

Submitter: BETTINA HANNIGAN
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB2977

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

RE: Opposition to HB 2977 – Relating to Transient Lodging Tax

Chair Nathanson, Co-Chairs Reschke and Walters, and Members of the Committee:

As President/CEO of the Florence Area Chamber of Commerce and a lifelong advocate for rural economic development, I urge you to oppose HB 2977. This bill threatens to disrupt critical funding streams that directly support Florence's tourism economy—one of the primary economic drivers for our small, rural, and highly vulnerable community on Oregon's central coast.

Florence is not just a tourist destination—we are a tourism-dependent economy. As a rural community that has transitioned from traditional resource-based industries, our ability to attract and retain visitors throughout the year is essential to the stability of our workforce, the vitality of our small businesses, and the sustainability of our community infrastructure.

Our Florence Events Center, a cornerstone of arts, culture, and civic life on the coast, was made possible through transient lodging tax (TLT) revenues. Any effort to redirect or further tax these vital funds would hinder our plans for expansion and threaten the viability of future infrastructure projects that keep our community thriving year-round—not just in peak seasons.

Tourism is not a luxury here—it is survival. In 2023, Lane County saw over \$1 billion in visitor spending, and Florence plays a key role in that economic success. Our share of TLT revenue allows us to market Florence as Oregon's Coastal Playground, support events that fill lodging properties, generate foot traffic in our historic Old Town, and sustain local jobs.

Raising the state's lodging tax at this time—when inflation, fuel costs, and workforce shortages are already pressuring both travelers and small business owners—would be a blow to rural destinations like ours. Even a small increase in lodging taxes could make Florence less competitive with neighboring states and regions, ultimately reducing visitation and revenue.

More concerning is the precedent this bill would set by potentially diverting TLT funds away from their core purpose: driving tourism, supporting jobs, and building the future of communities like Florence. We are already doing more with less. Any reduction in available local funding will have immediate and negative consequences.

If Oregon wants to grow its economy in a balanced and inclusive way, we need to empower—not limit—small towns and rural chambers to do what we do best: promote our communities, support small businesses, and create sustainable economic opportunity through tourism.

I welcome the opportunity to share more about how these funds are being put to work in Florence. I respectfully urge the Committee to oppose HB 2977 and protect the economic engines that keep our rural communities alive.

Sincerely,
Bettina Hannigan
President/CEO
Florence Area Chamber of Commerce