

March 18, 2025

House Committee on Emergency Management, General Government, and Veterans Oregon State Capitol, 900 Court Street NE Salem, Oregon 97301

 $\mbox{Re: HB 3556}$ Relating to the use of local transient tax revenue;

Chair Tran and Members of the Committee:

My name is Lisa Farquharson, and I am the President/CEO of The Dalles Area Chamber of Commerce and Explore The Dalles, our regional Destination Marketing Organization (DMO). Thank you for the opportunity to express our strong opposition to HB 3556.

As the DMO representing tourism in The Dalles and the surrounding region, our mission is to promote economic vitality and enhance the quality of life through sustainable tourism and community partnerships. Our collaboration with Travel Oregon and regional partners has consistently proven effective in driving economic growth and employment opportunities, especially crucial for rural communities transitioning from resource-based economies.

Transient Lodging Taxes (TLT) are vital investments that stimulate local economies, support infrastructure, and create jobs. Expanding permissible uses of TLT revenue as proposed in HB 3556 threatens the efficacy and sustainability of these funds. Tourism businesses contribute significantly beyond TLT revenues through property taxes, licensing fees, and additional local taxes, funding essential municipal services. Jeopardizing these resources impacts not only tourism but the broader local economy.

In The Dalles, TLT investments have enabled critical projects and community-building programs, including:

- The East Gorge Food Trail, enhancing agritourism and culinary experiences, directly benefiting local farmers, vintners, brewers, and restaurant owners.
- Community and visitor amenities such as the National Neon Sign Museum, Fort Dalles Museum, and numerous historical buildings revitalized for economic use, attracting visitors year-round.
- Strategic promotion and development of outdoor recreation activities like fishing, kayaking, paddleboarding, and cycling, fostering year-round economic stability.
- Collaborative initiatives like Taste of the Gorge, connecting regional businesses and promoting local commerce through culinary tourism.

<u>Statewide, the economic impact of sustained TLT investment is profound:</u>

- Visitor spending in Oregon has increased from \$6.5 billion in 2003 to over \$14 billion today.
- State and local TLT revenues grew from \$200 million in 2003 to \$650 million currently.
- Tourism consistently supports employment, with visitor spending generating thousands of local jobs.

Allowing HB 3556 to pass would disrupt ongoing and future projects, diminishing our region's capacity to attract visitors, invest in local infrastructure, and provide year-round economic stability. We respectfully urge your opposition to HB 3556 to ensure continued strategic investment in Oregon's tourism industry and economic well-being.

Thank you for your consideration and support of sustainable tourism development in Oregon.

Gratefully,

Lisa Farquharson President/CEO

The Dalles Area Chamber of Commerce

Explore The Dalles