

June 23rd, 2025

To: Senate Committee on Finance and Revenue

Attn: Chair Meek, Vice-Chair McLane, and Honored Members

Subject: Opposition to HB 3962

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

I am writing today to express strong opposition to HB 3962 and to share concerns about the significant and lasting harm this bill could have on rural tourism economies - especially in places like Wallowa County. I serve as the Executive Director of the Wallowa County Chamber of Commerce, a nonprofit organization representing the business community across Wallowa County. We also serve as the administrator for our Rural Regional Main Street Program, which spans three towns: Enterprise, Joseph, and Wallowa.

Wallowa County is a remote, rural destination where tourism is a significant part of year-round economic activity. Lodging tax revenue, and the statutes that protect its use for tourism promotion and development, have been essential to our ability to market, enhance, and manage the visitor experience in ways that benefit both travelers and our residents.

HB 3962 proposes to weaken those protections, reducing the required tourism allocation of lodging tax revenue. That's not reform - it's a reallocation that fundamentally undermines Oregon's longstanding tourism investment model.

I'd like to highlight a few concerns from our local perspective:

1. Threat to Rural Tourism Infrastructure

Wallowa County is a high-cost, low-volume destination. We do not have a county tourism department, or year-round events staff. We rely on lodging tax funding - often down to the penny - to market our communities, run our visitor center, support events, promote local businesses, and invest in destination development. Cutting the protected share of TLT weakens our ability to do any of those things, especially in lean years or during economic downturns.

2. Local Impact with Statewide Implications

Our tourism economy supports hundreds of jobs in lodging, dining, guiding, retail, and recreation. These are the businesses that keep our small towns viable. If lodging tax funds are redirected for general use, rural communities will face steeper challenges in retaining businesses and attracting new investment. Tourism dollars are intended to generate tourism - and we've seen that work here.

3. This Change Undermines Local Collaboration

In Wallowa County, collaboration is not optional - it's survival. Our lodging operators have supported TLT policies under the clear understanding that these funds are reinvested in tourism. Changing the rules mid-game, without input from those who actually collect and rely on these funds, erodes that trust and risks destabilizing partnerships we've spent decades building.

4. There Are Better Ways Forward

If municipalities are seeking more flexibility, that's a conversation worth having - but not at the expense of long-standing and high-performing tourism investments. A work group during the interim could explore solutions that balance municipal needs with tourism impact. I would be honored to participate in such a group to ensure rural voices are heard.

Thank you for your time and attention to this matter. I strongly urge you to protect the integrity of Oregon's tourism economy - especially for rural communities like ours.

Sincerely,

Jennifer Piper Executive Director

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