



115 Years

Please Vote YES on HB22-1117

Expanded Uses of County Lodging Taxes Sponsors: Roberts & Catlin/Coram & Donovan

HB22-1117 modifies **two** existing tools and empowers local voters to identify how their county lodging tax revenues should be invested.

Background:

Section 1: Title 29 – Local Marketing District (LMD)

Counties – in partnership with cities or on their own - can currently seek voter approval for a 4% excise on the purchase of hotel rooms, short term rentals and other lodging accommodations via a 'local marketing district' (CRS 29-25-101). Proceeds from this tax can support tourism but **cannot** be used for capital expenditures, except tourist information centers. To date, voters in 3 counties (and 3 cities) have approved this tool.

Section 2: Title 30 - County Lodging Tax

In addition to the Title 29 LMD authority, counties can also seek voter approval for a 2% excise tax on the purchase of hotel rooms, short term rentals and other lodging accommodations (CRS 30-11-107.5). Pursuant to this 1987 statute, any revenue generated by this tax must be committed to marketing and advertising the county. To date, voters in twenty-nine counties have approved a county lodging tax for this purpose.

Contrary to the limitations placed on counties in Title 30, home rule municipalities have **NO** limitations in the amount or the use of their lodging taxes.

Problem:

Local voters are restricted from using the Title 29 & Title 30 lodging taxes for purposes that enhance the visitor experience. Tourism is a critical industry in our state but the workforce supports (housing, child care centers, et.) and other investments that are needed to help Colorado retain its attractive appeal are lacking.

Solution:

HB22-1117 will allow local voters to expand the uses of the Title 29 & Title 30 lodging taxes to help communities address their workforce needs and the needs of their visitors.

As amended in the house, HB 1117:

1.) Expands allowable (voter approved) uses to include:

- a) advertising and marketing local tourism (existing use);
- b.) housing and child care for tourism-related workforce and other workers in the community; or
- c.) facilitating and enhancing the visitor experience

(Please note that the originally introduced language that would have allowed lodging tax dollars (via CRS 30-11-107.5) to go to 'economic development' investments has been removed)

Other amendments include requiring counties that CHOOSE to seek voter approval on these expanded uses, to:

- 1.) specify how they plan to use the dollars in their ballot measure and
- 2.) commit at least 10% of the lodging tax revenue for advertising and marketing

Please Support HB22-1117

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Supporting Organizations

Healthier Colorado
Economic Development Council of Colorado
Progressive 15
Colorado Coalition for the Homeless
Former House Speaker Lola Spradley
Enterprise Community Partners
Associated Governments of Northwest Colorado
Colorado Association of Ski Towns
Counties & Commissioners Acting Together
Elevation Community Land Trust
Healthier Air & Water Colorado
Colorado Fiscal Institute
Colorado Restaurant Association