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HB 2977 - Testimony to the House Committee on Revenue

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

My name is Jim Etzel and I am the Chief Executive Director for Sport Oregon. This letter serves as Sport Oregon's opposition to HB 2977.

Sport Oregon is a non-profit association with over 125 diverse members whose mission is to spur economic growth and enhance positive social impacts through sport. We work to bring international, national and regional sporting events to our city and state that help drive economic impact for Oregon.

As a native Oregonian, I understand the unique challenges and constraints faced by increases in tourism, particularly on resources and public lands. I also understand the value that tourism brings to the local economies of all parts of Oregon.

There are a host of success stories where state lodging tax investments have provided opportunities for sustainable destination development and marketing programs, strengthening local tourism and economic growth.

Given our tumultuous economic outlook for the immediate and mid-term I believe that now is not the time to impose more taxes on travel. Higher lodging taxes make Oregon less competitive for conventions and group events, driving event business to lower-tax destinations. Convention planners are value-focused, and states aggressively compete for their business. When the Sport Oregon team competes against other cities and states for events there are a host of criteria that event owners and producers weigh. An increase in the lodging tax could be the tipping point that excludes our state from a win.

Opposing HB 2977 will allow your constituents and businesses in our destination to consistently plan for strategic investments and to continue important projects and partnerships vital to Oregon's economic viability.

It is the successful collaboration that Sport Oregon enjoys between the local and regional DMOs as well as Travel Oregon that is helping to generate economic activity and new jobs across Oregon, in even the most rural parts of our state. DMOs focus their tourism development and marketing programs on non-peak travel seasons since they know the importance of leveling the seasonality of tourism to create year-round job security and stability in our communities. We help in any way we can to bring local sporting events during these times. That stability helps DMOs build a healthy tourism economy and implement local programs that are reflective of Oregon's values.

At the state level, tourism has become a bedrock of Oregon's economy as a result of the Tourism Investment Proposal of 2003, which established a dedicated funding source through the statewide transient lodging tax and protected local funding investments in tourism. Lodging taxes at the state and local level are intended to be used to promote tourism and build economic development in their communities.

Please oppose HB 2977. Your opposition to HB 2977 will allow your constituents and businesses throughout the state to continue to do the great work that is currently underway, and to continue important projects and partnerships vital to promoting while protecting our future resources.

Thank you!

Jim Etzel. CEO Sport Oregon

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