

February 8, 2026



To: Oregon House Committee on Revenue

**RE: Support of House Bill 4148, Relating to local taxation**

Dear Chair Nathanson, Vice-Chair Reschke, Vice-Chair Walters, and Committee Members,

I write today as the Mayor of the City of Newport to express our city's strong support for House Bill 4148 relating to local taxation and the use of transient lodging tax (TLT) revenue.

Current TLT revenue rules limit our ability to use these funds to support essential services that are directly impacted by visitor demand but must otherwise be funded through limited general revenue sources. HB 4148 would allow Newport to dedicate a greater share of TLT revenue to sustaining water and wastewater infrastructure, parks and trail maintenance, timely emergency response, street maintenance, and public safety enhancements that directly benefit tourists and tourism-related businesses without shifting undue burden onto residents through other taxes or fees.

I would also like to dispel the myth that passing HB 4148 would reduce Oregon's commitment to tourism. In fact, it would fortify the state's commitments to destination cities. Newport, with approximately 11,000 residents, sees significant fluctuations in population seasonally due to tourism, sometimes as many as 40,000 in a day. During peak periods, visitor numbers can often strain public services such as water, wastewater, police, fire, streets, and parks and recreation.

Our sole water source, the Big Creek Reservoir, is protected by Big Creek Dam, one of the two most dangerous and at-risk dams in the state. Under present TLT requirements we cannot use a penny of TLT revenues as part of that financing package. TLT revenues could be an additional source of funding for the design, permitting and, eventually, construction of the replacement dam. Failure of the dam, which is inevitable, will likely result in the washing out of Highway 101. The disruption of traffic on the only north-south route between Newport and the north could take many months and even years to mitigate.

There is no one-size-fits-all approach for best use of TLT dollars. In many parts of the state more tourism promotion is an excellent strategy to increase local revenues. For cities such as Newport, a city that values tourism and the economic activity it brings, the costs associated with supporting that tourism extend beyond traditional marketing and promotion.

HB 4148 represents a thoughtful, balanced approach to updating state law to reflect modern realities for communities throughout Oregon, including small coastal cities like Newport. I urge the members of this body to support HB 4148 and help ensure Oregon's cities have the tools they need to maintain thriving, safe, and resilient communities.

Respectfully,

Jan Kaplan  
Mayor, City of Newport

