



Salem Chamber

Convener | Catalyst | Champion

June 23, 2025

Senator Mark Meek, Chair

Senator Mike McLane, Vice-Chair

Senate Committee on Finance and Revenue

Oregon State Legislature

900 Court St. NE, Salem, OR 97301

RE: Salem Chamber Written Testimony in Opposition of HB 3962

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

Our organization represents over one thousand (1,000+) local businesses and forty-five thousand (45,000) employees in the Salem area. The breadth and diversity of industries represented by our membership demonstrate an intersection of the small businesses that collectively create our state economy. The Salem Chamber supports a healthy business climate, strong public safety, and infrastructure development, but opposes changing the objectives of the Transient Lodging Tax ("TLT").

Oregon's TLT was designed to reinvest into our tourism promotion and destination development. This program has been successful in incentivizing visitor and tourist spending in our local economies creating employment opportunities and increasing state revenue. In the Salem area alone, visitor spending generates \$782 million per year and supports 7,500 local jobs.

Diverting funds generated from the TLT would diminish the success of the program, making Oregon less competitive for tourism. It would disincentivize Oregon as a destination for conventions, outdoor sporting recreation, agritourism, historical site visitation, and major event attractions with a significant departure from the original objective of the TLT program. HB 3962 seeks redistribution of TLT funds, reducing tourism funding from the current 70% allocation to just 40% and increasing the funding allocation to local government from 30% to 60%.

Many local Chambers of Commerce rely upon the TLT funding for visitor centers and dissemination of travel information. This crucial service promotes tourist destinations and attractions, as well as generating activity for the ancillary businesses, which all provide jobs in our communities.

This proposed redistribution of TLT funds will likely have diminished returns as tourism promotion becomes underfunded hindering the very industry tasked as a new revenue stream. Please consider voting No on HB 3962 and protect the successful TLT program operating as it was intended.

Respectfully,

Tom Hoffert, CEO Salem Area Chamber of Commerce

Salem Area Chamber of Commerce

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Tom Hoffert
Salem Area Chamber of Commerce