



CITY OF THE DALLES
313 COURT STREET
THE DALLES, OREGON 97058

January 16, 2026

Subject: City of The Dalles Support for the LOCAL Act

Chair and Members of the Committee,

On behalf of the City of The Dalles, we write to express strong support for the Local Opportunities for Community Advancement and Livability Act, known as the LOCAL Act.

Tourism is an important part of our local economy. It supports businesses, jobs, and community vitality. At the same time, it places real demands on local infrastructure, public safety, utilities, transportation systems, and public spaces. Under current law, local governments have limited flexibility to address those impacts using transient lodging tax revenue.

The LOCAL Act provides a balanced and responsible update. It allows post-2003 local lodging taxes to be distributed using a 60 percent discretionary and 40 percent tourism promotion and tourism-related facilities split. This preserves a strong commitment to tourism while recognizing that communities must also manage the impacts tourism creates.

This bill does not mandate changes. It does not terminate existing agreements with destination management organizations. It simply gives local governments the option to align lodging tax investments with current community needs.

In The Dalles, visitors are not limited to a single tourism district. Tourism activity affects streets, water systems, public safety services, and community facilities throughout the City. Local governments must maintain these systems not only for residents, but also for the visitors who rely on them.

The LOCAL Act modernizes a framework that has remained largely unchanged since 2003, despite significant shifts in travel patterns, short-term rentals, and infrastructure demands. Two-thirds of Oregon jurisdictions now operate under the restrictive 70/30 split. This bill updates that structure while maintaining a clear, dedicated floor for tourism investment.

The bill also brings local lodging tax flexibility closer in line with the flexibility already provided to the State of Oregon under HB 4146, which allows state lodging tax dollars to support tourism programs, grants, and regional partnerships with broader discretion than is available to local governments.

Most importantly, the LOCAL Act respects local decision-making. It allows cities to continue supporting tourism while also ensuring communities can remain safe, functional, and welcoming.

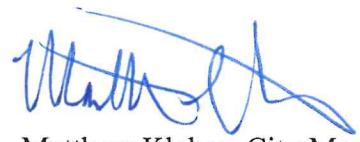
Last session, HB 3962A passed the House and came within days of final passage. The LOCAL Act gives the Legislature the opportunity to complete that work and provide long-needed modernization to Oregon's lodging tax framework.

On behalf of the City of The Dalles, we respectfully urge your support for the LOCAL Act. Thank you for your time and consideration.

Sincerely,



Richard Mays, Mayor



Matthew Klebes, City Manager