



Date: April 23rd, 2025

Name: Discover Klamath Visitors and Convention Bureau

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

Dear Chair Nathanson, Vice-Chair E Werner Reschke and Jules Walter, and members of the House Committee on Revenue

My name is Millie Osguthorpe, and I am the Executive Director of Discover Klamath. I appreciate the opportunity to convey my opposition to HB 3962.

It is my absolute privilege to lead Klamath County's Visitors Bureau, Discover Klamath Visitor and Convention Bureau, a 501c3 non-profit that works to enhance Klamath County's economy by developing and marketing visitor experiences and providing information that inspires travel and conveys the messages of Klamath County becoming a recognized tourism destination. Discover Klamath works extensively with our regional partners, local communities, government agencies and private businesses to drive tourism forward.

It is the successful collaboration between the local and regional DMOs and 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 because they know the importance of leveling the seasonality of tourism to create year-round job security and stability in our communities. That stability helps DMOs build a healthy tourism economy and implement local programs that are reflective of Oregon's values.

For example, at Discover Klamath, we have implemented the following cutting-edge programs to support our local community:

- *Discover Klamath partners with local agencies such as the Klamath Trails Alliance, Healthy Klamath and Klamath IDEA to further drive the community forward. We are focused on the concept that Klamath Falls is a great place to live, work, play and visit.*
- *Ride the Rim has become one of Oregon's most well-known and epic cycling events. This event occurs in partnership with Discover Klamath, Crater Lake National Park, and the Crater Lake Trust. This event is free to the public and drives the community to build a culture of health and fitness in Klamath County.*
- *Klamath County is working towards greater inclusion for residents and visitors alike. Discover Klamath is committed to increasing the city's accessibility, partnering with Wheel the World, a company devoted to improving travel for people with different abilities. Klamath Falls is relatively flat and compact as a destination making it easier for wheelchair users and those with mobility issues. We see an opportunity to entice this niche, but growing audience, to travel to Klamath County.*
- *Travel Oregon worked with local partners to host the Klamath Basin Rural Tourism Studio in 2017. This program resulted in the Klamath Basin landing page, bicycle maps, and tourism-related product. To address the need for shoulder-season visitor experiences, Travel Oregon is working in partnership with Discover Klamath to develop content and structure for a stakeholder workshop.*



Discover Klamath

At the state level, tourism has become a bedrock of Oregon's economy as a result of the Tourism Investment Proposal of 2003, which created Travel Oregon, established a dedicated funding source through the statewide transient lodging tax, and protected local funding investments in tourism.

During the recession of 2003, the Governor, legislature, and leaders across the state recognized that tourism was an untapped market and that strategic and sustained investment in tourism was needed to establish Oregon as a travel destination for business and leisure.

Statewide Economic Impacts:

Over the last 20 years, the return on the investments from statewide Transient Lodging Tax (TLTs) is clear:

- Visitor Spending in Oregon has more than doubled:
\$6.5 billion in 2003; Now = \$14 billion
- State and Local TLT tax revenues have more than tripled:
\$200 million in 2003; Now = \$650 million
- Demand has shifted:
- Visitors to Oregon spend an additional 2.7 million nights in hotels alone compared to 2008 figures—overnight visitors spend more than residents while visiting restaurants, shops, and recreation businesses
- Consistent growth in spending, earnings, employment, and tax revenue:
4% spending, 5% earnings, 1.6% employment, and 4.8% tax rev annually that outpaces inflation.

There are countless programs and stories from my community that have been galvanized by the state lodging tax investment to create sustainable product development and marketing programs. These opportunities are particularly vital to Oregon's rural communities as they continue to transition from resource-based economies to economies that include tourism marketing and management. We cannot afford to reduce or cease this momentum so critical to our rural partners.

Your opposition to HB 3962 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.

Thank you for helping your tourism constituency remain stewards of Oregon's natural wonders. We will continue our work to support vibrant local communities to improve livability for all residents of Oregon.

Thank you for the privilege to submit this testimony for your consideration.

Millie Osguthorpe
Executive Director
Discover Klamath