



Date: June 23, 2025

Name: Explore Sisters

Bill Number and Committee: HB 3962-A – Testimony to the Senate Committee on Finance and Revenue

Dear Chair Meek, Vice-Chair McLane and honored members of the Senate Committee on Finance and Revenue,

My name is Scott Humpert, and I am the Executive Director for Explore Sisters, the Destination Management Organization (DMO) representing tourism for Sisters, OR. I appreciate the opportunity to express my strong opposition to HB 3962-A.

While I oppose this bill, it is not because it alters the Transient Lodging Tax (TLT) structure established in 2003. I oppose this bill because it was rushed from The House Committee on Revenue where there appeared to be significant confusion about how this bill would affect DMOs. More time is needed to find compromise and produce language everyone can live with. I have always been proud of our industry's collaborative spirit and ability to work with our legislators and city and county partners in meaningful ways. I encourage you to keep this spirit alive and well by voting NO on HB 3962.

I hear and appreciate the need to fund city and county services such as public safety. The tourism industry does not deny the strains that can be placed on communities when they welcome visitors. However, the needs of cities and counties vary across the state. This bill proposes a solution that is specific to certain locations across the state. One size does not fit all here, especially in our rural communities.

DMOs can and are doing better. In Central Oregon alone, TLT funds have been used by Visit Bend to sponsor projects through the Bend Sustainability Fund, which creates sustainable experiences in the community. Visit Central Oregon invests in projects that support sustainability, cultural tourism and accessibility through their Future Fund. As our regional DMO, Visit Central Oregon, in partnership with Travel Oregon, spearheaded a Destination Management Studio, which is helping communities within Deschutes, Jefferson, Crook and South Wasco counties support economic development through visitation while balancing the impact on communities, services and resources, and included robust engagement with industry partners across a broad spectrum of interests.

In Sisters, Explore Sisters helped the city achieve Dark Sky Community Certification through DarkSky International, delivers Leave No Trace messaging to our guests promoting sustainable and responsible recreation, and focuses marketing initiatives in our shoulder and off seasons when we need it most. Explore Sisters has heard loud and clear from our community that we need continued support to market Sisters as a destination. For our community, tourism has significant economic impact.

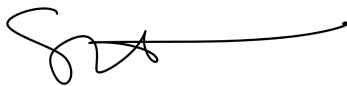
Currently, most municipalities keep the lion's share of TLT collections. Frustratingly, this is an often-lost fact in this discussion. Here in Sisters, 2/3 of overall TLT collections are kept by the City and are used through the general fund to support public safety, parks, streets, etc. Only 1/3 of overall TLT collections is invested back into tourism. Most of the TLT collections in Sisters are

governed by taxes that were passed prior to 2003 and are not subject to the 70/30 split. It is important to acknowledge that the 70/30 split typically applies to a smaller percentage of collections. HB 3962 is asking our industry to further carry a burden when tourism already pays its fair share.

It is the successful collaboration between local, regional, and state DMOs that is helping to generate economic activity across Oregon. Reducing the share of local TLT revenue dedicated to tourism will weaken the return on investment that has been proven to consistently fuel small business growth, jobs, and economic development, particularly in rural Oregon.

Please stand with Oregon's tourism industry and the businesses that depend on it. **Vote NO on HB 3962-A.** Let's take the time to come to the same table and develop a compromise that works for everyone rather than hastily pass legislation that erodes the spirit of partnership.

Thank you for the privilege to submit this testimony for your consideration.



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