



Bay Area Chamber of Commerce

...our business is helping your business

Bay Area Chamber of Commerce

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House Committee on Emergency Management, General Government, and Veterans Oregon State Legislature 900 Court St. NE Salem, OR 97301

Dear Chairman and Members of the Committee,

On behalf of the Bay Area Chamber of Commerce, representing over 455 businesses in the Coos Bay region, we express our strong opposition to House Bill 3556, which proposes to extend the permissible uses of net revenue from new or increased local transient lodging taxes (TLT) to include public safety services and certain costs related to "community infrastructure."

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The primary purpose of TLT funds is to drive economic growth and job creation by promoting tourism and supporting tourism-related facilities. Diverting these limited resources to other purposes jeopardizes these efforts, particularly in rural communities like ours that rely heavily on tourism as an economic driver. The partnership between local destination marketing and management organizations (DMOs), community leaders, and Travel Oregon has proven that TLT is an effective tool for economic development. Maintaining the current allocation is essential to reduce seasonality, support year-round employment, and ensure economic security for our communities.

Tourism-related businesses—hotels, restaurants, and attractions—not only generate TLT revenue but also contribute through property taxes, licensing fees, and other local taxes that fund essential city and county services. A strong tourism economy keeps these businesses thriving, sustaining vital tax revenue for municipalities. Weakening the TLT structure doesn't just impact tourism—it affects the entire local economy. For example, in Lane County, visitor spending in 2023 totaled \$1 billion, supporting local businesses and generating an estimated \$50 million in state and local taxes.

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Our cities and counties utilize TLT to support operations of local event centers, museums, and infrastructure projects such as welcome signs and community facilities. TLT funds are especially crucial for Oregon's rural communities as they transition from resource-based economies to those that include tourism. Maintaining tourism momentum in our rural communities is essential—we cannot afford to slow down or stop these vital initiatives.

Opposing HB 3556 will allow tourism destinations to make long-term strategic investments and continue essential projects and partnerships that support Oregon's economic prosperity. The Bay Area Chamber of Commerce urges you to oppose HB 3556 to ensure the continued growth and sustainability of our tourism industry and the broader economic health of our communities.

Sincerely,



Rosey Thomas
Executive Director
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