

Submitter: Jill Ingalls

On Behalf Of:

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

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The Transient Lodging Tax (TLT) was established to provide dedicated funding for destination tourism promotion. It is a prime example of a self-sustaining tax—when marketing efforts successfully drive overnight stays, the resulting tax revenue funds ongoing initiatives, fueling continued industry growth.

When the TLT was introduced, few funding options existed for tourism promotion. Diverting these funds for other purposes under the guise of "better supporting tourism" is shortsighted. Reducing investment in tourism marketing will inevitably lead to decreased visitor demand. If fewer travelers come, what is the point of infrastructure improvements when there will be fewer visitors to benefit from them? Protecting the integrity of TLT funding is essential to sustaining tourism's economic impact. A thriving visitor economy depends on strategic promotion—without it, the entire system weakens.

My career spans 37 years in areas of economic restructuring of historic commercial districts, coupled with destination tourism and production of community festivals and events. I speak from the chair of experience, having seen both the benefit of the TLT and the ongoing attempts to undermine the intent and a gross misunderstanding of the success due to efforts using the TLT.

Over time, there have been efforts to allocate TLT revenue toward ancillary activities, often under the premise of supporting the industry. However, the fundamental purpose of the TLT must remain intact: to attract visitors from outside our region, bringing new dollars into our local economies. Other funding sources exist for infrastructure and physical improvements; diverting TLT funds from their intended use undermines the very businesses that depend on sustained tourism promotion.

Misallocating these funds would have a direct and negative impact on hundreds of businesses that rely on out-of-state visitors. The economic benefits of tourism extend beyond hotels, reaching restaurants, gas stations, and attractions such as Crater Lake, the Columbia River Gorge, Multnomah Falls, and the Enchanted Forest. Both local businesses and government entities benefit from the revenue generated by tourism.

For years, Oregon ranked among the lowest in the nation for tourism promotion funding. Since the implementation of TLT taxes, the state's tourism industry has flourished. Maintaining strong investment in tourism marketing is essential; reducing these efforts will result in job losses and decreased visitor demand. Small businesses

across Oregon are already facing significant challenges—now is not the time to diminish their ability to attract customers.

Preserving the integrity of the TLT is crucial to sustaining Oregon's tourism economy. Let's ensure that these funds continue to serve their intended purpose: driving visitation, supporting local businesses, and strengthening our communities.

Respectfully submitted,
Jill Ingalls