



March 12, 2025

Travel Southern Oregon

HB3556

House Committee on Emergency Management, General Government, and Veterans

Chair Tran, Vice-Chair Grayber, Vice-Chair Lewis, and members of the House Committee on Emergency Management, General Government, and Veterans:

My name is Robert Hackett and I am the Executive Director of Travel Southern Oregon. I appreciate the opportunity to convey my *opposition to HB 3556*.

I have served in my position at Travel Southern Oregon, representing the tourism industry in the southern part of the state, since 2021, and worked for 20 years in the marketing office of the Oregon Shakespeare Festival in Ashland prior to that.

It is the strategic and collaborative investment of TLT dollars between the local and regional DMOs and Travel Oregon that has helped to generate years of dynamic economic activity and new jobs across Oregon, in even the most rural parts of our state. We focus our tourism development dollars and marketing programs on *non-peak* travel seasons because we know the importance of leveling the seasonality of tourism to create year-round job security and stability in our communities. Protecting the current ratios of TLT allocations dedicated to re-investing in our tourism industry partners and businesses is the key to continued health in our economic sector, which in 2023 supported 12,700 jobs and more than \$1.4 billion of direct visitor spending in Southern Oregon alone.

In Southern Oregon this fiscal we have already used more than \$140,000 of our RCTP investment in direct Strategic Partnership support to provide professional and customer-service training opportunities for frontline staff, guides and outfitters and wine country tasting room staff, to create marketing collateral in rural communities, and to design and build mountain bike trails and events. Working with state, federal and local partners we have created three detailed Adventure Maps highlighting outdoor recreations and tourism-related product in our rural areas in the Illinois Valley, the Upper Rogue and the Oregon Outback.

There are countless programs and success stories from our region that have been realized through the state lodging tax investment to create sustainable product development and marketing programs. These opportunities are particularly vital to Oregon's rural communities as they continue to transition from resource-based

economies to economies that include tourism marketing and management. We cannot afford to reduce or cease this momentum so critical to our rural partners.

At the state level, tourism has become a bedrock of Oregon's economy as a result of the Tourism Investment Proposal of 2003, which created Travel Oregon, established a dedicated funding source through the statewide transient lodging tax, and protected local funding investments in tourism.

Statewide Economic Impacts:

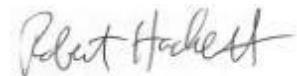
Over the last 20 years, the return on the investments from statewide Transient Lodging Tax (TLTs) is clear:

- Visitor Spending in Oregon has more than doubled:
\$6.5 billion in 2003; Now = \$14 billion
- State and Local TLT tax revenues have more than tripled:
\$200 million in 2003; Now = \$650 million
- Demand has shifted:
 - Visitors to Oregon spend an additional 2.7 million nights in hotels alone compared to 2008 figures—overnight visitors spend more than residents while visiting restaurants, shops, and recreation businesses.
- Consistent growth in spending, earnings, employment and tax revenue:
4% spending, 5% earnings, 1.6% employment, and 4.8% tax rev annually that outpaces inflation.

Your opposition to HB 3556 will ensure your constituents, and businesses in your district, will be able to consistently plan for strategic investments to continue important projects and partnerships vital to Oregon's economic viability.

Thank you for helping your tourism constituency remain stewards of Oregon's natural wonders. We will continue our work to support vibrant local communities to improve livability for all residents of Oregon.

Thank you for the privilege to submit this testimony for your consideration.



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