



March 6, 2013

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

Tourism generates over \$500 million in Central Oregon and represents one of the most important economic sectors for the City of Bend. The lodging taxes collected within the city of Bend are critical.

JIM CLINTON
Mayor

JODIE BARRAM
Mayor Pro Tem

VICTOR CHUDOWSKY
City Councilor

DOUG KNIGHT
City Councilor

SALLY RUSSELL
City Councilor

MARK CAPELL
City Councilor

SCOTT RAMSAY
City Councilor

ERIC KING
City Manager

Thirty percent of the lodging taxes collected within the city of Bend are reinvested into our economy in the form of tourism promotion. This tourism promotion creates a significant economic stimulus by attracting more visitors to our city. Perhaps, more importantly, tourism promotion dollars help generate in-migration of new residents and new jobs to the city of Bend.

The remaining 70% of the lodging taxes collected within the city of Bend are invested into the City's general fund to pay for better roads, law enforcement, public safety, and other items that enhance the quality of life for local residents and make our community more attractive to outside investors.

Currently, online travel companies are profiting from selling short-term lodging in the city of Bend without collecting taxes on the full rate at which they are selling that lodging to their customers. This practice is counter to the intent of Bend's lodging tax policy and counter to Bend's City Code. HB 2656 will stop online travel companies from doing this.

Please support HB 2656. Lodging taxes are a critically important revenue stream for the City of Bend, and we need your support to make sure this revenue stream is protected.

Sincerely,

Eric King
City Manager