



TO: House Committee on Revenue **RE:** Opposition to **HB 4134** – Relating to Transient Lodging Tax Increases

Dear Chairwoman Nathanson and Members of the Committee,

My name is Pranav Patel, and I am the owner and operator of six hotels in the Lane County and Washington County areas. I am writing today to express my opposition to House Bill 4134, which proposes an increase to Oregon's statewide transient lodging tax and the redirection of those funds toward non-tourism initiatives.

In multiple Oregon areas, our hospitality industry has faced a "perfect storm" of economic headwinds over the last few years. Despite our best efforts to stabilize, the tourism business in our local areas has dropped by over 20%. This decline is not just a statistic; it represents a direct threat to the livelihoods of my team members and the viability of the much-needed jobs our company provides to the Eugene and Beaverton community.

The fundamental purpose of the transient lodging tax is and should remain to be, tourism promotion. This revenue is meant to be a reinvestment into the industry that generates it. By diverting these funds toward unrelated programs, HB 4134 breaks the "user-pay/user-benefit" compact that was established when this tax was first implemented.

I see the impact of rising costs on the ground every day. I have had firsthand conversations with long-term customers, event planners, and local businesses who are now actively scouting venues in other states. Their message is clear: Oregon is becoming too expensive. When combined with existing local taxes and fees, this proposed increase pushes our booking costs to a level that makes us uncompetitive with neighboring regions.

If this bill passes, we will see:

- **Further Loss of Events:** Conventions and sports tournaments will continue to bypass Eugene for more affordable venues in Idaho, Washington, or California.
- **Economic Detriment:** A shrinking tourism base means less spending at our local restaurants, shops, and attractions.
- **Job Instability:** Without the occupancy levels driven by tourism marketing, it becomes increasingly difficult to maintain our current workforce.

Our industry is still working to recover and does not have the elasticity to absorb another tax hike—especially one that provides no return in the form of increased marketing or tourism infrastructure.

I urge this Committee to oppose HB 4134 and protect the integrity of the transient lodging tax to ensure it remains a tool for economic growth, rather than a deterrent for visitors.

Respectfully, Pranav Patel, VP of Development at ALKO Hotels. Eugene, Oregon