



Eastern Oregon Visitors Association
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Bill Number and Committee: HB 4134-1, Testimony to the House Committee on Revenue

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

I serve as the Executive Director of the Eastern Oregon Visitors Association (EOVA), a regional Destination Marketing and Management Organization (RDMO), serving eleven counties and two Tribal governments east of the Cascades. I appreciate the opportunity to submit written testimony in opposition to HB 4134-1. Due to time constraints at Wednesday afternoon's public hearing, I was not able to testify. After listening to the discussion, I would like to share a key point of distinction.

The opposition to HB 4134-1 is coming directly from the industry that will bear the cost — yet that industry was not part of developing the proposal.

This isn't about what is being funded; it's about how it's being funded.

We share a deep commitment to protecting Oregon's natural environment and wildlife. They are central to our identity and the visitor experience. Farming and ranching are also essential to our region, with Eastern Oregon generating more than one-third of the state's total agricultural sales.¹

We recognize the need to invest in these priorities. However, they are shared public benefits and should be supported through a comprehensive, irrefutable, statewide solution — not by singling out one industry to bear the cost alone.

Oregon's lodging tax was created as a self-assessed tool to reinvest in tourism — to drive visitation, support local businesses, and strengthen local economies. HB 4134-1 increases that tax and diverts those dollars away from their intended purpose. That's not reinvestment — it's redirection — and it sets a concerning precedent.

Tourism is not a niche industry. It is Oregon's fourth-largest economic sector and a primary driver of jobs and revenue in rural communities.

Although a lodging tax increase may appear to be an expedient way to fund conservation efforts, it does not reflect the diverse economic realities across our state. The tourism industry — the very sector being asked to fund this solution — has repeatedly raised concerns that have not been meaningfully addressed.

For rural communities like ours, the impacts are immediate and significant due to the following factors:

- **A still-recovering industry:** While TLT revenues may appear strong on paper, those topline numbers mask real economic pressure. Recent increases reflect inflation-driven room rates — higher labor, insurance, utilities, property taxes, and compliance costs — not stronger visitation or occupancy. In many communities, occupancy remains flat while costs continue to rise, resulting in thinner margins. New 2025 data shows continued softness in demand. Additional taxes further strain small, family-owned businesses with little capacity to absorb new costs.
- **Reduced competitiveness:** For destinations already working to rebuild shoulder-season visitation, this is not the moment to risk market share. Even small price differences influence travel decisions. Increasing the statewide tax makes Oregon less competitive for conventions, conferences, and group travel — particularly in Eastern Oregon, which borders Idaho, where the statewide lodging tax is just 2%. The impact extends beyond hotels to entire local economies.

¹ Census of Agriculture, 2022 State and County Profiles – Oregon: [Census of Agriculture - 2022 Census Publications - State and County Profiles - Oregon](https://www.nps.gov/oregon/census-of-agriculture-2022-census-publications-state-and-county-profiles-oregon)

- **Loss of critical tourism investment:** Diverting lodging tax dollars away from marketing and visitor services weakens the very system that drives visitation and generates these revenues, risking years of progress in rural communities.

It is also important to recognize that this tax will not fall solely on out-of-state visitors. Oregonians themselves will pay much of the increase. In Eastern Oregon, 40.5% of visitors come from within the state.

The appropriations of HB4134-1 are a shared, public benefit. These priorities deserve a statewide funding solution that reflects that shared responsibility.

Given the short legislative session, we respectfully oppose HB 4134-1 and ask that you pause this effort and work with stakeholders to develop a more equitable, collaborative approach that protects both Oregon's natural resources and the communities where tourism plays a vital role in sustaining local economies.

Thank you for your time, your service, and your thoughtfulness in navigating this complex issue. I'm happy to discuss further and can be reached at my email or by phone at 541-970-4551.

Sincerely,



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