

House Revenue Committee  
Oregon State Legislature

Dear Chair and Members of the House Revenue Committee,

I am reaching out today to express my deep concern regarding HB 3962 and the proposed -2 Amendment, which would allow local governments to divert Transient Lodging Tax (TLT) funds away from tourism promotion to fund “tourism impacted services.” As a Grants Pass City Council member and the board president of Main Street Grants Pass, I urge you to carefully consider the potential repercussions of this legislation.

Tourism is a critical economic driver in Southern Oregon, serving as the second largest economic sector in our region, just behind healthcare. In 2023, direct travel spending in Southern Oregon generated approximately \$1.1 billion — a 4.2% increase from the previous year. This spending supported over 12,300 jobs and brought in \$315 million in earnings for local workers. Furthermore, travel-generated tax receipts amounted to \$55 million, benefiting both state and local governments.

Over the past decade, the tourism sector has demonstrated consistent growth, with travel spending increasing by 35% and employment in the industry expanding by 20%. The cumulative rise in earnings for tourism sector employees by 28% underscores the sector’s importance in sustaining economic stability and providing valuable income opportunities for residents.

Diverting TLT funds away from tourism promotion jeopardizes this momentum. It undermines the efforts of organizations like Visit Grants Pass, which has worked tirelessly to elevate the region as a premier travel destination. The proposed amendment threatens to destabilize the resources essential to maintaining and expanding tourism infrastructure, marketing initiatives, and job creation efforts that directly contribute to the local economy.

I respectfully urge the committee to reject the -2 Amendment to HB 3962 and to protect TLT funds for their intended purpose — supporting tourism promotion and the continued economic growth it fosters.

Thank you for your time and consideration.

Sincerely,

Seth Benham  
City Council Member, Grants Pass, Oregon

Board President, Main Street Grants Pass