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February 21, 2025

HB 2977 – Testimony to the House Committee on Land Use, Agriculture, Natural Resources and Water

Dear Chair Helm, Chair Owens, Vice Chair McDonald and members of the House Committee on Land Use, Agriculture, Natural Resources and Water,

As President and CEO of Travel Portland, I am writing to express my strong opposition to House Bill 2977. Travel Portland is the Destination Management Organization (DMO) for the City of Portland and we are the Regional Destination Management Organization (RDMO), for the Portland Region through Travel Oregon's Regional Cooperative Tourism Program (RCTP).

The state transient lodging tax dollars that fund this program facilitate regional collaboration to enhance destinations and attract visitors to Portland as well as to Gresham, the metro areas of Clackamas County and communities across Washington and Columbia counties. Through our regional partnership, we deploy funds to support marketing, PR and international sales activities, as well as investments in significant local projects and opportunities such as the Salmonberry Trail, the Willamette Falls Locks, the Junior Synchro Olympics at Mt. Hood Community College, bicycle tourism infrastructure along the Banks-Vernonia Trail and the Portland season of the Bravo network TV show, "Top Chef."

Increasing the state TLT would put destinations across our state at a competitive disadvantage, especially those like Portland that compete for convention and meeting business. Portland lags behind our peer cities nationally in terms of our industry's recovery from the pandemic. And the Portland Region continues to lag behind all other regions in the state. According to Travel Oregon's most recent research, in 2024, the Portland Region's hotel revenues were 10.6% below their 2019 levels while the revenues generated in the six other Oregon regions were all above their 2019 levels by double digit percentages.

Currently on par with our competitive set of convention markets from a total lodging tax standpoint, an increase in the state TLT would put future convention business in Portland at significant risk. In a time when we need a competitive advantage, any increase would put us at a disadvantage, limiting funding available for projects like those mentioned above and driving down the number of hospitality jobs in our city and region. Thank you for joining me in opposing House Bill 2977.

Sincerely,

Megan Conway

Travel Portland President and CEO