

Submitter: Kurt Huffman

On Behalf Of:

Committee: House Committee On Emergency Management, General Government, and Veterans

Measure, Appointment or Topic: HB3556

I respectfully submit the following written testimony to the House Committee on Emergency Management, General Government, and Veterans on behalf of our association of 30+ restaurants, bars, bakeries and event spaces in Portland in my capacity as owner of ChefStable.

Extending the permissible use of net revenue from new or increased local transient lodging tax will open a Pandora's Box of inevitable demands of "other" uses outside of the intent of the original Oregon Statute that requires that 70% of any increase in these taxes goes towards tourism promotion or the development of tourism-related facilities. Despite the existing language there are multiple Oregon municipalities that have come up with or tried to come up with their own creative interpretation of the spending requirement and one or more of those has gone through litigation. My point here is that opening up the permitted uses of these funds to include something as broad as "community infrastructure" will not only lead to local governments spending the money in creative ways that can only tangentially be considered "community infrastructure" but it will inevitably lead to requests to allow these funds to be used on "new uses" to further dilute the funds across whatever uses local governments needs funding for.

The existing statute, although not perfect, is effective and has been effective for 20 years in directing tourism related dollars towards promoting tourism. Given the current struggles of Oregon's and specifically Portland's tourism related economy, HB 3556 is guilty of particularly bad timing given the urgent need to spur tourism.

On behalf of my partners and 700 employees I sincerely hope the Committee will vote against HB 3665.

Sincerely,

Kurt Huffman  
Owner - ChefStable LLC