

# TRAVEL PORTLAND

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June 24<sup>th</sup>, 2025

Senate Committee on Rules  
Oregon State Capitol, 900 Court Street NE  
Salem, Oregon 97301

Re: HB 2977-A

Dear Chair Jama, Vice-Chair Bonham and Honored Members of the Committee,

As the President and CEO of Travel Portland, I am writing to express my strong opposition to HB 2977-A. Travel Portland is the Destination Management Organization (DMO) for the City of Portland. Our mission is to generate travel demand that drives economic impact for Portland. We promote Portland as a destination for leisure travel, as an exceptional location to host conventions, conferences and other large groups, and as a compelling offering in travel trade itineraries for major tour operators from around the world.

Tourism is considered a traded-sector industry because it attracts dollars into Oregon from other states and countries. Tourism-related businesses generate millions in local and state tax revenue every year through property taxes, business taxes, and, most importantly, transient lodging taxes (TLT). Tourism sustains thousands of jobs and supports local businesses, from restaurants to outdoor recreation outfitters, cultural and arts institutions, craft beverage makers and tour and transportation companies, to name a few.

In 2024, visitors to the Portland region generated \$5.5 billion in direct spending, fueling our economy and easing the tax burden for local and state residents to the tune of \$285 million in tax revenues, \$143 million of which was local tax revenue. In Portland alone, the travel industry supported more than 21,000 jobs, generating \$1.25 billion in employment earnings.

HB 2977-A proposes to increase the statewide TLT rate by as much as 1.25% to generate revenues for appropriation to the Oregon Department of Fish and Wildlife (ODW) for habitat, wildlife and wolf programs. Increasing the state TLT in this way puts destinations across the state at a competitive disadvantage for visitor dollars, especially those like Portland that compete for convention and meeting business.

The meeting and event planners we pitch to for business at the Oregon Convention Center and other locations are highly cost-conscious. Increasing the state TLT by 1.25% would raise the total rate in Portland to 17.25%, above all cities in our peer comp set for convention bookings as follows:

- 17% Austin
- 15.60% Seattle
- 15.25% Nashville
- 14.775% Minneapolis
- 14% San Francisco
- 13.82% Salt Lake City
- 11.75% Denver

This hit to our cost-competitiveness as a destination comes at a perilous time for the Portland metro area, which continues to lag behind all other regions in the state in terms of our industry's recovery from the pandemic. According to Travel Oregon's most recent research, in 2024, the Portland Region's hotel revenues were 10.6% below their 2019 levels while the revenues generated in the six other Oregon regions were all above their 2019 levels by double-digit percentages.

Portland also lags behind our peer cities nationally. While we are currently on par with our competitive set of convention markets from a total lodging tax standpoint, an increase in the state TLT puts future convention business at significant risk. At a time when Portland needs more economic wins and more chances to welcome the world back to our beloved city and region, an increase in the state TLT would put us at a disadvantage and potentially prevent our industry from making a full recovery in Portland.

Please don't hesitate to reach out at any time if I can provide any further information about the harmful impacts HB 2977-A or if you ever have questions about Portland's tourism economy or the convention business. Thank you for your devoted service to our state and thank you for joining me in opposing HB 2977-A.

Sincerely,

A handwritten signature in dark ink, appearing to read 'MC', is positioned above the printed name.

Megan Conway  
President & CEO