

Dear Chair and Representative Tran, Vice Chair Representative Grayber, Vice Chair Representative Lewis, and other Honorable Representatives Evans, Boice, Skarlatos & Watanabe,

My name is George Schweitzer, Vice President Development for West Coast Hospitality. I am involved with oversight of three hotels in Oregon: The Benson in downtown Portland, The Holman Hotel in downtown Salem and the Independence Hotel, in Independence, Oregon. In the interest of all three, as well all other hotels throughout the state, I ask for your help to reject HB 3556 and ensure that lodging tax revenues remain dedicated for their original purpose, which is to fund tourism promotion and the development of tourism-related facilities that ultimately make Oregon more attractive to visitors and help drive our economy. HB 3556 jeopardizes the future of all hotels that depend on a thriving tourism industry, which for many hotels in Oregon have still not recovered to 2019 occupancy levels.

TLT taxes are intended to help boost tourism, which is a huge economic engine for Oregon. (ORS) statute 320.350 mandates local governments must not decrease the percentage of TLT revenues allocated to tourism promotion or tourism-related facilities, to protect that economic engine. HB 3556 would change this and allows expansion of the permissible use. We cannot afford that!

Any increase in the statewide lodging tax or re-direction of the 70/30 dedicated funding mechanism from ORS 320.350, will make it more difficult to attract large blocks of business (conventions, conferences, etc.), as well as individual tourists, because any increase in rate or decrease in marketing dollars dedicated to tourism starts making Oregon less competitive as a state in getting meeting planners and tourists to choose Oregon over traveling elsewhere. OR 320.350 is designed to help ensure we are able to attract visitors to local municipalities and the state as a whole. Robbing TOT taxes to cover budget shortfalls is the equivalent of cutting off your nose to spite your face. It is a needless overreaction to a funding problem which can be solved in other ways by insightful state leaders like yourselves. Please don't let HB 3556 damage Oregon's tourism industry. Please reject it and make sure that lodging tax revenues are used as intended and needed!

Thank you for your time and consideration.

Kindly,

*George Schweitzer*

*Vice President Development*

WESTCOAST HOSPITALITY LLC