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March 21, 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 Newport is in full support of House Bill 3556. We urge you move this bill 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.

The current 70/30 funding structure mandated by ORS 320.350 provides that 70% of new TLT revenue must be directed toward tourism promotion and facilities, leaving only 30% for discretionary use. For our city this leaves our local citizens having to bear the costs of providing public safety, fire, emergency services, search & rescue services that are needed and triggered by the tremendous influx of tourists.

We understand that many cities in Oregon would love to have the level of tourism that our coastal cities have. Passage of this bill would do no harm to the tourism promotion efforts of other cities. Opponents of this bill seem to believe that it would harm their efforts to promote tourism when all it would do would be to allow cities to tailor the use of these taxes to the unique needs of each jurisdiction. In Newport we work closely with our Discover Newport provider (Greater Newport Chamber of Commerce) to carry out strategies that help to bring visitors. Tourism is critical to our local economy and our efforts are clearly successful. On average our town of 11,000 supports services and protection of over 20,000 tourists a day. In Newport we are keenly aware that failure of our wastewater facilities would not only be catastrophic for our local citizens but would drastically reduce the number of people who come to visit for years to come.

We do not have the funds needed to properly maintain our streets. We struggle to maintain public restroom facilities. When our police and emergency services are stretched it creates danger for residents and visitors alike. Paying for billboards is not the best use of our tax dollars. We are facing critical challenges to our Wastewater

Treatment plant that must bear the cost of over 20,000 non-Newport residents who flush toilets, take showers, wash dishes, etc. every day.

Our city takes pride in sustaining a quality of life that includes public recreation facilities, publicly supported performing and visual arts, a robust parks system and a library open to residents and visitors. I strongly urge that you do everything in your power to facilitate this bill moving to the House Committee on Revenue and everything in your power to support meeting the needs of our local residents <u>and</u> our visitors.

Sincerely,

Jan Kaplan, Mayor City of Newport, Oregon