

Dear Representatives,

I am writing to you today as the General Manager of **Adobe Resort** in Yachats, Oregon, and as a Regional Manager with Fusion Lodging, overseeing operations across multiple properties on the Oregon Coast.

I respectfully urge you to oppose **HB 4134**, which proposes increasing Oregon's statewide Transient Lodging Tax by an additional 1.25%.

While this proposal may appear modest in percentage, the real-world impact on hotels, small lodging operators, employees, and visitor demand is significant and immediate.

Oregon's coastal hospitality businesses are struggling with:

- High city lodging taxes
- Rising labor costs and workforce shortages
- Increasing insurance, utilities, food, and supply costs
- A reduction in international travel
- Visitor price sensitivity, especially for families and group travelers

Adding another tax layer directly increases the final price guests see at checkout. This is not absorbed by hotels — it is passed to the visitor, and it influences booking decisions.

On a typical two-night coastal stay:

- Room rate: \$450–\$600
- HB 4134 pushes total lodging taxes to a level where guests do not blame the State they blame the hotel. This creates friction at the front desk, increases cancellations when guests see the final total, and directly affects booking conversion when guests shop online.
- On the Oregon Coast, profitability depends on shoulder and winter seasons. Higher lodging taxes disproportionately hurt bookings during these fragile periods when we rely on value-driven travelers to maintain staffing levels year-round.

This proposal risks reducing occupancy, shortening stays, and discouraging repeat visitation.

When occupancy drops, the immediate effect is:

- Reduced hours for housekeepers, front desk staff, and restaurant teams
- Delayed capital improvements and property reinvestment (affects local contractors)
- Hiring freezes during shoulder seasons
- Less spending with local vendors, farmers, and suppliers

In small coastal communities like Yachats, hotels are not just businesses — we are primary employers and year-round economic anchors for our employees and the city budget.

Oregon's tourism economy works because visitors feel the value of coming here. Each added tax erodes that value perception.

HB 4134 shifts the burden onto the very industry that generates lodging tax revenue in the first place.

Before increasing the tax burden further, I ask that you consider:

- Studying the tax impact on visitor behavior (losing occupancy is a negative for both of us)
- Engaging directly with operators, employees, and local chambers before advancing this bill

We want to be partners in Oregon's economic future. The best path forward is growth not higher taxes.

Thank you for your time and consideration.

Respectfully,

Anthony Muirhead
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