

February 4, 2026

On behalf of the Oregon Frontier Chamber of Commerce and the Destination Management Organization serving Sherman, Gilliam and Wheeler Counties, I am writing to express opposition to HB 4148.

We understand and appreciate the broader policy goals these bills seek to address. However, we are concerned that altering local TLT distribution undermines one of the most effective economic development tools available to rural communities and places an outsized burden on areas that rely heavily on overnight visitation.

In frontier and rural Oregon, TLT revenues are not excess or discretionary funds. They are locally generated dollars that are reinvested directly into tourism promotion, destination management, visitor services, and community events that sustain small businesses and local jobs. These investments allow rural destinations to remain competitive, extend visitor stays, and support year-round economic activity.

Changes to TLT distribution must be viewed in the context of stacked lodging taxes. In many communities, the state lodging tax is layered on top of local transient lodging taxes, tourism improvement district fees, and other assessments. Visitors in some rural destinations already face lodging tax rates comparable to or higher than competing destinations in neighboring states.

From our experience supporting rural tourism development, lodging taxes directly influence traveler behavior, particularly among price-sensitive visitors, group travel, shoulder-season guests, and travelers choosing between nearby destinations. Even modest changes in cost can reduce length of stay, shift travel elsewhere, or discourage trips altogether. For rural communities with narrow margins, small declines in overnight stays can have significant economic impacts.

It is also important to recognize that Oregon's lodging industry already plays a central role in funding statewide and regional tourism promotion. TLT revenues support Travel Oregon and local destination organizations, which in turn drive overnight visitation and generate the very tax revenues under discussion. Policies that weaken tourism demand risk undermining this cycle.

We respectfully urge the Legislature to preserve local control over Transient Lodging Tax revenues and to ensure these funds remain dedicated to their intended purpose. If additional statewide funding is needed, we encourage consideration of alternative mechanisms that do not disproportionately impact rural tourism economies, such as General Fund support or broader-based revenue approaches.

Thank you for your time, consideration, and service to the State of Oregon. We appreciate your attention to the unique needs of rural communities and the role tourism plays in sustaining local economies.

Respectfully,

Brittany Dark
Executive Director
Oregon Frontier Chamber of Commerce
Destination Management Organization