

Testimony in Opposition to House Bill 3556

Chair and Members of the Committee,



I am writing on behalf of the Sutherlin Area Chamber of Commerce in strong opposition to House Bill 3556, which seeks to expand the permissible uses of net revenue from new or increased local transient lodging taxes to include public safety services and certain community infrastructure costs. While we fully support the need for public safety and community development, shifting these critical tourism-generated funds away from Destination Marketing Organizations (DMOs) would have devastating effects on rural communities like ours. In a region that once thrived on the timber industry, we now rely heavily on tourism dollars to sustain and grow our economy. With just over 8,000 residents, tourism is the backbone of our economic development, and these funds are vital for promoting our area, attracting visitors, and supporting the businesses that depend on them.

Under the current 70-30 revenue split, DMOs work tirelessly to market, develop, and strengthen local tourism, directly benefiting businesses, downtowns, and community assets. However, if this bill passes, even the most well-intentioned city leaders would have too much control over funds that are meant to drive economic growth through tourism. This shift in funding could result in the loss of our Chamber of Commerce, the elimination of essential marketing efforts, and the unraveling of partnerships that have taken years to build. Without these dedicated resources, we would lose our ability to attract visitors, promote local businesses, and cultivate a thriving tourism economy—all of which are fundamental to our community's sustainability and success.

This bill poses a significant threat to rural and urban communities, jeopardizing the investments already made to promote tourism, create jobs, and support small businesses. Tourism dollars should remain focused on generating more economic impact rather than being diverted to unrelated expenditures. We urge you to listen to the voices of Chambers, DMOs, small business owners, and community leaders who understand the critical role that tourism funding plays. Please oppose House Bill 3556 and protect the integrity of the transient lodging tax as a vital economic driver for our communities. Thank you for your time and consideration.

Jessica Cannon

Executive Director

Sutherlin Area Chamber of Commerce

