

Submitter: Katie Ortiz
On Behalf Of: AC Hotel Portland
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB4148

Chair, Vice-Chair, and Members of the Committee,

My name is Katie Ortiz, and I serve as the General Manager of a hotel operating in the State of Oregon. I am writing to express my strong opposition to HB 4134, which proposes increasing Oregon's state transient lodging tax from 1.5% to 2.75%.

While I understand and respect the intent to generate additional revenue for statewide initiatives, this proposed increase would place a significant burden on lodging operators, our guests, and the local economies that depend on tourism and travel.

Hotels in Oregon are still navigating a fragile recovery following years of volatility in travel demand, labor shortages, rising operating costs, and increased regulatory pressures. Property insurance, utilities, wages, and vendor costs have all increased dramatically, yet room rates cannot always rise proportionally without negatively impacting demand. As the market continues to see we are well behind 2019 performance.

From a guest perspective, lodging taxes are not abstract numbers — they directly influence purchasing decisions. Oregon hotels already collect multiple layers of transient lodging taxes at the state, county, and city levels. Increasing the state rate to 2.75% compounds these costs, making Oregon a less competitive destination compared to neighboring states. This is especially impactful for group business, conventions, youth sports, and budget-conscious leisure travelers, all of whom are highly price-sensitive and essential to year-round occupancy.

As a General Manager, I see firsthand how reduced demand affects staffing levels, employee hours, and long-term investment in our properties. When occupancy declines, hotels are forced to make difficult decisions that ripple through our teams and communities. Fewer hotel stays mean less spending at local restaurants, attractions, transportation providers, and small businesses — the very partners that tourism taxes are intended to support.

Importantly, the lodging industry already contributes substantially to statewide and local funding through existing transient lodging taxes. Increasing this tax further risks diminishing returns by discouraging travel rather than generating sustainable growth.

I respectfully urge the committee to oppose HB 4134 and consider alternative funding

strategies that do not disproportionately impact Oregon's hospitality industry or jeopardize our competitiveness as a travel destination. A stable and thriving lodging industry is essential to Oregon's economy, workforce, and local communities.

Thank you for your time and consideration.

Respectfully,

Katie Ortiz
General Manager
AC Hotel Portland
Portland, Oregon