

## Oregon Legislature

### Oregon House Revenue Committee

Re: House Bill 4148

February 9, 2026

Dear Oregon Legislative Committee:

I listened to the discussion of both support and opposition to HB 4148 which proposes to shift the Transient Lodging Tax (TLT) dollars **“collected by hotels and lodging businesses”** and allow local governments to direct those funds to their general fund us.

I am an Oregon Business person. I have owned and operated multiple Oregon businesses over the last 25 years. That means I invested my life savings in Oregon Hospitality businesses, borrowed money with my personal guarantees, made payroll when revenues were insufficient to meet that obligation, and suffered through the COVID pandemic whose scars still remain today.

Ironically, I listened to the hearing on HB 4052, a law which would grant up to \$1 Million in Income Tax Credits for new banks opening in Oregon. This proposed tax credit was expected to support up to 71,000 jobs in Oregon in the banking business. Yet, our Oregon legislatures appear to be ready to change the law allowing local City/County Governments the ability to shift TLT dollars to the General Fund and away from the promotion of tourism which supports jobs. In short, this is basically a move to de-fund the promotion of Tourism (which support over 200,000 jobs statewide) and fund general fund programs that are arguably disassociated from the Hospitality Business. Legislators seem to believe they have no other sources of funding. I think you should start by defeating HB 4052 and direct those resources to improved wildlife conservation.

Supporters of HB 4148 outline the reasons for their support which included:

- The Lodging Tax is “largely” paid by visitors outside of Oregon and local Cities and Counties need the additional funds for jails, police, and other support
- Local Cities/Counties need the money and have very few options
- The added TLT is unnoticeable for most consumers and in no way will affect any consumer’s lodging choices

It is easy to be dismissive of the people who actually invest in, live, work, and garner their livelihood from any industry. It is easy to cast them off as “short-sighted” or unwilling to pay their share. To do so in this case is not just wrong, it is unconscionable.

Here are some reasons “Why” you should defeat HB 4148:

1. Tens of thousands of Hospitality jobs were lost during the Pandemic and we have not rebounded. People left our industry due to the roller-coaster ride the Government authority put us through during the Pandemic with forced closings, weekly fluctuations in business operating hours, and failed Government leadership. Yet, at the start of the Pandemic, Oregon instituted a new “Corporate Activity Tax” on all businesses.
2. The Pandemic has left our industry in shambles. Most hotels in Portland are for sale and the loss in value has been catastrophic. Oregon is becoming “un-investable”. This is supported by recent studies ranking Oregon’s business climate in the bottom 10% nationwide. The testimony from the Portland Metro Chamber of Commerce executive speaks volumes to the true state of the business climate in Oregon. We are **“last in every major economic indicator nationwide”**. 2025 Employment is down 14% from pre-pandemic levels statewide.
3. It is easy to shift costs to someone else. As responsible business leaders we have a duty to look out for any added costs attached to the products and services we provide to our customers (which we like to call **“guests”**). The attitude that **“someone else, outside of Oregon, will pay the TLT”** is not only false; it is irresponsible. Many Oregonians pay the existing TLT (which is charged at the City, County and State levels). Depending on the destination, Oregonians pay up to 50% of the TLT in a particular locale like the Oregon Coast.
4. Currently, millions of dollars of collected TLT funds are sitting in bank accounts around the state that are unspent. Most City/County governments already direct far more than the statutory 30% of TLT to their general fund. Yet, these governments want more. They are willing to be at risk over 200,000 statewide Hospitality worker jobs in order to fund projects and programs completely unrelated to the support of Hospitality.

In my own businesses revenue is basically “flat” from pre-pandemic levels, especially when we consider the compounded annual growth rate of inflation the last 5-6 years. Yet, our costs for everything else from payroll, utilities, insurance, renovations, maintenance, supplies, and interest expense have increased dramatically. In looking out for our Guests, we cannot stand any more cost burden shifting to our customers. Our customers do see these added charges (in spite of one of the testifiers at the hearing who claimed that no one looks at the added TLT costs on their hotel bill). If that testifier were truly “on the ground” with us speaking to our guests every day, he would not have made such a ludicrous statement. And yet, that thinking seems pervasive among the supporters of HB 4148 and

some legislators! Just let someone else pay for it-someone we never have to speak to or face when we seek re-election.

I am not opposed to local Cities and Counties needing more money in their General Fund. Most businesses, when faced with a revenue look to a reduction of expenses first. Yet, is that really happening in Cities and Counties across Oregon? Robbing the TLT monies from their originally intended purpose (i.e., promote tourism to support jobs) breaks the Trust between the Government and our industry. And what is not spoken about is that these privately held, Hospitality businesses use their own funds to promote their businesses allowing the TLT collections to grow. It is largely through our efforts that we even have TLT monies. And yet, we now have the Legislature ready to break a long-term agreement and promise to use 70% of those TLT funds for promotion.

I ask that you defeat HB 4148. Defeat it for the betterment of an industry that has seen nearly 1800 hotels and restaurants close over the last 5-6 years.

**Please vote NO on HB 4148.**

Sincerely,

Terrance J. Bichsel

Rivertide Suites Hotel

Seaside Oregon