



June 23, 2025

Chair Meek, Vice-Chair McLane, and Members of the Committee:

On behalf of the City of Central Point, I respectfully urge your support for HB 3962A, which appropriately modifies the distribution of local transient lodging tax revenues to better reflect the interdependent relationship between tourism and the cities that support it.

Central Point is home to the Jackson County Expo, one of Southern Oregon's premier event venues. Each year, the Expo draws hundreds of thousands of visitors for events such as the Jackson County Fair, the Harvest Festival, and concerts and expos of all sizes. While these events provide a vital economic boost to our region and support local businesses, they also place a considerable burden on city infrastructure and services—including police, fire, emergency response, traffic control, and sanitation.

Under current law, cities like Central Point are limited in how we can use new or increased transient lodging tax (TLT) revenue, even when those funds are generated directly from tourism activity that places added strain on our public systems. HB 3962A addresses this disconnect by offering a shift in revenue allocation for TLTs imposed or increased after 2003 from the current 70/30 split to a more balanced 60 (city) / 40 (tourism promotion) distribution. This change would double the amount cities can use at their discretion to fund essential tourism-impacted services such as police, emergency response, sanitation, and traffic control.

Some have argued that this bill reduces funding for tourism promotion, but that assertion overlooks the consistent commitment cities have made to supporting tourism. In FY24, Central Point dedicated more than 70% of its TLT expenditures to tourism promotion—exceeding the current statutory minimum. In fact, various jurisdictions across Oregon invest 100% of their TLT revenue into tourism promotion. **Cities recognize that promoting tourism is vital to attracting visitors and supporting local economic development. But successful tourism also relies on strong foundational services. Visitors expect communities to be clean, safe, and well-functioning.**

It's important to emphasize that the TLT is paid by visitors, not residents. These revenues exist because of tourism, and it is both fair and practical that a greater share be reinvested into the public services that make for a safe, welcoming, and sustainable visitor experience.

As shared in a previous letter from Central Point Police Chief Scott Logue:

“During the 2024 Jackson County Fair, police calls for service rose by 14%, and supplemental staffing costs exceeded \$5,000. At the Fourth of July parade in 2024—which draws thousands of visitors—police calls for service rose by 49%, and supplemental staffing costs exceeded \$9,000. Currently, our ability to meet these increased demands is limited by general fund constraints.”

This legislation is not a step away from supporting tourism, it is a recognition that tourism depends on well-functioning public systems. Visitors expect safe streets, clean facilities, and responsive emergency services just as much as our residents do. HB 3962A allows cities like Central Point to meet those expectations without compromising the general fund or cutting other vital services.

On behalf of the City of Central Point, I urge your support for HB 3962A.

Sincerely,

Chris Clayton
City of Central Point, City Manager