

Date: May 6, 2025

Name: Christina Kiefel, Area Director of Sales - Corvallis, Northwest x Southern Hospitality

Re: HB 2977 – Testimony to the House Committee on Agriculture, Land Use, Natural Resources, and Water

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and members of the House Committee on Revenue

My name is Christina Rosales, and I serve as the Area Director of Sales - Corvallis for Northwest x Southern Hospitality, where I oversee the sales department at hotel properties in Corvallis. Our management company also oversees properties in Springfield and Ashland. Our hotels cater to business professionals, event participants, and visitors who come to enjoy and explore our community. I strongly encourage you to oppose HB 2977, as it would negatively impact our hotels, local businesses, and the broader tourism sector. I believe an increase in lodging taxes would harm not just our industry but the entire local economy.

Lodging taxes already put significant strain on our ability to attract visitors to Oregon. With rising operational costs and occupancy rates that have been slow to recover in some areas, the proposed tax increase would create an additional burden on hotels, restaurants, and small businesses that depend on tourism. At a time when competition for conventions, meetings, and events is fierce, raising taxes would make Oregon less attractive as a destination. Meeting planners are very price-sensitive, and even small increases in lodging costs can lead them to choose other states that offer lower taxes. When events choose other locations, our hotels lose guests, local restaurants lose customers, and small businesses suffer.

Moreover, conferences and events do more than just fill hotel rooms—they drive significant economic activity throughout the community. Visitors spend money on transportation, dining, shopping, and entertainment, benefitting local businesses and creating jobs. If the cost of lodging becomes too high, these valuable events may bypass Oregon, resulting in lost revenue throughout the entire community. Our properties in Corvallis are already grappling with the challenges brought on by Pac-12 conference realignment and other disruptions, and we can't afford to lose more visitors.

In addition, given the current economic state, now is especially not the right time to implement a tax increase. Many individuals and businesses, including those in the hospitality industry, are still recovering from recent financial strains and facing rising costs due to inflation and supply chain challenges. A tax increase would place additional burdens on hotels already grappling with reduced margins and on guests who are more price-sensitive than ever. This could discourage travel and spending, ultimately hurting local economies rather than helping them.

Many of our guests have expressed frustration over the high lodging taxes in Oregon, and raising them further would make it even more difficult to attract both business and leisure travelers to our state. Tourism investment has proven to be a sound strategy for long-term economic growth. Since 2003, transient lodging tax revenue has not only fueled the state's tourism promotion efforts but has also increased visitor spending and created thousands of local jobs. Redirecting funds away from tourism promotion or raising taxes on lodging would hinder our ability to attract new visitors, which would ultimately slow down economic recovery for our communities.

I am not a native Oregonian, but am lucky enough to call this state, especially in the Corvallis area, my forever home. I want to see it thrive and not fall behind. For the sake of Oregon's hospitality industry, local businesses, and residents, I urge you to oppose any increase in lodging taxes. Rather than raising taxes, we should work toward policies that support our tourism industry, keep Oregon competitive, and help small businesses and the residents thrive.

Thank you for considering my perspective on this important issue.

Sincerely,  
Christina Kiefel  
Northwest x Southern Hospitality