



Date: 2-24-25

Name: Tina Patel | ALKO Hotels

Bill Number and Committee: HB 2977 – Testimony to the House Committee On Agriculture, Land Use, Natural Resources, and Water

Dear Chair Helm, Vice-Chair McDonald, and members of the House Committee On Agriculture, Land Use, Natural Resources, and Water,

My name is Tina Patel, and I own and operate ALKO Hotels, a collection of 6 hotels that serve travelers across Oregon. As a business owner in the hospitality industry, I have seen firsthand how tourism fuels our local economy, supports jobs, and brings communities together. I appreciate the opportunity to share my **opposition** to HB 2977.

At ALKO Hotels, we take pride in providing a welcoming stay for visitors—whether they're here for business, leisure, or major events. Many of our guests come to Oregon because of the strong tourism marketing and investments made possible through the transient lodging tax (TLT). These funds help bring in conventions, sporting events, and seasonal promotions that drive business to our hotels, restaurants, and attractions.

The success of Oregon's tourism industry is built on collaboration between local businesses like mine and organizations such as Travel Oregon and regional DMOs. These partnerships focus on promoting Oregon year-round, ensuring that hotels like ours can sustain staff and operations even during slower seasons. This stability allows us to provide jobs and reinvest in our communities.

Raising the lodging tax, as proposed in HB 2977, would make Oregon a less attractive destination for conventions and large group travel, sending business to other states with lower taxes. Convention organizers and event planners are extremely price-sensitive, and a tax increase could lead them to take their events elsewhere, impacting not just hotels but also restaurants, shops, and countless small businesses that rely on visitor spending.

The economic benefits of TLT investment are clear:

- Visitor spending has more than doubled – From \$6.5 billion in 2003 to \$14 billion today.
- State and local TLT revenues have more than tripled – From \$200 million in 2003 to \$650 million now.
- Demand for Oregon hotels has increased significantly – Visitors now spend an additional 2.7 million nights in hotels annually compared to 2008.
- Tourism supports steady economic growth – With annual increases of 4% in spending, 5% in earnings, 1.6% in employment, and 4.8% in tax revenue—outpacing inflation.

At ALKO Hotels, we've benefited from these investments in real ways—helping us attract more guests, keep our staff employed year-round, and provide a better experience for visitors. The proposed tax increase could slow this momentum, making it harder for us to compete and grow and sustain local workers.

There are countless stories like mine across Oregon—small and family-owned businesses that thrive because of a strong tourism economy. The existing TLT framework has allowed for strategic investments in rural and urban areas alike, funding projects such as wildfire recovery, and sports tourism. It is crucial that we continue this success rather than jeopardizing it with a tax increase that could have unintended consequences.

Your opposition to HB 2977 will help ensure that businesses like mine can continue to support Oregon's economy, provide jobs, and welcome visitors for years to come.

Thank you for your time and consideration.

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