



Date: March 19, 2025

Name: Katie Kadlub, CEO, Visit Hood River

Bill Number and Committee: HB 3556 – Testimony to the House Committee on Emergency Management, General Government, and Veterans

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

My name is Katie Kadlub and I am the CEO of Visit Hood River. I am writing on behalf of Visit Hood River and the broader tourism and hospitality industry to express strong opposition to House Bill 3556.

It is the successful collaboration between the local and regional DMOs and Travel Oregon that is helping to generate economic activity and new jobs across Oregon, in even the most rural parts of our state. DMOs focus their tourism development and marketing programs on non-peak travel seasons because they know the importance of leveling the seasonality of tourism to create year-round job security and stability in our communities. That stability helps DMOs build a healthy tourism economy and implement local programs that are reflective of Oregon's values.

For example, in Hood River, beyond marketing, transient lodging tax revenues play a critical role in funding essential statewide and local projects that enhance both visitor experiences and community well-being. These funds support wildfire recovery and response efforts, helping to protect the region's cherished outdoor spaces and ensure continued access to its scenic trails and forests. They also contribute to water sports safety and education, a vital investment in an area known for world-class windsurfing, kiteboarding, and river recreation. Additionally, TLT revenues enable the development and maintenance of trails, expanding outdoor access for residents and visitors who come to explore Hood River's stunning landscapes. Investments in arts and culture programming further enrich the community, attracting visitors while strengthening the local creative economy. Lastly, these funds improve accessibility to outdoor recreation, making Hood River's renowned natural attractions more inclusive and enjoyable for all.

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.

During the recession of 2003, the Governor, legislature, and leaders across the state recognized that tourism was an untapped market, and that strategic and sustained investment in tourism was needed to establish Oregon as a travel destination for business and leisure.

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.

There are countless programs and stories from my community that have been galvanized by 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.

Your opposition to HB 3556 will allow your constituents and businesses in our destination to consistently plan for strategic investments, and 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.

Sincerely,

Katie Kadlub

Katie Kadlub
Chief Executive Officer
Visit Hood River