

Submitter: Mike Herron  
On Behalf Of: VIPS Industries Inc.  
Committee: House Committee On Revenue  
Measure, Appointment or Topic: HB2977

May 8, 2025

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

I am writing to express VIPS Industries strong opposition to House Bill 2977, proposing to increase the state's transient lodging tax from 1.5% to 2.5%, and allocating the additional revenue to Oregon Department of Fish and Wildlife.

The 1.5% statewide tax is in addition to the city and county taxes already collected at the local level, all of which add to the cost of visiting and staying, and the bulk of which often go to local jurisdictions' general funds. Guests of our properties pay upwards of 15% in occupancy taxes, and it does not go unnoticed by them.

As many others have likely noted, the lodging industry has yet to recover to pre-covid levels of occupancy and is unlikely to in the near future. Contrast that with the cost of operating, from soap, to energy, to labor, to insurance, whose costs have risen dramatically and continue to do so without any relief in sight. ANY addition to costs or impact on occupancy, whether in the form of more expensive printer paper, or an increase in lodging taxes, is another nail in the coffin of a local business, more lost jobs, a decrease in local tax base, and another reason to not do business in Oregon.

Increasing the state lodging tax is counter productive to the lodging and tourism industry, it will have a negative impact on visits/stays in our state, which in turn will put local businesses, jobs, and tax revenue in jeopardy.

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

Mike Herron  
VIPS Industries, Inc.