



From the desk of  
Julie Parnson  
June

## Clackamas County Requests Your OPPOSITION to HB 4146-A

On behalf of the Clackamas County Board of Commissioners, I urge your no vote on HB 4146-A in its current form. The bill increases the state transient lodging tax (TLT) by 100% - from 1% to 2%. While we are receptive to potential changes in the state TLT, the current proposal should be opposed for the following reasons:

### **Fails to Adequately Scrutinize Doubling of Travel Oregon Budget**

HB 4146-A is a permanent 100% increase to Travel Oregon's budget. While we acknowledge that some statewide resources should be used to support the 2021 Track and Field Championships, only a small portion of the additional revenues generated by a doubling of the state's TLT will be used for this event. Meanwhile, we are aware of no plan from Travel Oregon on how it will use the remainder of the additional funds, which are projected to be \$34.2 million for the 17/19 biennium. We also have seen no needs assessments and we are not aware of any "opportunities lost" because Travel Oregon lacked sufficient resources. We feel that additional scrutiny is needed to truly assess how these dollars will be spent before an increase is imposed.

### **Diminishes Local and Regional Competitiveness**

A 1% increase comes at a significant cost to local jurisdictions and regional partners – particularly in the Portland Metro region – by diminishing our competitiveness to attract meetings and convention business. This, in turn, threatens the spillover effect that we see in Clackamas County and other nearby jurisdictions when these visitors choose to recreate to nearby destinations like Mt. Hood.

### **Threatens Local Revenue Generation**

HB 4146-A diminishes our ability to increase our own local TLT that would directly fund local tourism projects. This bill will make it challenging, if not impossible in the near-term, to garner public support to raise our local TLT – 100% of which would be used to benefit Clackamas County. Meanwhile, we have no guarantee that HB 4146-A as drafted would return significant new dollars back to our local jurisdiction.

### **Introduces Uncertainty for Successful Regional Tourism Marketing Efforts**

While we appreciate that HB 4146-A clarifies that 15% of state TRT dollars will be dedicated to the existing Regional Cooperative Marketing Program (RCMP), we are concerned by the proposed interim work group to study the distribution of revenue within this program. This is the only regional sharing program under the state TLT. It enables local partners to work regionally on broader-based efforts that generate increased visitation for all partners. It is just a small portion of the state TLT and should be left as a regional sharing program that allows local partners to participate in larger tourism efforts they could not accomplish on their own.

Please vote "NO" on HB 4146-A in its current form.

Sincerely,

John Ludlow, Chair  
Clackamas County Board of Commissioners

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.