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May 2, 2025

House Committee on Revenue Oregon State Capitol, 900 Court Street NE Salem, Oregon 97301

Re: HB 3962

Dear Chair Nathanson, Vice-Chairs Reschke and Walters and Members of Committee,

As the President and CEO of Travel Portland, I am writing to express my strong opposition to House Bill 3962 and its -2 amendment.

Travel Portland is the Destination Management Organization (DMO) for the City of Portland. Our mission is to generate travel demand that drives economic impact for Portland. We promote Portland as a destination for leisure travel, as an exceptional location to host conventions, conferences and other large groups, and as a compelling offering in travel trade itineraries for major tour operators from around the world.

Tourism is considered a traded-sector industry because it attracts dollars into Oregon from other states and countries. Tourism-related businesses generate millions in local and state tax revenue every year through property taxes, business taxes, and, most importantly, the Transient Lodging Tax (TLT). These funds directly support infrastructure, emergency services, and community development in Oregon communities. Tourism sustains thousands of jobs and supports local businesses, from restaurants to outdoor recreation outfitters, cultural and arts institutions, craft beverage makers and tour and transportation companies, to name a few.

In 2023, total direct travel spending in the Portland Region reached \$5.4 Billion, supporting 34,300 jobs and generating \$1.7B in employment earnings.

Further, the tourism industry in Portland has played a vital role in recent years in the revitalization of our city and its offerings for residents and visitors. Travel Portland's programs have supported newly re-activated public spaces, capital projects for small businesses, arts and cultural organizations, and national media attention for our thriving culinary scene, our diverse neighborhoods and our stunning new PDX terminal, the first point of entry for most who visit Oregon from abroad.

Since 2023, Travel Portland has invested nearly \$2 million in activations, events and the capital needs of our cultural institutions and attractions through our grants and sponsorship programs. Recent examples of this include the Portland Art Museum's Rothko Pavillion, the Lan Su Chinese Garden Tea House, the World Forestry Center and the James Beard Public Market project. These organizations and many more would lose critical support if local transient lodging tax dollars are diverted away from their original intended purpose.

Expanding the permissible use of TLT revenues will severely impde our industry's ability to drive economic growth for local economies. I urge you to consider the long-term implications of HB 3962-2 on Oregon's economic health and competitiveness. Protecting TLT investments fortourism promotion and destination development is essential to maintaining a thriving visitor economy that benefits all Oregonians.

Sincerely,

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Megan Conway President & CEO