



## CITY of REEDSPORT

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March 19, 2025

House Committee on Emergency Management,  
General Government, and Veterans  
Oregon State Capitol  
900 Court Street NE  
Salem, OR 97301

### **RE: Local Lodging Tax Flexibility**

Dear Chair Tran and Members of the Committee,

The City of Reedsport supports HB 3556. HB 3556 adds “tourism-impacted services” as an allowable use in the restricted 70% portion of local lodging tax funds. These services include public safety (fire, EMS, and police) and community infrastructure (water, wastewater, transportation, parks, trails and public amenities). In 2003, the state passed a preemption on local transient lodging taxes that established restrictions around how local lodging tax dollars could be spent, requiring at least 70% of new or increased taxes to go toward tourism promotion and tourism-related facilities and reserving the remaining 30% for local discretionary spending.

Under current court interpretations, existing definitions of tourism promotion and tourism-related facilities only leave local jurisdictions so much leeway to respond to the strains of tourism. Right now, communities bear the burden of maintaining and operating things that directly benefit tourists that are primarily funded by and for community members, like public safety, and community infrastructure.

We urge your support of HB 3556 and hope you will move the bill to the House Revenue Committee for more conversation.

Respectfully,

Deanna Schafer  
City Manager  
City of Reedsport