

June 22, 2020

Joint Interim Committee on the First Special Session of 2020
900 Court St., NE
Salem, OR 97301

Re: Support for Keeping the State Transient Lodging Tax Rate at 1.8%

Dear Co-Chair Courtney, Co-Chair Koteck, Co-Vice Chair Girod, Co-Vice Chair Drazan and members of the Joint Interim Committee on the First Special Session of 2020,

On behalf of Oregon's tourism industry, I am writing to ask for your support to lift the sunset on the state transient lodging tax (TLT) and continue the current level of investment in Oregon's tourism industry.

Established in 2003, to create a dedicated funding source to promote tourism and economic development in the hospitality industry in Oregon, the TLT the tax was adjusted in 2016 to 1.8% with a sunset to 1.5% in July 2020. As you may be aware, 30% of the TLT funds are dollars that are leveraged to bolster the Regional Cooperative Tourism Program (RCTP) and Competitive Grants Programs led by Travel Oregon.

These programs support local communities throughout the state: helping them develop their destination, conceiving new tourism assets, expanding the visitor industry and improving local livability for residents and those who visit.

As a leader in one of the seven Regional Destination Marketing Organizations (RDMOs), I am asking you to lift the sunset and maintain the statewide TLT at 1.8%. The success of the programs administered by Travel Oregon through revenue generated from this tax have been critical to our region's success in growing jobs and increased economic activity for our community.

In Eastern Oregon, the state program has enabled us to further expand our outreach and advocacy to small, more rural communities, to increase the awareness and educate our stakeholders, partners, and key leaders on the value of the tourism industry. RCTP dollars have also been instrumental in further developing our agritourism programs; working with local growers and suppliers to showcase the depth and breadth of the agriculture impact at the local, regional, and state levels. RCTP dollars have also allowed us the opportunity to leverage our resources to provide support and the tools needed to assist communities in identifying gap areas, opportunities for growth, and to align, regionwide, as successful destinations.

We have recently closed our first regional grants program, made possible by RCTP funds, and exceeded our expectations: receiving 43 applications, totaling over \$322,000 in grant requests, with \$82,000 to allocate. We were able to award 20 grant applications that will have a strong impact throughout our region, and the state, and anticipate a great return on investment. The regional grant program has also been a great opportunity to engage with new partners and organizations, to further grow and align collaborative efforts.

Without the current state TLT 1.8% rate, these kinds of grant projects and regional funding will be cut and programs that leverage these state dollars will be scaled back.

These investments both supported our region as a destination for visitors inside and outside the state, providing added value to the quality of life for the residents of our community. These investments would not have been possible without the state support through the TLT. I would be happy to share more details on how our community benefits directly from the TLT and answer any questions you may have as you consider this important legislation.

Again, we urge your support to keep the current statewide lodging tax rate at 1.8%, a decision that will ultimately support continued economic growth and development in every region of Oregon. Please don't hesitate to contact me if I can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Alana Carollo". The signature is fluid and cursive, with the first name "Alana" and last name "Carollo" clearly distinguishable.

Alana Garner Carollo
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