

May 8, 2025
Representative Nancy Nathanson, Chair
Representative E. Werner Reschke, Vice-Chair
Representative Jules Walters, Vice-Chair
House Committee on Revenue
Oregon State Legislature
900 Court St. NE, Salem, OR 97301

RE: Salem Chamber Written Testimony in Opposition of HB 3962 -2

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and Members of the House Committee on Revenue,

Our organization represents over one thousand (1,000+) local businesses and forty-five 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, strong public safety, and infrastructure development, but opposes changing the objectives of the Transient Lodging Tax ("TLT").

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

Diverting funds generated from the TLT would diminish the success of the program, making Oregon less competitive for tourism. It would disincentivize Oregon as a destination for conventions, outdoor sporting recreation, agritourism, and major event attractions with a significant departure from the original objective of the TLT program by diverting funds for public safety and infrastructure. Many local Chambers of Commerce rely upon the TLT funding for visitor centers and dissemination of travel information. This crucial service promotes tourist destinations and attractions, as well as generating activity for the ancillary businesses, which all provide jobs in our communities.

Public safety and infrastructure are essential government functions, but using TLT funds will likely have diminished returns as tourism promotion becomes underfunded hindering the very industry tasked as a new revenue stream. Please reconsider HB 3962 -2 as drafted and fund public safety and infrastructure elsewhere.

Respectfully,

Tom Hoffert, CEO Salem Area Chamber of Commerce

Salem Area Chamber of Commerce

President

Mike Herron • President VIP's Industries Inc.

Executive Committee

Brandon Blair • Secretary Summit Wealth Management

Ryan Dempster • Treasurer Willamette Valley Bank

Rich Duncan • VP of Advocacy Rich Duncan Construction

Ted Ferry • President-Elect
State Farm Insurance

Katya Mendez • VP of Events & Programming

Northwestern Mutual

Alan Rasmussen • Past President

LHE Investments

Angela Williams • VP of Membership Huggins Insurance Services Inc.

Board of Directors

Jonathan Castro Monroy Castro Monroy Group

Tammy Dennee

Oregon Cattlemen's Association

Jeff Dunn Lineage Logistics

Lucy Escobar

Lucy Escobar Coaching & Consulting

Juli Foscoli

South Town Glass

Roger Hoy

Geppetto's Italian Restaurant

Jennifer Martin First Commercial Real Estate

Dan McDowell

Pioneer Trust Bank

Diane Mcl aran

McLaran Enterprises Inc

Tyson Pruett

Anthem Strategists

Bill Riecke

Bark Boys Inc.

Ouandray Robertson

O's Corner Barber Shop

Randy Sutton

Saalfeld Griggs PC

Eric Templeton

AmeriTitle

Jim Vu

Core Solutions Consulting

Christy Witzka

Christy Witzke SAIF

Chief Executive Officer

Tom Hoffert

Salem Area Chamber of Commerce