

Submitter: Matthew Buschert

On Behalf Of:

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

Measure, Appointment or Topic: HB3556

I am writing to you in opposition to House Bill 3556 as it will impact the business my family operates. The Sea Breeze Court in Cannon Beach has been in my wife's family for 60 years and we are proud members of our community.

In Cannon Beach, the restricted 70% of the Transient Lodging Tax is used for a variety of purposes. Grants are distributed to a number of non-profit organizations that use those funds to offer beloved events, like the Cannon Beach History Museum Cottage Tour and the Cannon Beach Comedy Festival. TLT also supports the Cannon Beach visitor center and Destination Marketing Organization which manages the messaging regarding our special village. This proposed change to the TLT uses will likely cause the elimination of these programs and jobs.

Cities, like Cannon Beach, have increased the TLT in order to "chase the 30%" when they have no use for the 70%. Clatsop County has done the same to fund the recently built jail. You are permitting this reckless behavior by expanding the use without offering additional guardrails to protect businesses and tourists from exploitation. Governments should not be permitted to increase costs without a plan for using these funds. We should not be rewarding them for exploitative behavior. Rather, they should seek funds when necessary and spend responsibly.

The increased unrestricted use of TLT will allow the City of Cannon Beach to increase the TLT unfettered and permit out-of-control government spending. This has already happened in the past year as the City of Cannon Beach increased TLT by 1½% to chase the 30% to fund a new City Hall and Police Station for \$25M for a city of 1500. No cost-cutting measures were investigated. This was done without a vote of the people. There are no checks and balances. Permitting an unchecked ability to increase TLT with this proposed expanded use will impact lodging operators.

The majority of our customers at the Sea Breeze Court are Oregon citizens who pay income tax, property tax, and all other associated fees and taxes that come with living in our beautiful state. They are not a burden when visiting our public beaches and ocean shores; they are welcome and should be made to feel that way.