



**Testimony for House Committee on Revenue for February 5, 2016 Hearing on HB 4146
Drew Mahalic, Oregon Sports Authority, in Support of HB 4146**

The late Nelson Mandela eloquently stated, "Sport has the power to change the world. It has the power to inspire and unite people in a way that little else does."

Our non-profit Oregon Sports Authority is the champion for the power of sports, serving as the state's chamber of commerce for sports tourism. For more than two decades, our organization has successfully secured sports events and franchises throughout Oregon which have had greater than a \$250 million impact on our state's economy.

The Oregon Sports Authority was founded to secure local, regional, national, and international sports events through public/private partnerships which impact the regional economies in Oregon as well as augment the quality of life for our communities.

Last weekend, our sports commission hosted the US Synchronized Figure Skating Sectional Championships which is the largest annual participant skating event in the world. The event, with 2,400 skaters, yielded an economic impact exceeding \$4 million. We're next hosting a major sports conference, a Wine Country Half Marathon in Yamhill County, a BMX national cycling event in Redmond, and an LGBT soccer World Championship in the Portland region this coming summer.

With respect to HB 4146, our organization is fully supportive of the bill's concept of increasing the state transient lodging tax rate and investing those funds back into tourism programs and events because there is no better return on investments in Oregon than money invested into Oregon tourism.

We would suggest the consideration of a few principles to make HB 4146 even stronger public policy and more effective: These principles include strong accountability measures written into the bill to be sure the program achieves its purposes; and making sure that the hotel tax increase is established at the best percentage that will not adversely affect the competitive position of any region. In multiple conversations we've had about this bill, the practitioners we have talked to believe that a ½ % increase is that best level. While we've found their reasons to be persuasive, we leave it to legislators to choose an appropriate increase that sends a clear signal about Oregon's commitment to be an effective competitor for the benefits the accrue from sports tourism. And lastly, as we previously attempted to establish a sports event fund during a prior legislative session, we would call for language in the bill providing a specified percentage allocation for local, regional, national, and international sports events which generate tourism dollars for Oregon.

The National Association of Sports Commissions, of which I've served as their President, reports that sports tourism in the USA is now a \$9 billion industry which is recession proof and growing annually. Our competitor states such as Utah, Texas, and Missouri each receive \$millions in state support annually to secure various levels of sports tourism events. Language in the bill that includes a reference to sports tourism, as noted, could allow for us to be more competitive with other states because winning events takes capacity building, and long-term pursuit backed by adequate financial resources to secure the right match of events for communities throughout Oregon.

We thank you for your time. HB 4146 is an exciting bill with colossal economic promise. We hope our selected principles can be incorporated into the bill to help us further establish Oregon as a renowned destination for sports tourism at all levels.