

Written Testimony in Opposition to Resiliency Grant Provisions

Oregon Senate — Public Hearing and Possible Work Session

Re: HB 4148-7 — Relating to Local Taxation

Submitted by: Adrian Cervantes Mendez

Location: Eugene, Oregon

Position: Oppose — Resiliency Grant Provisions

Chair and Members of the Senate Committee,

My name is Adrian, and I submit this written testimony in opposition to the resiliency grant provisions contained in HB 4148-7. I write in alignment with Travel Lane County and its members, who have raised similar concerns about how this bill would materially alter the structure of local transient lodging tax (TLT) revenue — and why that matters for communities like ours.

What HB 4148-7 Would Do

As currently drafted, HB 4148-7 would allow local jurisdictions to shift transient lodging tax revenue to a 50/50 structure, with up to 50 percent available for general fund purposes. It would also expand the allowable uses within the remaining tourism share to include tourism promotion, tourism-related facilities, and resiliency grants for small businesses in the restaurant and lodging industry.

Critically, the resiliency grant provision is undefined. It lacks clear parameters, eligibility criteria, or guardrails. That absence of definition is precisely what makes this provision so concerning. Embedding an open-ended grant program into the lodging tax framework — without standards or accountability — sets a troubling precedent and creates real uncertainty about how these funds would ultimately be used.

Reducing the dedicated tourism percentage while simultaneously broadening the definition of allowable uses materially changes the structure of the lodging tax framework that Oregon communities have relied upon. These are not minor technical adjustments — they represent a fundamental shift in how TLT revenue is prioritized and deployed.

Why Tourism Development Funding Matters for Eugene

Tourism development funding is designed to generate demand. It supports marketing, event recruitment, and destination competitiveness — activities that bring new visitors and new spending into our communities. For Eugene, that is not an abstraction. It is the lived reality of our local economy.

Eugene is a cultural hub. Our arts organizations, performing venues, festivals, and creative enterprises draw visitors from across Oregon and beyond. When people travel here for cultural events, they do not simply attend and leave. They stop at locally owned

restaurants, shop at independent retailers, and bring their spending into neighborhoods across this city. The experiences they find here are uniquely Eugene — they cannot be replicated anywhere else. That authenticity is our competitive advantage, and it is exactly what tourism marketing dollars help us communicate to visitors.

The businesses and organizations in our community — my friends and neighbors who have built their livelihoods around the cultural life of this city — depend on a steady stream of visitors who discover Eugene through tourism promotion. When TLT funding supports marketing, programming, and events that bring people here, the economic ripple effect reaches every corner of our local economy. Weakening the tourism-dedicated share of that revenue would directly harm this ecosystem.

Our Request

Our request is specific: amend HB 4148-7 to remove the undefined resiliency grant provisions.

If resiliency support is needed for small businesses in the restaurant and lodging industry, it should be addressed through a funding mechanism designed specifically for that purpose — with clear standards, defined eligibility, and meaningful accountability. The transient lodging tax framework is not the right vehicle for an undefined grant program. Conflating these two distinct policy goals risks undermining both.

Conclusion

I urge the Senate to remove the resiliency grant provisions from HB 4148-7. Protecting the tourism-dedicated purpose of local transient lodging tax revenue is an investment in the cultural and economic vitality of communities like ours. Tourism development funding works. It brings people to Eugene, fills our venues, supports our businesses, and strengthens the unique character of our city. We ask that you preserve that framework.

Thank you for your consideration. I welcome any questions and am happy to provide additional information.

Respectfully submitted,

Adrian Cervantes Mendez

Eugene, Oregon