

Transient Lodging Tax work group

July 11, 2016
1:30 P.M.

Hearing Room 350

MEMBERS PRESENT: Sen. Rod Monroe
Rep. Nancy Nathanson
Rep. John Davis
Sen. Hansell

Danielle Cowan, Executive
Director, Clackamas
County Tourism &
Cultural Affairs

Carolyn McCormick,
Washington County
Visitor Association

Mary Pat Parker, Visit Corvallis

Jon Rahl, Seaside Visitors
Bureau

Alice Trindle, Eastern Oregon
Visitors Association

Alana Hughson, CEO, Central
Oregon Visitors
Association;

Scott Youngblood, Embassy
Suites Tigard; Member,
Oregon Tourism
Commission

Bob Hackett, Oregon
Shakespeare Festival –
Ashland, OR

Jeff Kohnstamm, Timberline
Lodge - Mt. Hood

Jeff Miller, Travel Portland

STAFF PRESENT: Paul Warner, Legislative Revenue Officer
Mazen Malik, Senior Economist, LRO
Corinne, LRO Office Manager

ISSUES: Introduction of Members
Office of Economic Analysis - presentation

Members of the group introduced themselves.

The Audience attendees also introduced themselves.

Mark McMullin, State Economist and Josh Lehner of OEA gave a presentation on the current situation with the tourism industry on Oregon and economic impact. (See presentation materials).

Questions were asked on these topic areas:

Danielle Cowan - Tourists spending in many areas while at an event (like in Eugene).

Wage impact on tourism (minimum wage).

Sen. Monroe - Conventions - how much do the attendees go to other parts of Oregon after their convention, or during it? Travel Oregon does track tourists and their destinations.

Rep. Davis - What role do the lower wage jobs impact the tourism economy? We do have all three sectors, but the middle wage sector is missing. Low wage definitely fills a void that is important to the economy.

Section 7: Wants to know what role the members will play in defining the outcome for goals in this workgroup. No single answer. The bill (HB 4146) outlines what we will do?

Rep. Nathanson - Are there higher ed curriculums available for the tourism industry in Oregon's community colleges? Rep. would like to see course materials.

Expedia - Tom Pucci: Explained what they do. They facilitate locating a hotel room for leisure and tourism. They are global, and have hundreds of jurisdictions, and would like the tax to be administered by the state. Consolidated filing.

Beth Adair, Airbnb's global director of tax: Explained what Airbnb is, and how their business has tax challenges also. Standardization is needed.

Questions:

Carolyn M.- Those collecting the taxes are able to retain 5% for admin fees. Wanted to know if the presenters knew about this.

Rep. Davis: Where is AirBnb exactly, in Oregon? Ans: Four places (OR, Mult, Wash Co)190 places around the country.

Sen. Monroe: Wants to know if the 5% is a reasonable amount, and if it covers the expenses? Ans: Having the state collect the tax, and not local entities would be the biggest help.

Rep. Nathanson - Commented on the local jurisdictions, and their concerns about collecting, and not being paid by the state.

Scott Youngblood: Section 7 b (or g??). Says lodging tax dollars are very important to Oregon's economy. Tourism is not a burden.

Jennifer Yorker: Has a small independent hotel in Newport. Sees more international tourists coming in to our state and is steadily increasing.

Bill Perry: Lobbyist for restaurant and hotel industry: Talked about wages and cost of employees in the industry. Insurance and liability going up.

Questions:

Sen. Hansell - Asked Scott Youngblood about his comments about working together.

Bill Perry - talked about stable funding and working together.

League of Oregon Cities: Wendy Johnson: (See presentation materials)

Questions:

Jeff M: section g. Rep. Nathanson says the bill was focused on State lodging tax, not local collections. Rep. Davis said same.

Nancy Brewer - Corvallis: local lodging tax is 9%. Does not want to raise local tax to 12% to allow for the 5% to hotels for admin fees. Would like DOR to collect the taxes, as they are burdened with the auditing functions.

Karen Eagan. Bend: Collects 10 mil in lodging taxes. 11,000 jobs in the tourism industry. Would like to make their own decisions about how to spend the taxes. More local control to solve problems.

Questions:

Rep. Nathanson: Land use and zoning. BnB's with signage and no signs. AirBnb does not have an owner present in the house. Local Bed and Breakfasts have an owner on location and responsible for conduct of renters.

For next meeting: Breaking into subgroups. Continued meeting in Salem?