



The Libertarian Party of Oregon Opposes HB 4134 Raising the Statewide Hotel Tax for wildlife programs having little relationship with hotel users.

The State of Oregon and the Portland region in particular are experiencing significant economic decline created largely in part to the State's hostile business and tax climate. If this tax is raised, Portland will have the second highest hotel tax rate on the West Coast at 17.25%. Only San Francisco is higher, yet Portland lacks the robust tourist draw of San Francisco. This is on top of Portland already having the second highest cumulative personal income tax rate in the country.

There is a perception that hotel taxes are overwhelmingly paid for by business, luxury, or out-of-town travelers and therefore Oregonians will be insulated from the economic impact of this tax. We disagree. Transient lodging is vital financially distressed individuals including:

- Escapees from Domestic Violence Situations
- Travelers to attend family funerals
- Travelers to be near loved ones in hospitals or hospice
- Students interviewing for schools
- Individuals recently evicted
- Families displaced by natural disasters
- Traveling bands and performing artists with low incomes

If we raise the ticket price of a weekend getaway by cumulatively raising taxes on rental cars, hotels, gasoline, the corporate activity tax built into meals and overall cost of living, parking, etc. more and more people will choose to stay home or turn to black market homestays. This also raises the cost of low-margin Oregon businesses who host travel – Performing Arts organizations who host guest artists in particular.

We also take issue with directing this tax to the Wildlife Fund Subaccount and similar accounts. The argument that Wildlife conservation drives tourism rings hollow because most of the wildlife programs funded by this proposal are in areas off limits to visitors. The Oregon Dept. of Fish and Wildlife has traditionally been funded by user fees such as hunting and fishing permits. This created a culture where public servants were accountable to their fee payers. Anti-poaching efforts benefit hunters. Anti-invasive species programs benefit people who fish. As for “nature conservation,” so much of the money public agencies throw around seems to be moving piles of dirt around. We can also conserve nature by doing nothing and let nature be ... nature.

We should also look at why some of the funding for these programs has disappeared. The State of Oregon has put vast tractlands of timber harvest off limits, dramatically reducing its extraction tax meant to cover the environmental costs of logging.

If we are to restrict hotel tax to a specific use, it should be related to hotels. One option would be protected Arts funding so that Portland can repeal its hated Arts Tax. San Francisco's hotel tax was passed in the 1970's in order to fund Arts. Every legislative session we see calls for earmarks for favored arts organizations from the General Fund, and directing the Hotel Tax to arts – which clearly drive hotel stays in places like Ashland – would end this perpetual cycle of special interest lobbying.