will allow sharing of confidential tax information between the DOR and local governments to improve lodging tax enforcement. At times, lodging providers have only paid the state and not local governments, and vice versa. Two other important lodging tax bills did not advance out of the House Economic Development and Trade Committee before the first chamber deadline. HB 2744 and HB 2768 would have revised how local lodging tax revenues are used and provided greater flexibility to address tourist-related costs. The League is continuing to pursue other bill options in this regard. The flexibility sought would allow revenues to be used for tourist events, tourist attractions and beautification. The League is NOT pursuing legislation to allow cities to use restricted lodging tax revenues generally for roads or public safety.

Marijuana Bill Expands Civil Enforcement Options

The Joint Marijuana Regulation Committee, co-chaired by Senator Ginny Burdick (D-Portland) and Representative Ann Lininger (D-Lake Oswego), has approved legislation that would discourage property owners from engaging in, or allowing others to engage in, illegal marijuana activities. SB 1057 allows district attorneys to pursue liens on a property when an owner knowingly sells, produces or processes marijuana or marijuana products in a manner contrary to state law or local ordinance. The legislation basically applies to marijuana; there is a similar provision in existing law relative to unlawful liquor productions and sales. Other portions of the lengthy bill expand both OLCC agent authority and seed-to-sale tracking for medical growers wishing to sell in the recreational market.

House Passes Municipal Water Supply Bill

On a vote of 35-23, the House passed HB 2099-A on Tuesday and sent it to the Senate for likely consideration by the Senate Environment and Natural Resources Committee, chaired by Senator Michael Dembrow (D-Portland). The bill was introduced at the

request of the League and the Special Districts Association of Oregon as a legislative fix to a 2013 Oregon Court of Appeals Decision in which fish persistence conditions, which were adopted in statute in 2005, were applied retroactively to municipal water permits that were issued prior to 1998. Without a legislative fix, the impact of the court's decision would be a retroactive reduction of existing water supply for 10-15 communities. HB 2099-A clarifies that any water used up until December 11, 2013 (the date of the court's decision) would not be subject to fish persistence conditions.

Prior to the court's decision, the conditions were applied to permits on a prospective basis, which provided needed certainty for communities to invest in infrastructure and accommodate growth. The bill also requires that impacted communities participate in a meeting with the Oregon Department of Fish and Wildlife within one year of receiving an extension on their permit. The purpose of the meeting would be to receive data on potential impacts that the municipal permit might have on fish, and to develop voluntary strategies to minimize or avoid those impacts.

Finally, a specific provision in the bill would address an infrastructure project in Hood River by indicating that the capacity of the project would be acknowledged as water developed for determining the application of fish persistence conditions under the city's permits. The provisions of HB 2099-A would have no impact on existing requirements calling for these communities to adopt a water management and conservation plan if they have not already done so.

Intersection Safety Bill Moves to Senate

The House passed legislation Monday that adds electronic enforcement of speeding to cities' existing red light compliance authority. HB 2409, approved on a 45-15 vote, now moves to the Senate. Introduced at the request of the city of Beaverton, the bill permits a city to issue a speeding citation from the same camera and sensor system used to enforce red light compliance. Beaverton has recently documented approximately 90,000 instances of drivers traveling at least 11 miles per hour over the posted speed limit in intersections, creating significant traffic hazards. The "stacking," or issuing of both speeding and red light infractions, is allowed under HB 2409, but only when the driver is clocked traveling 20 miles per hour over the posted limit.

First Look at Transportation Package Expected Monday, May 8

At its meeting on Monday, May 8, the Joint Transportation Preservation and Modernization Committee will outline the elements of a comprehensive, multi-modal transportation funding and policy package. The process of crafting the legislative language and determining funding mechanisms and amounts will then begin in earnest. Deliberations are expected to continue for the duration of the session. Leading up to this meeting, the committee held field hearings throughout the state last summer and early fall. Upon convening in February, the committee split into five workgroups to review elements of the package (maintenance/preservation/seismic; transit/bike-ped/safety; multi-modal; and congestion).