



February 9, 2026

House Committee on Revenue

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

My name is Alana Hughson, and I am the Interim Director for the Oregon Destination Association (ODA). ODA serves as the voice for the Destination Management Organizations (DMOs) representing Oregon's seven tourism regions and more than 100 tourism communities statewide. ODA opposes HB 4148.

This bill undermines the established agreements and history of collaboration DMO's have had with the state and our industry partners for more than twenty years. Honoring the 2003 TLT legislative process and collaboration, the sacrosanct commitments in statute are absent in bringing HB 4148 to the short session. HB 4148 is a confusing, one-size-fits-all bill, with a shortsighted view of how to ensure Oregon's economic health. We know that working together we can do better and we ask for that opportunity.

Please hit pause on HB 4148 which will modify TLT ratios in current statute. In reality, only a handful of Oregon's 120 jurisdictions actually have a TLT ratio where tourism receives the majority of TLT investment. In most communities, the city and county General Fund already receives the lions share. – I live in Bend, where the both the city and Deschutes County retain nearly 70% of the local TLT for general fund purposes.

Our DMO's work with local partners to develop strategies and programs together. DMO's want to be part of effective, responsible long term TLT strategies, and HB 4148 is not the answer. DMO's deserve the opportunity for an open, deliberate process to review local TLT; building on the collaboration you initiated in the 2025 session. Please don't rush this important work through a short session.

Any TLT change should affect only **new or increased** TLT, leaving the pre-2003 TLT commitments in place. The legislative commitments made in 2003 were intended as sacrosanct, and should be honored. HB 4148 ignores those agreements, and that is an unfortunate and short-sighted strategy for Oregon's economic health.

This is important work. Please invite all partners to share the investment in Oregon's future and give us the opportunity for meaningful, deliberate and effective collaboration.

The Importance of Tourism to Oregon's Economy

Tourism is a major economic driver for Oregon, providing employment for more than 125,000 residents statewide. We are in a challenging economic climate, and it is essential we do not divert transient lodging tax revenue away from the very foundation that was originally established to support Oregon's economic recovery.

ODA members are responsible and accountable tourism professionals whose work generates tens of millions of dollars in positive economic impacts for communities throughout Oregon. Oregon's DMOs do not use Tourism Promotion dollars to market to visitors during peak seasons. Rather, DMOs aim to attract visitors during non-peak travel periods through programs that increase occupancy in slower visitor months and help balance visitor volume across destinations. This strategy helps to even out the seasonality of tourism, ensuring year-round employment and healthy economies for local communities.

Background: Tourism Investment Proposal

Tourism became foundational to Oregon's economy as a result of the Tourism Investment Proposal of 2003. This initiative led to the creation of Travel Oregon, established a dedicated funding source through the statewide transient lodging tax (TLT), and protected local funding investments in tourism.

During the 2003 recession, the Governor, working closely with the legislature and tourism leaders statewide, recognized tourism as an untapped market. Strategic and sustained investment in tourism was deemed essential by all partners to build Oregon's reputation as a desirable destination for both business and leisure travel.

Collaboration was a key element in this process. Bipartisan partnerships were respected and tourism industry commitments made. This cooperative approach truly represents 'The Oregon Way'. This was the process again in 2016 when the TLT was increased to invest in Oregon's hosting of the World Track & Field Championships, further establishing Oregon as Track Town USA to the world. The 2016 TLT modification helped to expand regional tourism investments and competitive grant programs for local communities across Oregon.

Impact of Tourism Since 2003

Since 2003, tourism has been essential in sustaining Oregon's workforce, economic viability, and quality of life for residents. Visitor spending in Oregon has more than doubled—from \$6.5 billion in 2003 to \$14.3 billion today. State and local transient lodging tax revenues have more than tripled, rising from \$200 million in 2003 to \$691 million today.

Oregon has also experienced steady annual increases in spending, with all growth outpacing inflation.

Collaboration and Regional Partnerships

Successful collaboration between DMOs and Travel Oregon has generated economic activity and created new jobs across the state, especially in rural regions. DMOs prioritize development and marketing efforts during non-peak travel seasons, recognizing the importance of stabilizing tourism year-round for job security and community stability.

The Regional Cooperative Tourism Program (RCTP), established in 2003, has facilitated numerous partnerships statewide. These collaborations span all seven tourism regions and have led to significant projects and initiatives.

Examples of Regional Impact

- Eastern Oregon: Investments have supported outdoor recreation in Wallowa County, the creation of the Joseph Branch Trail, and responsible recreation messaging in the Eagle Cap Wilderness. Efforts are underway to expand the Oregon Outback Dark Sky Sanctuary, develop new tourism opportunities in remote Southeastern Oregon, and capitalize on the growing demand for astro-tourism.
- Central Oregon: Transient lodging tax funds, combined with local tourism resources, have helped create a Commercial Air Service Development and Marketing Fund. This fund provided the necessary match for a federal Small Community Air Service Development Program (SCASDP) grant, resulting in expanded commercial air service and new business development throughout the region.
- Southern Oregon: Establishing and promoting the Oregon Outback, the world's largest dark sky sanctuary. Investing in sports tourism through Rogue X, a tournament-level facility to enhance offerings to locals and traveling teams. Investments in an accessible shuttle from Ashland to Mt. Ashland to provide winter recreation for all abilities and background.
- Portland Region: Partnership investments have supported convention sales through Portland's Visitor Development Fund and transformative local development projects. Initiatives include supporting culinary tourism, investing in local food producers and restaurants, and providing the first \$1 million gift to the James Beard Public Market, establishing a world-class downtown destination for food enthusiasts from Portland and around the globe.

These examples highlight just a few of the many programs and successes across all seven regions. The state lodging tax investment has enabled the creation of sustainable marketing and product development programs, which are especially critical for rural

communities transitioning from resource-based economies to those that include tourism management and marketing.

Reducing or eliminating the momentum created by tourism investments would be detrimental to Oregon's long term economic health. Opposing HB 4148 is essential to ensure that tourism destinations and their DMOs remain viable, and can continue to plan and invest in projects and partnerships that are vital to Oregon's economic future.

ODA remains committed to expanding partnership to support vibrant local communities to enhance livability for all Oregon residents.

Thank you for the privilege to submit this testimony.

Alana Hughson, Interim Director

Oregon Destination Association