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June 24, 2025

To the Honorable Chair Jama, Vice Chair Bonham and
Members of the Senate Committee on Rules,

On behalf of the Roseburg Area Chamber of Commerce and the businesses, organizations and individuals we represent throughout Douglas County, I respectfully request you oppose HB 2977, which proposes a statewide increase in Oregon's transient lodging tax (TLT). HB 2977 is the wrong solution to an internal Oregon Department of Fish & Wildlife (ODFW) funding issue.

Increasing the statewide tax would make Oregon less competitive for business and leisure travel. Oregon's statewide TLT was originated with the intent to reinvest those visitor-generate dollars back into tourism promotion and related investments to grow that sector of Oregon's economy. Since inception, this investment of TLT dollars has successfully increased visitor numbers and incentivized visitor spending in our local communities. The expansion of this industry sector has created employment opportunities, entrepreneurship, small business development and growth of local economies, while increasing state revenue.

Oregon's statewide TLT was created to fund the Oregon Tourism Commission, with its intent to directly benefit the industry that pays into the fund. Increasing the statewide tax from 1.5% to 2.75% puts Oregon at a competitive disadvantage, with added adverse impact to rural communities working to grow as visitor destinations. Diverting funds away from the OTC and the intended purpose to the Oregon Department of Fish and Wildlife, which has a variety of revenue sources, is misguided and unnecessary. Wildlife conservation should be funded by other avenues that don't adversely impact tourism.

The 1.5% statewide tax is added on top of many city and county taxes collected at the local level – taxes which can total as much as 16%. The hospitality industry has serious concerns about the cumulative effect of a statewide lodging tax increase. Increasing the statewide tax directly threatens Oregon's market position as we compete for conferences, sporting events and group travel.

The ODFW also has a constituency that helps pay for its operations. These constituents are hunters and fishing enthusiasts paying annual licensing fees to help fund their agency and its programs. On top of these license fees, ODFW receives money from the state's general fund, federal funds and lottery dollars. ODFW currently has multiple revenue streams.

When ODFW constituents were asked to help fund the programs contained in HB 2977, they told ODFW they did not value the program enough to pay for them and asked the Department to seek other funding sources. ODFW's own constituents do not value the programs enough and now, the constituents for the Oregon Tourism Commission are asked to pay for something that does not benefit their constituency.

ODFW should not be poaching another state agency's revenue source. The solution to ODFW's revenue problem is straightforward. ODFW can pursue additional revenue through one of the four funding sources they currently have access to (federal, state general fund, lottery, and constituent licenses/fees).



To advocate for and be the voice of the business community in the greater Roseburg area.

To strengthen, enhance and protect our members through political advocacy, economical development, community promotion and member programs and services.

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Re: HB 2977 Opposition

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The Oregon Tourism Commission has one source of revenue and is supported by its constituency. ODFW has multiple sources of revenue and ODFW's constituency has told them they will not support this program. HB 2977 is the wrong solution to an ODFW issue.

Any change to current statute related to the increase of the state TLT, local TLT percentages or allowed uses is a betrayal of an industry that asked to be taxed in order for there to be funds dedicated to the growth of numerous industries and the betterment of our communities. For 20 years there have been numerous attempts to pilfer TLT funds away from the core purpose. Undermining the purpose of these funds is adverse to business and economic growth and sustainability; it is anti-business and exhibits a lack of care and support for small local businesses reliant on tourism. We respectfully ask you lead with the same wisdom of your predecessors, show you value our tourism/hospitality industries and related businesses and vote "NO" on HB 2977.

The harm this Legislature is seeking to foist upon this specific industry with HB 2977 and other bills, is profound and beyond belief. Please protect the state's TLT program as the economic driver it is for our state and local communities. Thank you for your consideration.

Respectfully,

ROSEBURG AREA CHAMBER OF COMMERCE
DOUGLAS COUNTY CHAMBER OF COMMERCE



Debra L. Fromdahl, IOM
President & CEO

ROSEBURG AREA CHAMBER OF COMMERCE

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