



February 28, 2012

To: Representative Phil Barnhart, Chair
Members of the House Revenue Committee

From: Mayor John Stromberg, City of Ashland

Re: HB2508 and HB2656 – Transient lodging tax collectors

The City of Ashland strongly supports HB2508 and HB2656 which modify the definitions of the state's transient lodging statutes to ensure that online travel companies (Expedia, Hotwire, Priceline etc.) and other lodging intermediaries pay state and local transient lodging taxes on the *retail* price at which they sell rooms, rather than at the lower wholesale price at which they contract for rooms.

Ashland is a community whose economy depends in a crucial way on tourism. Among Oregon's cities it is one of the most well known in the entire country and even abroad.

Ashland attracts visitors to the Rogue Valley and is frequently a component in the travel plans of people visiting Oregon for the first time. It is also the southern gateway to the State.

Visitors come to Ashland not only for the Shakespeare Festival and Southern Oregon University but also because of its exceptional quality of life. In turn they place demands on its infrastructure and public services. The Transient Lodging Tax helps fund this extra load on the City and enables Ashland to maintain what we call, "The Ashland Experience".

As Mayor I speak on behalf of the entire community in asking the members of this Committee, to ensure that online travel companies pay their fair share of the Transient Lodging Tax and help underwrite the public services that support the very economic activity the online travel merchants exploit.

We all depend on each other and all should contribute accordingly. We ask our legislators to make sure that happens.

Respectfully,

John Stromberg
Mayor of Ashland

CC: Representative Peter Buckley
Senator Alan Bates