

Submitter: Ila Patel

On Behalf Of:

Committee: House Committee On Revenue

Measure, Appointment or Topic: HB4134

Thank you for the opportunity to testify. I oppose HB 4134 and the proposed increase to the state transient lodging tax.

Small, independent motels in Portland already operate under significant financial pressure. In Portland and Multnomah County, local transient lodging taxes are approximately 11.5%, in addition to existing state taxes. This high tax burden, combined with modest tourism growth, has already pushed many independent operators to their limits.

Raising the state transient lodging tax will increase costs for guests, suppress demand, and disproportionately harm small lodging businesses—particularly at a time when travel and employment recovery remain weak. Unlike national hotel chains, independent motels cannot absorb revenue losses or rely on hidden fees to offset tax increases.

HB 4134 unfairly targets one industry to fund programs that benefit all Oregonians. Conservation and natural resource funding should be broadly shared, not placed solely on lodging providers. At the same time, motel owners are facing rising insurance premiums, labor costs, utilities, maintenance expenses, and increasing regulatory requirements.

For these reasons, I strongly oppose HB 4134.