

Clackamas County
**Tourism
Development
Council**

Chair - Luke Spencer

Clackamas River Outfitters

Vice Chair - Holly Pfortmiller

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Clackamas River Basin Council

Patrick Dawsey

Residence Inn, Lake Oswego

Ryan Tigner

iTrip Vacations Northwest

March 20, 2025

House Emergency Management, General Government & Veterans
Committee
Oregon State Capitol
Salem, OR 97301

RE: Opposition - HB 3556

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

My names is Luke Spencer. I am the owner/operator of Clackamas
River Outfitters in Estacada, Oregon. I am also the Chair of the
Clackamas County Tourism Development Council (TDC), which is

comprised of local hospitality, agritourism, recreation, event facility and stewardship
organization representatives appointed by the Board of County Commissioners to guide
destination management and marketing work in Clackamas County. On behalf of the entire
Council, we wish to express our concerns and opposition to HB 3556.

HB 3556 would undo the compromise reached between the tourism industry and local
governments during the 2003 session that passed HB 2267, which in turn created the Oregon
Tourism Commission and established the State's transient lodging tax program. With the
compromise, local governments were allowed to use up to 30% of new or increased local TLT
revenues for non-tourism related services, programs, and projects. This was to acknowledge
and account for added demands placed on municipalities generated by tourism activity in their
communities. The balance, 70% of new or increased local TLT revenues, was to be used for
tourism programing.

It is worth noting, however, that cities and counties that had TLT programs in place prior to HB
2267 maintained their existing ratios of TLT revenue expenditures. This was included to
prevent divestment from existing funded programs. At the time HB 2267 took effect, many
municipalities were, and continue to, allocate much higher percentages of their local TLT
revenues to non-tourism related services than tourism focused programing.

We understand and appreciate that local governments have an extensive list of service delivery
demands on them. However, we believe further diverting local TLT revenues poses a
significant risk to losing sight of TLTs original purpose: to drive economic impact to our
communities from visitors through support local tourism marketing and development programs
that drive and support that visitation.

In just the past few years, under the direction of the TDC, Clackamas County Tourism has
provided \$1.335 million in grant funding for projects that include: rebuilding of the Trillium Lake
boardwalk; making improvements and upgrades to the Sandy Actors' Theatre and Lakewood
Theater in Lake Oswego; creation of historic and nature interpretive programing; development
of exhibits highlighting the contributions of underrepresented groups to the Oregon Territory

settlement; rebuilding the Historic Mark Prairie School House that was damaged during an ice storm; rebuilding trails and campgrounds in the Clackamas River Corridor that were destroyed during the 2020 Riverside Wildfire; conducting trail maintenance and volunteer trainings projects in County Parks and in the Mt. Hood National Forest; building additional campsites in County campgrounds; installing accessible paths at the historic Philip Foster Farm along the Barlow Road; creating river safety and ecological signage/materials and creation and installation of native art and interpretive information at sites along the Clackamas River. This is not an all-inclusive list.

The above investments are in addition to the many local public-facing event sponsorships Clackamas County Tourism provides each year, as well as other various projects and efforts we support with the local TLT revenues we are charged with overseeing. Examples include purchasing EnChroma glasses so colorblind attendees can more fully experience events like the Swan Island Dahlia Festival and Wooden Shoe Tulip Festival, supporting a recycling program in Government Camp, organizing an annual Agritourism Summit, and providing training and development opportunities for heritage, recreation, hospitality, stewardship, economic development, chamber and Oregon Main Street partners.

Clackamas County Tourism is proud of the myriad ways in which we are able to support communities within the County, our local business partners, and sites, facilities and attractions that benefit visitors and residents alike. And we are not alone in this. Most destination organizations in Oregon provide similar support in the areas they operate.

Our concern with expanding allowable uses of local TLT revenues is that it will result in reduced destination promotion efforts and investments like the above in communities across Oregon which will negatively impact the source with which the TLT revenue comes from.

There are a couple other points we feel should also be noted. First, TLT collections have recovered in many parts of Oregon since the pandemic. However, this is largely a function of inflation. A recent lodging report shows that statewide occupancy for 2024 was still down 7.6% from pre-pandemic levels. The tourism industry is still in recovery mode. Second, travel and tourism is a discretionary and volatile industry. It is very susceptible to outside conditions such as recessions, geopolitical tensions, and pandemics. Relying on local TLT revenues to support local general services and programs carries risk of instability.

Thank you for your consideration,

Luke Spencer,
Chair
Clackamas County Tourism Development Council