



Date: February 4, 2026

Name: Oregon Destination Association

HB 4134 – Testimony to the House Committee on Revenue

Dear Chair Nathanson, Vice Chair Reschke, Vice-Chair Walters, and members of the House Committee on Revenue,

My name is Alana Hughson, and I am the Interim Director for the Oregon Destination Association (ODA). For over thirty years, ODA has served as the unified industry voice for Oregon's local and regional Destination Management Organizations (DMOs). ODA represents nearly 100 DMOs statewide, covering all seven tourism regions and tourism communities in Oregon. I am writing to express ODA's strong opposition to HB 4134.

The Economic Impact of Tourism in Oregon

Tourism acts as a critical economic driver for Oregon, supporting nearly 125,000 jobs across the state. Given the current economic climate at both the state and national levels, now is *not* the appropriate time to increase a tax on residents and visitors that serves as a direct funding source for Oregon's economic recovery.

Foundation of Oregon's Tourism Economy

The foundation for Oregon's tourism economy was laid through the 2003 Tourism Investment Proposal. This initiative led to the creation of Travel Oregon, established a dedicated funding stream via the statewide transient lodging tax, and protected local investments in tourism. During the 2003 recession, state leaders recognized tourism as an untapped market and made strategic, sustained investments to position Oregon as a premier destination for both business and leisure travel.

Twenty Years of Sustained Growth

Since 2003, tourism has consistently supported Oregon's workforce, economic viability, and quality of life for residents. Over the past two decades, the return on investment from the statewide Transient Lodging Tax (TLT) is undeniable:

- Visitor spending in Oregon has more than doubled, growing from \$6.5 billion in 2003 to \$14 billion today.
- State and local TLT tax revenues have more than tripled, increasing from \$200 million in 2003 to \$650 million today.
- Demand has shifted, with visitors now spending an additional 2.7 million nights in hotels compared to 2008. Overnight visitors also spend more than residents at restaurants, shops, and recreation businesses.
- Since 2003, there has been steady annual growth: 4% in spending, 5% in earnings, 1.6% in employment, and 4.8% in tax revenue, all outpacing inflation.

Collaborative Partnerships and Local Impact

The success of Oregon's tourism sector is built on collaboration between local DMOs and Travel Oregon. These partnerships foster economic activity and job creation throughout the state, including in rural areas. DMOs strategically focus their tourism development and marketing on non-peak seasons, helping to create year-round job security and stability for communities.

Regional Cooperative Tourism Program (RCTP) Success Stories

The Regional Cooperative Tourism Program (RCTP) has enabled partnerships between Travel Oregon and regional DMOs across all seven tourism regions. Below are a few examples:

- Central Oregon: TLT funds were combined with local tourism resources to create a Commercial Air Service Development and Marketing Fund. This facilitated the successful application for a federal Small Community Air Service Development Program (SCASDP) grant, expanding commercial air service and boosting regional business development.
- Portland Region: This area covers Portland, Gresham, Clackamas County's urban areas, and all of Washington and Columbia counties. Partnership investments have supported convention sales through the Visitor Development Fund (VDF) and transformative local projects such as the James Beard Public Market, preservation of Willamette Falls Locks, improvements to the Salmonberry Trail trailhead, facility upgrades at the Mt. Hood Community College Aquatic Center, and enhanced bicycle tourism infrastructure on the Banks-Vernonia Trail.
- Southern Oregon: RCTP investments have funded mountain bike trails and events like the Mountain of the Rogue Trail System and the Ashland Watershed Trail Alliance. Travel Oregon collaborated with local partners to host the Klamath Basin Rural Tourism Studios, resulting in the creation of a Klamath Basin landing page,

bicycle maps, and other tourism products. To address demand for off-peak visitor experiences, Travel Oregon is also working with Discover Klamath to develop content and structure for a spring stakeholder workshop.

These examples are just a few among countless programs statewide that have been strengthened by state lodging tax reinvestment, fueling sustainable marketing and product development. Such opportunities are especially vital for rural communities transitioning from resource-based economies to those that include tourism management and marketing. It is essential to maintain this momentum, which is so critical for our rural partners.

The Role of the Transient Lodging Tax

The Transient Lodging Tax (TLT) is most effective when reinvested in programs that help grow Oregon's economy. Any increases to the TLT should be crafted in partnership with the tourism industry as part of a long-term economic strategy for the state.

Conclusion and Call to Action

We urge you to oppose HB 4134 to ensure that Oregon remains competitive with other tourism destinations in a highly volatile and competitive market. By opposing this bill, you help safeguard the viability of Oregon's tourism industry and allow essential recovery projects and partnerships to continue, which are vital for the state's economic future.

Thank you for supporting your tourism constituency and helping us remain stewards of Oregon's natural wonders. We are committed to continuing our work to support vibrant local communities and improve livability for all Oregonians.

Thank you for the opportunity to submit this testimony.

Alana Hughson, Interim Director

Oregon Destination Association