

**Date:** June 23, 2025

**Name:** Allison C. Richards

**Bill Number and Committee:** HB 3962-A – Testimony to the Senate Committee on Finance and Revenue

Dear Chair Meek, Vice-Chair McLane and members of the Senate Committee on Finance and Revenue.

As a member of Oregon's tourism industry, I'm writing today to respectfully urge you to vote **NO on HB 3962-A**. This bill proposes to undermine the economic momentum of Oregon's tourism industry.

**HB 3962-A would allow cities and counties to reduce the share of local lodging tax revenue dedicated to tourism from 70% to as low as 40%.** This shift threatens the ability of Destination Management Organizations (DMOs) to market, develop, and manage tourism in their communities, especially in rural regions that rely heavily on these investments.

These proposed changes would erode local control of Transient Lodging Tax (TLT) revenues and weaken the return on investment that has consistently fueled small business growth, jobs, and economic development, particularly in rural Oregon. For the Coos Bay-North Bend-Charleston Visitor & Convention Bureau, this would result in a **reduction of nearly one-third of our current tourism revenue**, grossly impacting critical infrastructure that has taken years to build and promote.

As a reminder, the current split of 70/30 is NOT equal across the board. Splits in effect prior to 2003 were grandfathered in, and only new taxes or tax increases fall under that 70%. Coos Bay-North Bend-Charleston Visitor & Convention Bureau only receives about 38% total because of the rates that existed prior to 2003. Only 2.5% of the total 9.5% is currently subject to the 70/30 split in our communities. Many other communities are in a very similar situation.

Tourism is Oregon's largest traded-sector employer, and it continues to deliver real returns to every corner of our state. Since the passage of the Tourism Investment Proposal in 2003:

- **Visitor spending has more than doubled**, now at \$14 billion.
- **State and local TLT revenues have tripled**, reaching \$650 million.
- **Tourism sustains nearly 120,000 Oregon jobs.**

Now is not the time to weaken this economic engine. Cutting tourism funding will only slow recovery and hurt communities statewide.

Please stand with Oregon's tourism industry and the businesses that depend on it. **Vote NO on HB 3962-A.**

Thank you,

Allison C. Richards, CTE

Marketing Projects Manager, Coos Bay-North Bend-Charleston VCB

2025/26 Chair, Oregon Tour & Travel Alliance

2024/25 President, Bay Area Chamber of Commerce