

NXS Hospitality

David Dreher

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June 23, 2025

RE: Opposition to HB 3962-14

Committee: Senate Committee on Finance and Revenue

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

My name is **David Dreher** and I am a **Regional VP** here in Oregon representing 5 hotels in 3 cities and 3 National Brands. I appreciate the opportunity to share my concerns about HB 3962 and respectfully urge you to oppose this bill.

Tourism is not just about visitors - it supports local businesses, creates jobs, and brings money into our communities. The Transient Lodging Tax (TLT) was designed to fund tourism efforts, helping towns and cities across Oregon attract visitors who spend money at restaurants, shops, and local events. HB 3962 would divert funds from these efforts and redirect them elsewhere, even though tourism already contributes to city services through its tax revenue.

Many believe that all tourism organizations receive 70% of TLT funds, but that's not true. In **Corvallis**, only 30% of the City's 9% goes to tourism, while the rest helps fund other city services. Benton County also has a 3% lodging tax, of which 70% helps fund the Benton County Fairgrounds and Event Center, and the remaining 30% is retained for their general fund. Even with this setup, budget gaps still remain. This bill won't address those issues; it will only make it harder for tourism to generate the dollars that support our community.

Tourism also supports our hotels with leads, marketing, event creation and much more. They help bring Occupancy and guests to our hotels with direct and on-line/marketing support.

Additionally, tourism businesses pay more than lodging taxes—they also pay property taxes, licensing fees, and other local taxes that help fund essential city and county services. A strong tourism economy benefits everyone, and reducing tourism funding could actually lower overall tax revenue for cities and counties.

For these reasons, I strongly urge you to oppose HB 3962-14. Tourism is an investment in our community, and protecting TLT funds ensures that our cities, small businesses, and local events continue to thrive.

Thank you for your time and consideration.

David Dreher, RVP

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