



March 19, 2025

RE: HB 3556 – Testimony to the House Committee on Emergency Management, General Government, and Veterans

Dear Chair Tran, Vice-Chair Grayber, Vice-Chair Lewis, and Committee Members:

My name is Christina Rehkla, and I have had the pleasure of serving as Visit Corvallis' Executive Director for over six years. Visit Corvallis is responsible for attracting visitors who support local businesses, create jobs, and strengthen our economy. I appreciate the opportunity to express Visit Corvallis' opposition to HB 3556.

Tourism is not a burden—it is an essential economic driver for Oregon's communities. In 2023, visitor spending in Benton County totaled **\$181.4 million**, directly benefiting local businesses, restaurants, and attractions. Our local tourism industry supported **1,950 jobs**. Additionally, visitor spending contributed **\$3.7 million in local tax revenue** and **\$5.4 million to the state**. HB 3556 threatens this economic engine by diverting these vital tourism funds to public services, although tourism already generates millions in tax revenue that helps fund infrastructure, emergency services, and other community needs.

There is a misconception that many destination marketing/management organizations (DMMOs) receive 70% of Transient Lodging Tax (TLT) revenue for tourism promotion. In Corvallis, this does not apply. Of the **12% local lodging tax** collected within Corvallis:

- **The City of Corvallis retains 70%** for its general fund, while Visit Corvallis contracts for the remaining 30% to attract visitors and support local businesses.
- **Benton County passed a 3% lodging tax in 2019** and retains **70%** for the Benton County Fairgrounds & Event Center, with the remaining **30%** allocated to its general fund. Visit Corvallis does not receive funding support from Benton County.

Even with these allocations, gaps in funding for essential services and infrastructure remain. I understand the financial challenges municipalities face with rising costs, but reducing tourism funding will not fix these problems—it will only weaken tourism's ability to generate revenue that supports community needs.

This change would especially impact rural communities. Under this proposal, rural communities that enact new lodging taxes will generate less funding for tourism promotion and tourism-related facilities, making it harder for them to compete against more established destinations. A smaller budget means fewer resources to attract events and visitors, which support local businesses. And when market conditions change, the effects can be devastating.

Recent market shifts in Corvallis highlight the importance of a well-funded tourism program. The **realignment of college sports conferences** has led to fewer visitors attending Oregon State University events. The **Osborn Aquatic Center's closure** due to concerns about roof failure halted regional swim meets indefinitely, further impacting visitor spending.



Attracting new visitors is essential for my community. One way Visit Corvallis does this is by applying for **Travel Oregon grants** and partnering with the **Willamette Valley Visitors Association**, both funded by TLT dollars. If the state's tourism economy is weakened, Visit Corvallis will have fewer resources to address Corvallis' new reality.

Tourism also supports **local events** and **nonprofits**. Due to budget constraints, the City of Corvallis does not fund events like the **Grand Kinetic Challenge** and the **Corvallis Fall Festival**, but Visit Corvallis provides financial and promotional support to both. Visit Corvallis partners with organizations like **Team Dirt** and the **Corvallis-to-the-Sea Trail** to support their trails and work. These investments directly contribute to the amenities and experiences that locals and visitors love.

I appreciate the opportunity to share Visit Corvallis' opposition to HB 3556. I urge you to vote NO and **protect TLT as a critical tool for economic growth**. Tourism doesn't just bring visitors—it sustains communities.

Thank you for your consideration and your service to our state.

Sincerely,

A handwritten signature in cursive script that reads "Christina Rehklau".

Christina Rehklau

Visit Corvallis

Executive Director

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