

Submitter: Ankit Mungra
On Behalf Of:
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB4134
To Whom It May Concern,

I am submitting this testimony in opposition to HB 4134 on behalf of Motel 6 Hermiston. As a budget-focused lodging property serving travelers, workers, and families in Eastern Oregon, even small tax increases have a measurable and immediate impact on our occupancy and revenue.

Our customer base is highly price-sensitive. Many of our guests choose our property specifically because we offer affordable nightly rates. A 1.25% statewide lodging tax increase may appear modest at a policy level, but at the transaction level it raises total stay costs and directly affects booking decisions. We routinely compete with nearby properties, short-term rentals, and out-of-area options where travelers compare final after-tax prices. When total cost rises, conversion drops — especially for extended stays and repeat business.

Higher lodging taxes do not come out of margin — they are passed directly to the guest. The result is fewer bookings, shorter stays, and increased rate resistance. This is particularly harmful in smaller markets like Hermiston, where demand fluctuates with seasonal work, regional travel, and highway traffic. Unlike major metro markets, we cannot offset demand loss with volume.

Reduced occupancy affects more than just room revenue. It impacts staffing levels, hours for employees, local vendor spending, and reinvestment into property improvements. Policies that reduce demand at the property level ultimately reduce overall economic activity in the community.

At a time when operating costs — labor, insurance, utilities, maintenance, and compliance — are already rising, adding additional tax burden on guests makes it harder for limited-service and economy lodging businesses to remain competitive and sustainable.

For these reasons, I respectfully urge you to oppose HB 4134 and avoid increasing the statewide lodging tax.

Thank you for your consideration.

Sincerely,

Ankit Mungra
Motel 6 Hermiston