

Pete Bober

March 3, 2025

RE: Opposition to HB 3556

Dear Chair Tran, Vice-Chair Grayber, Vice-Chair Lewis, and House Committee on Emergency Management, General Government, and Veterans:

My name is Pete Bober, and I am a longtime community, economic and workforce development professional. During my career, I worked closely with tourism organizations in Benton, Linn and Douglas Counties. As a result, I know first-hand the importance of tourism to our overall state's economy. As a retired Small Business Development Center Director, I have seen many individuals in the hospitality industry create full-time employment for themselves and a variety of first-time employment opportunities for young Oregonians looking for their first job. I have worked with local wineries to bring out-of-state tourists who buy wine and create substantial tax revenues for local communities. Lastly, I am a native Oregonian, extremely proud of my state, and one who appreciates the great work of our local tourism organizations in creating effective strategies to bring out-of-state visitors and their dollars to our local communities. I appreciate the opportunity to share my concerns about HB 3556 and respectfully urge you to oppose this bill.

Tourism is not just about visitors—it supports local businesses, creates jobs, and brings money into our communities. Tourism dollars are critical to many local farmers to offset the losses frequently found in the volatile market prices of commodities, the high cost of farm equipment, and the cost of fertilizer. Oregon has seen a substantial increase in agricultural tourism via wineries, cideries, community-based farm markets, farm stands, harvest hosts and festivals.

The Transient Lodging Tax (TL) was designed to fund tourism efforts, helping towns and cities across Oregon attract visitors who spend money at restaurants, shops, and local events. HB 3556 would take money away from these efforts and redirect it elsewhere, even though tourism already helps fund city services through its tax revenue.

Many believe that all tourism organizations receive 70% of TLT funds, but that's not true. In **Corvallis**, only 30% of the City's 9% goes to tourism, while the rest helps fund other city services. Benton County also has a 3% lodging tax, of which 70% helps fund the Benton County Fairgrounds and Event Center, and the remaining 30% is retained for their general fund. Even with this setup, there are still budget gaps. This bill won't fix those—it will only make it harder for tourism to bring in the dollars that support our community.

Additionally, tourism businesses pay more than lodging taxes—they also pay property taxes, licensing fees, and other local taxes that help fund essential city and county services. A strong tourism economy benefits everyone, and reducing tourism funding could actually lower overall tax revenue for cities and counties.

Our state faces stiff competition for visitors from the neighboring states of California and Washington. Our local tourism organizations need TLT dollars to tell the Oregon Story and showcase our substantial tourism-impacted communities, sites and regions.

For these reasons, I strongly urge you to oppose HB 3556. Tourism is an investment in our community, and protecting TLT funds ensures that our cities, small businesses, and local events continue to thrive.

Thank you for your time and consideration.

Sincerely,

Pete Bober
Retired