



May 8, 2025

Bill Number and Committee: HB 3962 – Testimony to the House Committee on Revenue

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and members of the House Committee on Revenue:

My name is Christina Rehkla, and I have had the pleasure of serving as Visit Corvallis' Executive Director for six years. Visit Corvallis is responsible for attracting visitors who support local businesses, create jobs, and strengthen our economy. I appreciate the opportunity to express Visit Corvallis' opposition to HB 3962.

Tourism is not a burden—it is an essential economic driver for Oregon's communities. In 2023, visitor spending in Benton County totaled **\$180.5 million**, directly benefiting local businesses, restaurants, and attractions. Our local tourism industry supported **1,950 jobs**. Additionally, visitor spending contributed **\$3.8 million in local tax revenue** and **\$5.5 million to the state**. HB 3962 threatens this economic engine by diverting these vital tourism funds to public services, although tourism already generates millions in tax revenue that helps fund infrastructure, emergency services, and other community needs.

There is a misconception that most of the lodging tax is spent on tourism promotion and tourism-related facilities in many destinations. In Corvallis, this does not apply. Of the **9% City lodging tax** collected within Corvallis, **the City retains 70%** for its general fund, while Visit Corvallis contracts for the remaining 30% to attract visitors and support local businesses.

Even with this allocation, gaps in funding for essential services and infrastructure remain. I understand the financial challenges municipalities face with rising costs, but reducing tourism funding will not fix these problems—it will only weaken tourism's ability to generate and maintain revenue that supports community needs.

When market conditions change, the effects can be devastating. Recent market shifts in Corvallis highlight the importance of a well-funded tourism program. The **realignment of college sports conferences** has led to fewer visitors attending Oregon State University events. The **Osborn Aquatic Center's closure** due to concerns about roof failure halted regional swim meets indefinitely, further impacting visitor spending. Corvallis' hotel occupancy for the calendar year 2024 was **52%**, below what it was in 2019.

Attracting new visitors is essential for my community. Visit Corvallis does this by applying for **Travel Oregon grants** and partnering with the **Willamette Valley Visitors Association**, both funded by TLT dollars generated at the local level. If the state's tourism economy is weakened, Visit Corvallis will have fewer resources to address Corvallis' new reality.

Tourism also supports **local events** and **nonprofits**. Due to budget constraints, the City of Corvallis does not fund events like the **Graand Kinetic Challenge** and the **Corvallis Fall Festival**, but Visit Corvallis provides financial and promotional support to both. Visit Corvallis partners with organizations like **Team Dirt** and the **Corvallis-to-the-Sea Trail** to support their trails and work. These investments directly contribute to the amenities and experiences that locals and visitors love.



I appreciate the opportunity to share Visit Corvallis' opposition to HB 3962. I urge you to vote NO and **protect TLT as a critical tool for economic growth**. Tourism doesn't just bring visitors—it sustains communities.

Thank you for your consideration and your service to our state.

Sincerely,

A handwritten signature in cursive script that reads "Christina Rehklau".

Christina Rehklau

Visit Corvallis

Executive Director

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