



# OREGON COAST HOSTS

## Written Testimony in Opposition to HB 4134

### House Committee on Revenue

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and Members of the Committee,

My name is Nicole Twigg, and I am submitting this testimony on behalf of Oregon Coast Hosts, an association representing approximately 400 locally managed, independent lodging providers along the Oregon Coast. I appreciate the opportunity to convey our opposition to House Bill 4134.

Oregon Coast Hosts represents small, locally owned lodging providers—many of whom live and work in the same communities they serve. Our members include vacation rental owners, independent operators, and local property managers who are deeply invested in the long-term health of Oregon's coastal economies. In counties such as Tillamook County, **approximately 70% of lodging providers are short-term rentals**, making this proposal particularly impactful for coastal and rural communities.

We agree that funding is needed to support Oregon's wildlife and natural resources. However, **HB 4134 places the full financial burden on one industry while delivering benefits far beyond that industry.** The bill increases the statewide transient lodging tax and redirects the new revenue away from tourism-related purposes, while requiring lodging providers to collect and itemize the increase for guests

This approach creates significant concern for our members and the communities they support.

### Disproportionate Impact on Coastal and Rural Communities

Lodging taxes are not paid evenly across Oregon. They are concentrated in coastal, rural, and tourism-dependent regions, where overnight visitors stay and contribute disproportionately to state revenue. As a result, Oregon Coast communities would shoulder a far greater share of this tax increase than many other parts of the state.

In many coastal towns, lodging providers are:

- Small, locally owned businesses, not large corporate operators
- Highly exposed to seasonal volatility and economic uncertainty
- Facing rapidly rising insurance, labor, utilities, maintenance, and regulatory costs

These increased operational expenses have already been passed on to guests through higher nightly rates and fees, leaving little ability for businesses to absorb additional tax increases without affecting demand.

## Cumulative Tax Burden and Market Sensitivity

Visitors in Oregon already pay:

- Local transient lodging taxes
- State lodging taxes
- Cleaning fees, service fees, and rising nightly rates driven by inflation

At some point, incremental increases do affect booking decisions, length of stay, and destination choice—particularly for families, off-season travelers, and repeat visitors who are price-sensitive. A statewide tax increase layered on top of already high local rates risks:

- Lowering occupancy
- Reducing total lodging tax collections
- Harming local jobs and small businesses

This concern is not theoretical. In **Tillamook County**, lodging tax revenues are already down in 2025, reflecting softening demand. At the same time, our members are seeing **no meaningful return of international travelers**, further limiting growth opportunities.

## Tourism's Broader Economic Role

Lodging providers do far more than collect taxes. They support Oregon's economy through thousands of jobs and extensive auxiliary spending, including:

- Referrals to local restaurants, retailers, guides, and service providers
- Ongoing work for local contractors, electricians, plumbers, cleaners, and tradespeople
- Support for small, locally owned businesses throughout coastal communities

When lodging demand declines, the ripple effects are felt across the entire local economy—particularly in rural areas with limited economic diversification.

## Conservation Funding Deserves Broader, More Equitable Solutions

Oregon Coast Hosts supports wildlife conservation and environmental protection. However, **funding these priorities should be shared broadly**, not placed almost entirely on overnight visitors and the lodging providers who serve them.

HB 4134 represents a revenue grab that targets a highly visible and already heavily taxed industry, at a time when the tourism economy is under strain. Conservation is a statewide value, and its funding should reflect a more equitable, statewide approach.

## Conclusion

For these reasons, **Oregon Coast Hosts respectfully urges the committee to oppose HB 4134**. This bill unfairly burdens coastal and rural communities, risks reducing visitation and total tax revenue, and places additional pressure on small businesses that are already facing rising costs and changing travel patterns.

Thank you for the opportunity to submit this testimony and for your consideration of the real-world impacts this bill would have on Oregon's coastal communities, workforce, and small businesses.

Respectfully submitted,

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