

June 24, 2025

Senate Committee on Finance and Revenue **Oregon State Legislature**

Re: Oppose HB 3962 – Testimony to the Senate Committee on Finance and Revenue

Dear Chair Meek, Vice-Chair McLane and Committee Members:

My name is Dave Parulo, President and CEO of Explore Tualatin Valley, the destination promotion organization for Washington County.

I am reaching out to respectfully urge you to vote **NO** on **HB 3962** which proposes to allow cities and counties to reduce the share of local lodging tax revenue to tourism from 70% to as low as 40%.

The bill, though intended to be a compromise to address the needs Oregon tourism community partners, has moved a complicated issue quickly through the house committee process.

My fear is that communities need for funding to support general fund needs will cause an unexpected shift and thus threaten the ability of Destination Management Organizations to market, develop and manage tourism in their communities, especially in rural regions that heavily rely on these investments.

My view is that our industry would like to see a dialogue after Sine Die to discuss a meaningful review of tourism funding to be considered during the upcoming short session.

I am concerned that the proposed changes will erode local control of Transient Lodging Tax revenues and weaken the return on investment that has consistently fueled business growth, jobs, and economic development.

I urge you to support a continued dialogue to support Oregon's largest traded-sector employer that delivers real returns to every corner of our state.

Sincerely,

Dave Paulo

Dave Parulo President & CEO

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