

Submitter: Ron Moore  
On Behalf Of: Hoagland Properties Inc  
Committee: Senate Committee On Finance and Revenue  
Measure, Appointment or Topic: HB4134

I respectfully members of the Senate to vote NO on HB 4134.

Our two central Oregon Coast motels would be impacted by passing HB 4134.

Our motels employ a small group of people along the central Oregon coast, specifically in Senate District 5. These employees will be impacted as money is diverted away from tourism, and used for other purposes. They will also be negatively impacted as overall costs of travel increases through higher taxes such as the transient lodging tax (TLT). Less room nights equals less employment, and in turn, less economic activity.

The impact of COVID was devastating to the Oregon lodging industry, and our company in particular has not recouped all the lost revenue which caused the industry to shut down. Margins are thin, and any further erosion in business, like increased taxes proposed in HB 4134 could be the proverbial "last straw" to our business. Keep in mind, this is not a negligible amount. Lane County passed a 2% tax increase a few years ago, which was nearly a 20% increase in tax costs. Since then, our room nights have decreased. I suspect HB 4134 will do the same for our business.

Below are several things you should consider before voting:

- HB 4134 proposes a tax increase.
- Only lodging, a small part of tourism, is being taxed.
- Lodging is a cost-sensitive market, which will be hurt by higher TLT.
- For our businesses, the TLT is largely paid by Oregonians, not out of state visitors.
- Increases in TLT will negatively impact tens of thousands tourism jobs statewide.
- While lodging supports tourism, it doesn't create tourism's largest economic activity, therefore lodging should not be the primary funding source for broader tourism-related needs, and definitely should not be the source of funding for non-tourism related agencies.
- When tourism declines it not only impacts lodging, meaning less TLT in the future, but also impacts the employees from restaurants, retail shops, recreation providers, fuel stations, etc.
- Since 2020, hotel operators have absorbed substantial increases in labor, utilities, insurance, maintenance materials, and capital improvement expenses.

- Small increases in overall cost influence lodging booking decisions, especially for in-state drive markets like ours.
- Fewer room nights = less revenue = less jobs = less reinvestment in the community.

The lodging industry supports jobs, generates payroll and property tax revenue, and drives economic activity well beyond our front doors. HB 4134 places that ecosystem at risk.

I respectfully ask that you protect Oregon's tourism economy and the jobs it sustains by voting NO on HB 4134.

Thank you for your consideration and your service to our state.

Sincerely,

Ron Moore  
CEO/President  
Hoagland Properties, Inc.  
Florence, Oregon