



May 8, 2025

Bill Number and Committee: HB 2977 – Testimony to the House Committee on Revenue

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and members of the House Committee on Revenue:

Thank you for the opportunity to submit testimony in opposition to HB 2977. My name is Christina Rehkla, and I am the Executive Director of Visit Corvallis. While I support conservation efforts, this tax increase would hurt local businesses, jobs, and communities that rely on tourism.

Increasing Oregon's statewide Transient Lodging Tax at this time would be counterproductive. The tourism industry is already facing significant headwinds—from global economic uncertainty, rising costs from tariffs, and a notable drop in Canadian travel to Oregon. These pressures have made travel more expensive and less predictable. Adding a higher lodging tax on top of these challenges risks further reducing demand—especially in communities that rely heavily on tourism dollars to support jobs and small businesses.

In Benton County alone, visitor spending generates \$180.5 million annually, supports 1,950 local jobs, and brings in \$5.5 million in state tax revenue. These are not abstract numbers—they represent our family-owned restaurants, farmers markets, downtown shops, and community attractions. They also represent jobs that are now more vulnerable due to lost visitor revenue in Corvallis from the Pac-12 realignment and the closure of the Osborn Aquatic Center, which has eliminated regional and state swim meets that previously filled hotels and drove business in the off-season.

Events and conventions are especially sensitive to lodging costs. Oregon State University brings visitors to Corvallis annually through academic conferences, sports tournaments, and research events. Organizers booking large room blocks are highly cost-conscious and compare hotel taxes to those in other states. In Corvallis, the local and state transient lodging tax combined is already 13.5%. If Oregon becomes less competitive due to increased lodging taxes, we risk losing this valuable business to lower-tax destinations.

This isn't just about Corvallis. Since the creation of the statewide TLT in 2003, Oregon has seen outstanding returns on investment:

- Visitor spending has more than doubled—from \$6.5 billion in 2003 to \$14 billion today.
- State and local TLT revenues have more than tripled—from \$200 million to \$650 million.
- Visitors now spend 2.7 million more nights in Oregon lodging annually than in 2008.

TLT-funded programs also support wildfire recovery, sports tourism, and arts/cultural funding support—projects that create long-term benefits for residents and visitors. Diverting or diminishing these funds would undermine proven strategies that strengthen local economies.



Now is the time to keep Oregon accessible and appealing, not add new barriers. I respectfully urge you to vote no on HB 2977. Let's continue investing in tourism as a driver of jobs, small business success, and statewide economic recovery.

Thank you for your consideration and your service to our state.

Sincerely,

A handwritten signature in cursive script that reads "Christina Rehklau".

Christina Rehklau

Visit Corvallis

Executive Director

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