

Chair Broadman, Vice-Chair McLane, and members of the Senate Committee on Finance and Revenue:

I am writing to you today as a very concerned resident of Corvallis and a long-time advocate for our local economy. Having served five years on the board of directors for Visit Corvallis, including two years as chair, I have an intimate understanding of the immense challenges our community faces in attracting visitors and maintaining economic stability. While I recognize the importance of the state's natural resources, I strongly believe that House Bill 4134 is the wrong mechanism for funding these needs.

Our local hospitality industry is already operating under significant strain. At the end of the 2025 calendar year, occupancy at local lodging facilities in Corvallis was only 49.8%. This means that for more than half the year, half of our rooms remained empty. Adding a 1.25% statewide tax increase—which would bring the cumulative lodging tax in Corvallis from 13.5% to 14.75%—creates a formidable headwind for businesses that are already struggling.

In my experience, meeting and event planners are exceptionally price-sensitive. When selecting sites for major events, they look at the total "all-in" price their attendees must pay, which includes both the room rate and the full tax burden. Because most travelers live east of the Mississippi River, Oregon is already more expensive due to the required flight costs. Raising our lodging taxes further erodes our competitive standing against neighboring states and eastern destinations. Research confirms that these tax increases have a measurably more negative effect on group bookings than on individual transient travel because large groups have the flexibility to choose more affordable locations.

Furthermore, it is a misconception that this tax only impacts out-of-state tourists. According to Travel Oregon's 2022 Visitor Research study, 41% of all travelers in Oregon are Oregonians themselves. This proposal essentially functions as a "staycation tax" on our own residents, hitting local families and discouraging the repeat visits and longer stays that our small businesses rely on.

The health of our tourism sector is inextricably linked to the health of our broader community. In Benton County alone, tourism supports 1,950 local jobs and generates \$163.5 million in visitor spending. When higher costs lead to fewer visitors, the ripple effect is felt by our local restaurants, coffee shops, and retailers.

Oregon made a strategic, targeted decision in 2003 to use the transient lodging tax as an economic development tool. HB 4134 represents a move away from this proven strategy toward a broad, undefined tax that lacks clear criteria for why these specific agencies should have direct access to these funds over other critical sectors. Using visitor-based taxes to fund core government services—such as those under the Department of Justice or State Police—violates the fundamental principle that such services should be funded by broad-based mechanisms to ensure stability and fairness.

I urge you to consider the real-world impact this bill will have on destinations like Corvallis and to vote NO on HB 4134.

Sincerely,

Curtis Wright