February 24, 2017 Support for SB 745



Chair Dembrow, members of the Senate Committee on Environment and Natural Resources

Thank you for the opportunity to provide testimony on SB 745, a bill to establish an Ocean Beach Fund during Oregon's 50 Year Anniversary of our historic Beach Bill. On behalf of our Newport, Coos Bay, Siuslaw and Portland Chapters, Curry and Clatsop Organizing Committees and our greater statewide membership in Oregon, we strongly support SB-745 and urge you to vote yes to continue protecting our public beach legacy.

Oregon's 362 miles of coastline and public beaches are the principal economic driver of our coastal region. As one of our state's most celebrated tourism attractions, the coast tallies over millions of overnight and day-trip visitors annually, who spent roughly \$1.8 billion in 2015.¹ "Beach-going" is the number one activity associated with ocean recreation, which represents an estimated \$2.4 billion in annual expenditures by Oregonians alone, both those living at and those traveling to the coast². Beyond their economic and recreational significance, beaches are an integral "birthright" of Oregonians, a nationally unique and unparalleled cultural freedom belonging to residents and visitors to our great state.

However, despite the economic, recreational and cultural significance to the state of Oregon, our beaches lack dedicated resources to address increasing problems of visitor safety³, vandalism⁴, marine debris⁵, beachfront armoring and sand removal, and a rising and expanding range of recreational uses. These issues are driven by growing tourism in all seasons, demand for ocean front development, and increasingly severe storm and erosion events⁶ due to climate-driven changes in the ocean, all of which are likely to persist.

The Oregon Parks and Recreation Department (OPRD) manages the ocean beaches as a State Recreation Area under the Oregon Beach Bill but lacks sufficient capacity and dedicated beach funding to meet these increasing needs and issues. This shortfall coupled with the growing demands and issues on our beaches threaten to erode the quality of visitor experience and environmental health, thus affecting the reputation and the economic value of this critical resource to coastal communities and the state of Oregon. As longstanding partners of OPRD in voluntary stewardship of our beaches, Surfrider Foundation and many other NGOs and community groups know all too well these increasing threats to our beaches and thin capacity of OPRD resources. Our volunteers conduct ongoing beach cleanups and surveys and constantly respond to "rapid requests" from OPRD staff to support beach maintenance and safety issues.

Establishing an Ocean Beach Fund would point-source, existing revenue and dedicated funds for OPRD to effectively begin to manage these increasing pressures along our ocean shore. OPRD

¹ Oregon 2015 Regional Visitor Report Coastal Region

² Non-Consumptive Ocean Recreation in Oregon: Human Uses, Economic Impacts & Spatial Data.

³ Seven deaths at Cape Kiwanda spark inquiry

⁴ Vandals destroy Iconic Rock Formation

⁵ Beachcombers still finding likely tsunami debris, more than 5 years after disaster

⁶ National Assessment of Shoreline Change: Historical Shoreline Change Along the Pacific Northwest Coast, Ruggiero, OSU; et. al

currently operates about 19 coastal campgrounds that collect state lodging taxes for overnight stays in tents and yurts. The revenue generated from these taxes is quarterly distributed from OPRD back to the State of Oregon's Tourism Commission / Travel Oregon for state tourism-related programs. The Beach Fund legislation would retain these dollars for beach management, where the funds are generated. Because the funds are directly generated, "point source", at State managed ocean shore campgrounds and legislation would *not* apply to the local lodging taxes, the fund would not infringe upon tax revenue generated and depended upon locally by the private sector.

Attachment A provides a snapshot of what the revenue projections for the fund might be, not including potential private donations, based on calendar year 2014 and 2015 revenues provided by OPRD (approx. \$100K annually). These revenues from coastal campgrounds represent only a fraction of 1% of the total state lodging taxes⁷ and allow for direct investment in the tourism resource (beaches) where the funds are generated – rather than partitioning those funds into a broader tourism budget. While a seemingly insignificant amount of funding and certainly no skin off of a \$17.8 million state lodging tax tourism budget (increasing at 14% annually) ⁸, the Ocean Beach Fund has immeasurable potential to address seasonal beach safety and ocean shore management issues, especially if well-managed by OPRD as a "legacy" fund for our beaches.

Renewed investment in Oregon's beaches is particularly appropriate at the 50th anniversary of the passage of the Oregon Beach Bill, which guarantees access to and prioritizes Oregon's beaches as a public resource. This investment is essential to meet current and future management challenges and ensure that the legacy of our public beaches will endure for generations to come.

Sincerely,

Charlie Plybon Oregon Policy Manager Surfrider Foundation cplybon@surfrider.org (541-961-8143) P.O. Box 719 11770 SE Acacia St. South Beach, OR 97366

⁷ Oregon Department of Revenue, 2005-2015 State Lodging Tax Report

⁸ Oregon Department of Revenue, 2005-2015 State Lodging Tax Report

Attachment A:

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TAL PAID TO STATE OF OREGON FOR CALENDAR YEAR 2015

Effective Date

Oregon Beach Fund Revenue Projections Based on Past Biennium

Total Bor Quarter Calendar Voor 2014

114

Effective Date	vendor name	Total Per Quarter Calendar Year 2014	
04/29/14	Q1STATE OF OREGON LODGING TAX	8,325.85	
06/30/14	Q2STATE OF OREGON LODGING TAX	25,443.07	
10/20/14	Q3STATE OF OREGON LODGING TAX	58,300.59	
01/28/15	Q4STATE OF OREGON LODGING TAX	11,790.10	
TAL PAID TO ST	TATE OF OREGON FOR CALENDAR YEAR 2014		103
TALT AID TO OT			
Effective Date	Vendor Name	Total Per Quarter Calendar Year 2015	
	Vendor Name Q1STATE OF OREGON LODGING TAX	Total Per Quarter Calendar Year 2015 11,082.72	
Effective Date			
Effective Date 04/27/15	Q1STATE OF OREGON LODGING TAX	11,082.72	
Effective Date 04/27/15 06/30/15	Q1STATE OF OREGON LODGING TAX Q2STATE OF OREGON LODGING TAX	11,082.72 29,589.90	

The above figures are the total *state* lodging taxes collected from overnight stays at coastal campgrounds run and managed by the Oregon Parks and Recreation Department – source OPRD. This would be the source funding to support dedicated annual revenue for the Beach Fund.

- -The revenue generated from these taxes is quarterly distributed from OPRD back to the State of Oregon's Tourism Commission / Travel Oregon for state tourism-related programs. The Beach Fund legislation would retain these dollars for beach management, where the funds are generated. Funds are directly generated, "point source", at state-managed ocean shore campgrounds and do not infringe upon tax revenue generated locally by the private sector.
- -The total revenue beyond campgrounds from these taxes statewide has more than doubled in the past 10 years (\$17.8 Million in 2015), and will further increase with the recent legislation (HB 4146) for a .8% increase source Oregon Department of Revenue, 2005-2015 State Lodging Tax Report
- -The ocean shore campground revenues represented in the above table are less than 1% of the total state tax revenue a fraction completely offset by the overall 14% annual trend of increase in state lodging tax revenues source Oregon Department of Revenue, 2005-2015 State Lodging Tax Report