



COMMISSION STAFF REPORT

MEETING DATE: June 30, 2025

ITEM TITLE, PRESENTER: Ordinance to increase San Juan County's Transient Room Tax (TRT) rate to 4.5%, Allison Yamamoto-Sparks, Visitor Services Manager

RECOMMENDATION: Approval

SUMMARY

During the 2025 Legislative Session, HB 456 was passed which increases the state TRT rate by 0.75%, (Effective July 1st, 2025) and allows counties to impose an optional 0.25% county TRT increase, which would bring the county rate up to a maximum of 4.5%.

One third of the State's 0.75% TRT increase will go toward an Outdoor Recreation Mitigation Grant fund. Only 3rd-6th class counties that impose the full allowable county TRT rate of 4.5% will be eligible for the Visitor Mitigation Grant Program created by the bill, which can be used for visitor-related emergency & safety costs such as; EMS, Law Enforcement, Roads, & Solid Waste Disposal. (Approximately \$6,750,000 available to counties of the 3rd-6th classes that generated less than \$10M in the prior calendar year).

HISTORY/PAST ACTION

New bill- no past action.

FISCAL IMPACT

Increased TRT revenue for San Juan County, and the ability to apply for the Outdoor Recreation Mitigation Grant fund to help cover additional visitor-related emergency & safety costs.