

February 4, 2026

Name: Jennifer Kim

Surftides Beach Resort

Lincoln City, Oregon

Bill Number and Committee: HB 4134 – Testimony to the House Committee on Revenue  
Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and members of the  
House Committee on Revenue

**Written Testimony in Opposition to HB 4134**

**Submitted by:** Jennifer Kim, Owner / Operator

**Business:** Lodging and Restaurant Operator, Oregon Coast

**Position:** Oppose

**Chair and Members of the Committee,**

I am writing in strong opposition to HB 4134 and any increase to transient lodging taxes.

As a coastal lodging and restaurant operator, I operate in a highly seasonal, high-cost, and increasingly fragile business environment. An increase in transient lodging taxes directly reduces the operating cash flow that small and mid-sized hospitality businesses rely on to sustain local jobs, wage increases, and critical property and infrastructure investments.

While transient taxes are often framed as “paid by visitors,” in practice they materially reduce demand, push travelers toward untaxed alternatives, and compress margins in an industry already absorbing sharp increases in labor, insurance, utilities, food costs, and regulatory compliance. These costs cannot simply be passed on without consequences.

**Direct impacts of increasing transient lodging taxes:**

**1. Reduced Ability to Sustain and Grow Local Employment**

When taxes increase, payroll is one of the only adjustable expenses. This results in:

- Fewer staff hours
- Slower wage growth
- Reduced ability to retain experienced employees

These impacts are felt immediately by Lincoln County residents.

2. Deferred Infrastructure and Safety Investment a 145-room property requires constant reinvestment in:
  - Building systems and utilities
  - Life-safety and ADA compliance
  - Preventative maintenance

Reduced cash flow means deferred repairs and higher long-term risk to guests and employees.

### 3. **Disproportionate Harm to Coastal and Rural Businesses**

Lincoln County properties:

- Rely on a short peak season
- Absorb winter losses to remain operational
- Cannot offset higher taxes through volume like urban hotels

This bill shifts more financial strain onto rural operators who already operate at the margin.

4. Negative Ripple Effects Across the Local Economy Higher lodging costs reduce:
  - Length of stay
  - Restaurant and retail spending
  - Overall visitor economic impact

This harms not only lodging businesses, but restaurants, shops, and service providers throughout Lincoln County.

## **Conclusion**

HB 4134 undermines the financial viability of the hospitality businesses that anchor coastal economies. It weakens job creation, delays infrastructure investment, and places additional strain on operators who are already absorbing unprecedented cost pressures.

Hospitality businesses in Lincoln County are not overcapitalized, high-margin operations. We are labor-heavy, infrastructure-heavy employers operating in a seasonal environment with rising costs and limited pricing power.

If the goal is sustainable economic development on the Oregon Coast, increasing transient lodging taxes is the wrong lever.

Increasing transient lodging taxes under HB 4134 reduces the very cash flow that supports

- Local employment
- Property investment
- Economic stability in coastal communities

I respectfully urge the committee to **oppose HB 4134**.

Thank you for your time and consideration.

Sincerely,

Jennifer Kim  
Hotel and Restaurant Owner / Operator  
Oregon Coast Lodging & Restaurant Business