Chair Hass and Members of the Senate Finance and Revenue Committee:

I am in Bend for meetings and regret that I cannot be there in person for this morning's hearing on HB 4146. Please consider this email in place of in-person testimony on behalf of the City of Bend.

The City of Bend was strongly opposed to HB 4146 as introduced. However, I would like to indicate that the City of Bend is very pleased with many of the changes that have been made to HB 4146 and would encourage your consideration of the B-Engrossed version.

I'm going to stop short of indicating formal support for the B-Engrossed, mostly because City Council has not yet had an opportunity to consider it in full detail. We were opposed to the bill as introduced, primarily out of concern for its narrow focus on tourism promotion and its lack of specificity in purpose, regional allocation, etc.

In regards to lodging taxes generally, the two issues that we're most concerned with are a) increasing flexibility with locally-derived lodging tax revenue and b) ensuring we're fully collecting what we should be collecting from online booking agencies, Airbnbs, etc. These issues will no doubt continue to receive attention during the interim, and we have made it a priority to continue working on them. The portion of the bill focused on an interim workgroup gives us additional confidence that issues of this nature will get the attention they deserve.

As concerns HB 4146 B-Engrossed, we're very pleased to see the de-emphasis on funding tourism promotion, the increased emphasis on events, tourism facilities, and related costs, and a specific emphasis on geographic equity. The original bill was woefully inadequate in its detail on these points, but the B-Engrossed goes a long way in making up for that.

You no doubt still have several amendments in front of you, and we'd encourage your consideration of reasonable proposals still being made.

Thank you for your consideration of the City of Bend's perspective on this issue, and please feel free to reach out with questions.

Sincerely, Erik Kancler

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