

June 24, 2025 Senator Kayse Jama, Chair Senator Daniel Bonham, Vice-Chair Senate Committee on Rules Oregon State Legislature 900 Court St. NE, Salem, OR 97301

# RE: Salem Chamber Requesting No Vote on HB 2977

Dear Chair Jama, Vice-Chair Bonham, and Members of the Senate Committee on Rules,

Our organization represents over one thousand (1,000+) local businesses and fortyfive 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, healthy conservation of Oregon's wildlife, supporting local government, but opposes changing the objectives of the Transient Lodging Tax (TLT) program.

Oregon's TLT program was designed to reinvest into our tourism promotion and destination development. This program has been successful in incentivizing visitor and tourism 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.

HB 2977 is poised to nearly double the TLT from the current 1.5% to 2.75% for funding Oregon Department of Wildlife (ODFW) and State Department of Agriculture, two state agencies that already have access to General Fund dollars, federal support, and license revenue.

An increase and redistribution of funds generated by the TLT would diminish the success of the program, making Oregon less competitive for tourism. This bill proposes a significant departure from the original objective of the TLT program by diverting increased funds for the State Department of Agriculture and ODFW. Redirecting 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 2977 and protect the successful TLT program operating as it was intended.

Thank you for your consideration.

Respectfully,

Tom Hoffert, CEO Salem Area Chamber of Commerce

### Salem Area Chamber of Commerce

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Salem Area Chamber of Commerce