

March 19, 2025

House Committee On Emergency Management, General Government, and Veterans Oregon State Legislature 900 Court Street NE Salem, OR 97301

RE: Request to Move House Bill 3556 to the House Committee on Revenue Without Recommendation

Chair Tran, Vice-Chairs Grayber and Lewis, and Members of the Committee,

The City of Warrenton urges you move House Bill 3556 to the House Committee on Revenue without recommendation, allowing for a thorough financial and policy review. This bill is crucial to ensuring that tourism-impacted communities can address the pressures of maintaining safe and sustainable environments for both residents and visitors.

Tourism draws millions of visitors to Oregon's scenic areas each year, bringing economic benefits but also placing immense strain on local services, particularly public safety. HB 3556 would allow local governments to allocate new or increased Transient Lodging Tax (TLT) revenues to essential services like emergency response, law enforcement, and infrastructure, which are critical to managing the impacts of tourism.

Under the current 70/30 funding structure mandated by ORS 320.350, 70% of new TLT revenue must be directed toward tourism promotion and facilities, leaving only 30% for discretionary use. This allocation fails to reflect the significant burden tourism places on essential services. Communities like Warrenton face growing demands on first responders, including law enforcement, fire departments, search and rescue teams, emergency medical services, and the local justice system.

The challenges are particularly acute in rural areas, where volunteer-staffed fire agencies face heavy workloads, limited funding, and insufficient personnel. In Warrenton, our volunteer fire department responds to roughly 1,400 calls a year. From 2019 to 2024, visitors accounted for one-third of Clatsop County jail bookings, arrests, and tickets in the county, as well as 15% of crime victims. Our police department struggles to keep at least one officer available for 24 hour coverage, and responds to an average of 8,565 calls for service a year with the peak season being tourist season.

Without the flexibility to allocate TLT revenues toward essential public safety services, local governments lack the resources necessary to respond to these growing demands. HB 3556 offers a solution by empowering tourism-impacted communities to use TLT funds where they are needed most. Ensuring public safety is not only vital for residents but also essential for sustaining a vibrant tourism economy, as safe and well-supported destinations enhance visitor experiences and encourage repeat visits.

For these reasons, we strongly urge the movement of HB 3556 to the House Committee on Revenue without recommendation. A comprehensive review will ensure stakeholders can engage in meaningful discussions on how to best support communities affected by tourism.

Thank you for your time and consideration.

Thank you,

Henry A. Balensifer III

Mayor