



MEDFORD
CITY MANAGER'S OFFICE

May 5, 2025

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

RE: Local Lodging Tax Flexibility

Dear Chair Nathanson and Members of the Committee,

On behalf of the City of Medford, I write in strong support of **HB 3962-2**, which would allow local governments to use a portion of transient lodging tax (TLT) revenue for tourism-impacted services, such as public safety and essential infrastructure.

Tourism is a key part of Southern Oregon's economy—but it comes with costs. In Medford, visitors rely on the same services as residents: police, fire, roads, trails, water systems, and parks. Yet current state law limits how cities can use TLT revenue, requiring at least 70% of new or increased TLT funds to go only toward tourism promotion and tourism-related facilities.

HB 3962-2 adds flexibility by recognizing that services like emergency response and infrastructure are directly impacted by tourism and should be eligible for funding. This change allows cities to better maintain the amenities that support tourism while also easing the burden on residents.

A recent statewide poll shows that over 70% of voters support this change. Communities are asking for the ability to reinvest tourism dollars into the services that make tourism possible—and sustainable.

We urge your support of HB 3962-2 to ensure cities like Medford can continue to provide a safe and welcoming environment for all.

Respectfully,