

**Clackamas County
Tourism
Development
Council**

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Ryan Tigner

iTrip vacations Northwest

May 8, 2025

Chair Nathanson,
House Committee on Revenue
Oregon State Capitol
Salem, OR 97301

RE: Opposition to HB 2977 and -2 amendments

Chair Nathanson and Members of the Committee,

With respect, on behalf of the Clackamas County Tourism Development Council, the organization responsible for overseeing destination management efforts in Clackamas County, I wish to convey our opposition to HB 2977 and the -2 amendments. Our concerns are not with the intent of the measure, but rather with the activity identified as the source of funding to support the goals of the bill and with the impact the revenue mechanism will have on state and regional tourism efforts. Of which include supporting natural areas, stewardship programs, and recovery and resiliency efforts.

In addition to being the destination management organization for the County, Clackamas County Tourism also serves as the Regional Destination Management Organization (RDMO) for the Mt. Hood & Columbia River Gorge Region through Travel Oregon's Regional Cooperative Tourism Program (RCTP). We are also partners in the Willamette Valley RDMO and the Portland Region RDMO.

State transient lodging tax (TLT) dollars that support the RCTP facilitate regional collaborations that enhance destinations and improve visitor experiences in Clackamas County and surrounding counties. Through regional partnerships and leveraged support, we provide funding for myriad purposes; destination marketing and development primarily, but also to address critical destination management issues and support organizations directly engaged in stewardship, recovery and resiliency efforts. Examples include supporting Trailkeepers of Oregon's Trail Ambassador program in the Mt. Hood National Forest, rebuilding of the Board Walk at Trillium Lake, partnering on congestion mitigation solutions around Multnomah Falls and providing asset recovery support for wildfire affected sites in the Clackamas River Corridor that were damaged or destroyed during the 2020 Labor Day fires.

Increasing the State's TLT will put Oregon and destinations within Oregon at a competitive disadvantage, especially destinations like Portland that compete for large-scale convention and meeting business. This, while the Portland Region continues to lag behind other regions and peer cities nationally in terms of pandemic recovery. On this point it is worth noting that while TLT revenues have generally recovered since the pandemic, this is largely an inflationary function. A recent lodging report shows that statewide occupancy for 2024 was still down 7.6% from 2019, with Portland Region occupancy remaining 10.6% down from 2019. More recently, the travel industry has been heavily impacted tariff policies and messaging coming out of Washington D.C. According to Tourism Economics, in-bound air travel from Canada has dropped by around 8.5% since the beginning of the year. In-bound land travel has dropped around 30%. The trend is similar for visitation from Mexico. Year-over-year forward airline bookings to

the US from Canada for April through September are down an average of 18% and planned in-bound is down by around 5% from the rest of the world. These figures correspond to US Customs and Borders data that shows a drop in non-US citizen screenings of around 15% between January and April.

With all that is going on with the tourism industry, we do not feel it is in our best overall interests to make Oregon a less competitive destination for leisure and business travel. Our concern is that increasing the cost of travel to our state will further dampen tourism activity, which will in turn negatively impact transient lodging tax revenues and the many programs and efforts those revenues support.

Thank you for your consideration,

Luke Spencer,
Chair, Clackamas County
Tourism Development Council