

February 3, 2020

Representative Nathanson, Chair House Committee on Revenue 900 Court St., NE Salem, OR 97301

Re: HB 4047 Support, State Transient Lodging Tax

Dear Chair Nathanson, Vice-Chair Marsh, Vice-Chair Reschke and members of the House Revenue Committee:

On behalf of Oregon's tourism industry, I am writing to ask for your support of HB 4047 which would remove the sunset on the state transient lodging tax (TLT) and maintain the current level of investment in Oregon's tourism industry.

The TLT was established in 2003 to create a dedicated funding source to promote tourism and economic development in the hospitality industry in Oregon. In 2016 the tax was adjusted to 1.8% with a sunset to 1.5% in July 2020.

As you may know, 30% of the TLT funds are dollars that are leveraged to bolster the Regional Cooperative Tourism Program (RCTP) and Competitive Grants Programs led by Travel Oregon.

These programs support local communities throughout the state: helping them develop their destinations, conceive new tourism assets, expand the visitor industry and improve local livability for residents and those who visit.

As President and CEO of the organization that serves as both a Regional Destination Management Organization (RDMO) for the Portland Region and a Destination Marketing and Management Organization (DMMO) for the City of Portland, I am writing to urge you to remove the sunset and maintain the statewide TLT at 1.8%. The success of the programs administered by Travel Oregon through revenue generated from this tax have been critical to our region's success in growing jobs and increased economic activity for our communities.

The Portland Region RDMO encompasses the cities of Portland and Gresham, urban areas of Clackamas County and the entirety of Washington and Columbia counties. In our region, the state program has supported our ability to align the individual tourism development efforts of our urban, rural and suburban communities while strengthening the breadth and diversity of visitor experiences across four counties. Our leading destination marketing organizations

collaborate with one another and with industry partners to support non-stop international air service to PDX and increase visitation from markets such as Canada, Europe and Asia. Additionally, collective investments made by regional partners have supported convention sales through the inter-governmental Visitor Development Fund (VDF) and significant local development projects, including preservation of the Willamette Falls Locks, Salmonberry Trail trailhead improvements, facility improvements at the Mt. Hood Community College Aquatic Center and bicycle tourism infrastructure along the Banks-Vernonia Trail.

Without the current state TLT 1.8% rate, funding for collaborative regional projects such as these will be cut and programs that support local destinations will be scaled back. I would be happy to share more details on how the communities of the Portland Region benefit directly from the TLT and answer any questions you may have as you consider this important legislation.

Again, we urge your support of HB 4047 to keep the current statewide lodging tax rate at 1.8%, a decision that will ultimately support continued economic growth and development in every region of Oregon. Please don't hesitate to contact me if I can be of further assistance.

Sincerely,

Of Miller

Jeff Miller President and CEO Travel Portland

Portland Region RDMO