



May 8, 2025

House Committee On Revenue
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

RE: Support HB 3962-2 – Ensuring Sustainable Tourism and Community Safety

Chair Nathanson, Vice-Chairs Reschke and Walters, and Members of the Committee,

The City of Warrenton strongly urges your support for House Bill 3962-2 to responsibly address Oregon’s true cost of hosting millions of visitors each year.

Tourism Grows—So Do Emergency Demands

Tourism is vital to Oregon’s coastal economy, supporting local jobs and small businesses. The same visitors who drive economic activity also rely on local public safety services to stay safe while they recreate—services funded primarily by local property taxes, not tourism revenue. In places like Clatsop County, where the year-round population is about 40,000, the number of people in the community can swell to more than 120,000 during peak tourism months.

This dramatic seasonal surge places enormous pressure on already stretched emergency response systems. Between 2019 and 2024, visitors in Clatsop County made up about one-third of all jail bookings, arrests, and tickets, and 15% of crime victims. The emergency medical services provider for the County responded to more than 380 calls each month, with even sharper increases during the busiest times of the year.

The Revenue is There—But We Can’t Use It

State law (ORS 320.350) mandates that 70% of any new or increased local Transient Lodging Tax (TLT) revenue must go toward tourism promotion or tourism-related facilities. That leaves only 30% for other local needs—even when tourism significantly drives up the cost of essential services. As a result, cities and counties are left with rising public safety demands and few financial tools to address them.

The voters and legislature have also locked up our ability to conduct operations and maintenance of existing infrastructure. The legislature has not addressed the inability of cities to meet revenue challenges from inflation when permanent rate property taxes are unable to exceed 3% growth

per year. System Development Charges, by way of how the legislature set them up, cannot be used on O&M—only new items. While in silos all of these are good idea, but holistically we're asking cities to pay more to do more with less revenue sources to do it with. This is a systemic problem that leaves cities more and more at the will of the legislature's generosity to repair or replace critically needed infrastructure.

HB 3962-2: A Path to Sustainable Tourism and Safety

When emergency response systems are overstretched, everyone is affected—visitors and residents alike. Investing in safe, responsive communities strengthens the foundation of Oregon's tourism industry and protects the visitor experience we all want to sustain.

HB 3962-2 allows cities and counties to use a portion of tourism-generated revenue to meet tourism-driven public safety needs—without reducing support for tourism itself. It aligns public safety resources with the realities of increased visitor traffic and seasonal surges.

We are disappointed that, despite multiple bills this session seeking to address the growing strain of public safety services in tourism-impacted communities, there has yet to be a meaningful effort to bring stakeholders together to find a workable solution. HB 3962-2 presents a strong and reasonable path forward— and we urge the Legislature to act now rather than continue to delay progress on this critical issue.

We respectfully urge your YES vote on HB 3962-2 to ensure that communities can continue to welcome visitors safely and responsibly.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink that reads "Henry A. Balensifer III". The signature is written in a cursive style with a prominent "H" and "B".

Henry A. Balensifer III
Mayor