

Submitter: Shakeel Patel

On Behalf Of:

Committee: House Committee On Revenue

Measure, Appointment or Topic: HB2977

May 7, 2025

Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters and Members of the Committee,

I am writing to express my opposition to House Bill 2977, which proposes increasing the state's transient lodging tax from 1.5% to 2.5%, with the additional revenue allocated to the Recovering Oregon's Wildlife Fund Subaccount managed by the Oregon Department of Fish and Wildlife.

The 1.5% statewide tax is added on top of many city and county taxes collected at the local level bringing the total tax burden on visitors as high as 16%. Often the largest benefactor of these local transient lodging tax dollars is local General Fund programs.

While the intent to support wildlife conservation is commendable, this bill places an undue financial burden on Oregon's tourism and hospitality industries, which are still recovering from the economic impacts of recent years.

Increasing the lodging tax could deter potential visitors, especially during the off-peak seasons, thereby affecting local businesses and economies that rely on tourism dollars for jobs, economic development and local taxes.

Visitors who travel during those times help stabilize local economies and provide consistent revenue for local, small businesses to keep employees on the payroll year-round.

As a hotel owner/operator, I already pay large amounts in property taxes, utilities and other fees whether I have guests in house or not. Increasing the statewide lodging tax and undermining the efforts of the DMO's, local hotels and local businesses who are working to stimulate the local economy and bring year-round jobs to communities is not the right solution.

Please vote No on HB 2977 and protect our local economies and local jobs.