Submitter:	Brady Velikonia
On Behalf Of:	
Committee:	House Committee On Revenue
Measure, Appointment or Topic:	HB4148

1. Opposing HB 4148
This bill proposes changing the distribution of local transient lodging tax revenue, shifting the split from 70% tourism/30% city services to a 40% tourism/60% city services model.

Argument against:

This bill, as written would harm tourism in Oregon communities that rely on these funds. Reducing the dedicated funding for tourism promotion by nearly half (from 70% to 40%) threatens Oregon’s tourism industry. Local economies that rely on visitors will see a decline in marketing reach, ultimately leading to fewer tourists and lower overall revenue for local businesses.

These taxes were originally established with the "user-pays" principle: tourists pay the tax, and that money reinvests in the industry that attracts them. Diverting 60% of these funds into general city or county services turns a targeted industry reinvestment into a general-purpose slush fund, breaking the trust of the hospitality sector.

By cutting tourism spending, Oregon cities risk losing market share to neighboring states and regions that maintain robust investment in travel and hospitality infrastructure. Businesses, groups and industries that rely on these funds for tourism promotion will be cut off from them since they are being rerouted into city coffers.