



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

RE: Opposition to HB 3962 with the -2 Amendment

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

My name is Tiffany Edwards, and I am writing on behalf of the Eugene Area Chamber of Commerce to **strongly oppose HB 3962 with the -2 Amendment**, which would allow local governments to divert Transient Lodging Tax (TLT) revenues away from tourism promotion to fund so-called “tourism impacted services.”

TLT funds play a vital role in driving economic development, creating jobs, and supporting local businesses throughout Oregon. These dollars are specifically intended to attract visitors, strengthen local economies, and reduce seasonal volatility that many communities — particularly rural and coastal areas — face. Diverting these funds to unrelated municipal services undercuts the purpose of the tax, jeopardizes tourism’s economic impact, and undermines the long-term health of our communities.

In Lane County alone, tourism generated approximately \$1 billion in visitor spending in 2023, supporting local businesses, creating jobs, and generating an estimated \$50 million in state and local tax revenues. TLT funds are used not only for marketing but also for critical infrastructure projects, such as the Lane Events Center located in Eugene, the Florence Events Center, and the planned indoor multiuse facility that would provide year-round economic activity. For the City of Eugene and other urban and metropolitan areas, these investments help attract major events, conferences, and sports tournaments, boost hotel occupancy, support local restaurants and retailers, and enhance the overall quality of life for residents. Removing TLT dollars from their intended purpose puts these types of projects — and the businesses and workers they sustain — at risk.

Local governments already receive substantial general fund resources from other tax streams, including property taxes, licensing fees, and utility revenues. Asking the tourism sector to shoulder the burden of funding basic services amounts to a double hit on small businesses that are still recovering from the impacts of the COVID-19 pandemic and grappling with rising costs and inflation. It is not sound fiscal or economic policy to underinvest in the very engine that helps fuel local economies.

On behalf of our members, the Eugene Area Chamber of Commerce respectfully urges you to oppose HB 3962 with the -2 Amendment and preserve the integrity of TLT funding. Let's keep Oregon's tourism industry strong, competitive, and positioned to support local communities for years to come.

Thank you for the opportunity to provide testimony on this important issue.

Sincerely

Tiffany Edwards
Vice President, Policy & Community Development
Eugene Area Chamber of Commerce