



City of Bandon

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Bandon by the Sea

May 5, 2025

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

RE: Local Lodging Tax Flexibility – Support for HB 3962-2

Dear Chair Nathanson and Members of the Committee,

On behalf of the City of Bandon, I am writing to express our strong support for HB 3962-2, which would add "tourism-impacted services" as allowable uses in the restricted 70% portion of local lodging tax funds. This critical legislation recognizes the real and growing demands that tourism places on core City services and infrastructure.

Bandon is a popular destination for visitors from across the country and around the world, drawn by our stunning coastline, world-class golf courses, and vibrant local culture. While tourism is an essential part of the City's local economy, it also places a significant and increasing strain on City services and infrastructure that were never intended to support such high seasonal usage.

The City's water and wastewater systems, electric utility, roads, solid waste services, and law enforcement all bear the burden of serving not only our residents but also the large influx of visitors we welcome each year. These services are essential to maintaining the visitor experience, yet current State restrictions on the use of local lodging tax revenue prevents the City from using a majority of those funds to maintain the very systems that support local tourism.

Under HB 3962-2, allowing for the use of lodging tax revenue to support tourism-impacted services would ensure that our City can continue to provide a safe, clean, and welcoming environment for visitors while reducing the disproportionate impact on our local taxpayers. This flexibility would allow Bandon to reinvest in the infrastructure and services that make our community—and the City's tourism economy—resilient and sustainable.

My City Council colleagues and I urge your full support of HB 3962-2. Thank you in advance for your consideration.

Respectfully,

Mary Schamehorn
Mayor, City of Bandon