



Opposition to HB 4134

Eugene Area Chamber of Commerce
House Committee on Housing and Homelessness

Opposition to HB 4134: Transient Lodging Tax Increase

Chair Nathanson and members of the House Revenue Committee;

I'm writing on behalf of the **Eugene Area Chamber of Commerce**, representing thousands of employers across Lane County and the greater Eugene area. We oppose HB 4134 and appreciate the opportunity to provide our explanation.

Let me begin by acknowledging that protecting Oregon's wildlife and natural resources is an important and widely shared value. However, HB 4134 raises significant concerns because it increases the state's transient lodging tax and redirects revenue toward purposes for which the tax was not originally designed or intended.

Oregon's state transient lodging tax was **created to support tourism promotion and economic development** through Travel Oregon and related programs. The funding structure was intentionally designed as a reinvestment mechanism — using visitor-generated dollars to support tourism infrastructure, marketing, and economic vitality that directly sustain the industry paying the tax.

HB 4134 fundamentally alters this long-standing policy framework by diverting revenue toward wildlife preservation programs **unrelated to tourism promotion or industry reinvestment**. This creates a precedent that could weaken trust in dedicated funding structures across Oregon.

Dedicated taxes should remain dedicated to their intended purpose. Changing that purpose risks eroding policy predictability and undermining the partnership between the tourism industry and the state.

Oregon's lodging and tourism industry operates in a highly competitive regional and national market and continues to face workforce shortages, rising operating costs, and economic uncertainty.

Even relatively small tax increases can influence traveler decision-making — particularly when combined with local lodging taxes already in place across Oregon communities. Redirecting funds away from tourism reinvestment while simultaneously increasing the tax burden sends a concerning signal to an industry that has historically supported and self-funded statewide marketing and promotion efforts.



Industry stakeholders have emphasized the importance of maintaining a stable and predictable tax structure that supports tourism growth rather than expanding its scope to unrelated policy objectives. **HB 4134 establishes a troubling precedent** by using a sector-specific tax as a general funding mechanism for broader state priorities.

While wildlife conservation is a worthy goal, funding such programs should be considered through comprehensive statewide budgeting processes rather than by repurposing industry-specific revenue streams. Allowing dedicated tourism taxes to be redirected creates uncertainty for businesses and policymakers alike and could open the door to future reallocations that further dilute the original intent of the tax.

Transient lodging taxes are paid disproportionately by visitors and businesses tied to tourism activity. Expanding the tax to support programs outside the tourism ecosystem **raises fairness concerns**:

- Tourism businesses bear the reputational and pricing impacts of tax increases.
- Visitors may perceive higher costs without seeing reinvestment into tourism experiences.
- Communities that rely on tourism may lose resources that support local economic development.

Maintaining clear alignment between the source of funding and its intended use supports transparency and accountability for both taxpayers and policymakers.

Oregon's tourism industry has long supported investment in programs that strengthen the visitor economy and enhance statewide economic vitality. However, HB 4134 moves away from that partnership model by increasing the transient lodging tax and redirecting its purpose toward programs outside the tax's original intent.

For these reasons, we respectfully urge the committee to oppose HB 4134.

Sincerely,

A handwritten signature in black ink that reads "Brittany Quick-Warner".

Brittany Quick-Warner
President & CEO
Eugene Area Chamber of Commerce