

Submitter: Soraida Cross

On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: HB3962

Dear Chair Meek, Vice-Chair McClane, and Members of the Committee,

I am writing to respectfully urge you to vote NO on HB 3962, a fundamentally flawed bill built on a concerning lack of reliable data and understanding.

HB 3962 proposes amendments that would change the long-standing and carefully balanced percentages for how Transient Lodging Tax (TLT) dollars are allocated to tourism promotion, marketing, and facilities. This threatens the integrity of the law passed in 2003—legislation that has proven effective in creating jobs and driving economic development throughout Oregon.

Altering these percentages should not be taken lightly. During an informational hearing before this very committee, the Legislative Revenue Office acknowledged there is no single, reliable source of data showing how cities and counties are currently spending their unrestricted TLT dollars. Nor do we know what percentage of total TLT funds those unrestricted dollars represent, due to the complexity of the formulas involved.

It's important to remember that under the 2003 law, any new or increased local TLT must direct 70% of revenue toward tourism-related efforts and 30% for general use by the city or county. However, due to pre-2003 spending levels, many jurisdictions already retain close to 70% of TLT revenue for unrestricted purposes. These nuances matter deeply, and HB 3962 does not reflect them adequately.

The current system may be complex, but that complexity deserves careful analysis—not rushed changes. Forcing arbitrary percentage shifts or expanding definitions late in the legislative session is neither responsible nor informed policy-making.

There is a better path forward. I strongly encourage the Legislature to vote NO on HB 3962 and instead support the formation of an interim workgroup to gather accurate data on TLT spending statewide. That should be the first step—grounding any potential policy changes in real information.

Thank you for your time, your commitment to thoughtful governance, and your service to the people of Oregon.

Sincerely,

Soraida Cross