



June 26, 2025

Bill Number and Committee: HB 3962-14 – Testimony to the Senate Committee on Finance and Revenue

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

Thank you for the opportunity to provide written testimony in opposition to House Bill 3962-14.

I'm Christina Rehkla, Executive Director of Visit Corvallis, the destination marketing organization for Corvallis. I would like to begin by acknowledging that Oregon's cities and counties are facing significant financial pressures. We all want strong communities with safe streets, accessible services, and vibrant local economies. But I urge you to consider that shifting existing tourism dollars through TLT flexibility won't fix the core issues cities are grappling with; it will simply weaken one of the few proven tools we already have to drive economic activity.

There's no question that Oregon's cities are facing budget strain, but TLT flexibility doesn't meaningfully address the general fund pressures. Diverting tourism promotion dollars might offer a temporary patch, but it undercuts the very revenue stream that helps grow future tax collections.

In Corvallis, our transient lodging tax (TLT) was in place before July 1, 2003. Before July 2003, our City was spending 30% on tourism promotion/programming and 70% was unrestricted for its general fund. Over 20 years, later, our City has been unable to increase its investment in tourism, due to budget pressures. When the City faced general fund budget pressures almost a decade ago, it stopped all funding support for festivals out of its 70% of TLT, and those events were informed that they might be able to receive funding from Visit Corvallis.

Tourism is not "extra." It's an essential part of our economic engine. According to Smith Travel Research data for 2024, occupancy in Corvallis is down, revenue per available room is declining, and fewer people are visiting Corvallis compared to 2023. For a small city that loses 40% of its population over the summer months due to Oregon State students leaving, that decline is significant for our restaurants, events, and small businesses.

Rather than reshuffling tourism dollars, we need:

- Collaborative strategies to diversify local revenue without weakening economic drivers.
- Stable tourism funding that enables us to grow the pie, not fight over shrinking slices.

Oregon's future depends on thriving cities and thriving visitor economies. I respectfully urge you to oppose HB 3962-14.

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

Sincerely,

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

Christina Rehkla

Visit Corvallis, Executive Director