



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

For the record, my name is Steve Wright, and I serve as Mayor of Seaside, a coastal community of fewer than 8,000 full-time residents that welcomes millions of overnight visitors each year. I am testifying today on behalf of the City of Seaside in strong support of House Bill 4148.

Tourism is foundational to our local economy and central to our community's identity. Our hotels, restaurants, retailers, and hospitality workers depend on it, and the City understands that responsibility and takes it seriously. Seaside is proud to be one of Oregon's most visited communities and a place people choose to return to year after year.

But with that success comes a level of responsibility that is often invisible to those simply enjoying our beaches, downtown, and public spaces. On many weekends—and for extended stretches throughout the year—our population does not just grow; it multiplies two, three, even four times over. Yet our police, fire, emergency medical, infrastructure, utilities, sanitation, parks, and public facilities must perform at a level designed for a much larger city.

These are not abstract or occasional pressures. Police officers respond to significantly higher call volumes. Fire and emergency medical services must scale instantly. Roads, water systems, restrooms, parks, and beaches experience accelerated wear. These are daily, operational realities for high-visitation communities like Seaside.

Oregon's current lodging tax framework was established more than two decades ago, when many communities were focused on attracting visitors and building tourism economies. That effort has been successful—well beyond what policymakers in 2003 imagined. Today, the question is no longer how to bring visitors to Oregon. The question is how to sustain the communities that make those visits possible.

In Seaside, the disconnect between the current law and today's tourism environment is clear. The city continues to build a surplus—currently about \$11 million—from lodging tax revenues that are required to be dedicated to tourism promotion and tourism-related facilities. While fiscal responsibility is important, the accumulation of this surplus demonstrates that the existing statutory framework is not aligned with current conditions, where visitor demand remains strong, but community infrastructure and services are under increasing strain.

Addressing concerns about tourism promotion and jobs

You may hear concerns that House Bill 4148 would shift money away from tourism promotion or harm visitor demand and hospitality jobs. From the perspective of a city that lives with tourism every day, I want to address that directly.

House Bill 4148 does not eliminate tourism promotion. It continues to require that at least 40 percent of local lodging tax revenues be dedicated to tourism promotion and tourism-related facilities. That is a substantial and protected investment. In Seaside, we fully intend to continue operating and investing in our Convention Center, our Visitors Bureau, and year-round marketing efforts that support overnight stays, conferences, and shoulder-season travel.

Nothing in this bill prevents communities from promoting tourism. It simply allows local governments to better balance tourism promotion with the real costs tourism creates.

Visitor experience matters as much as visitor volume

In recent years, Seaside has refined its approach by focusing not only on attracting visitors, but on improving the visitor experience. Visitors return because they feel safe, the community is clean and well maintained, infrastructure works, downtown functions well, and public spaces are welcoming. Investments in infrastructure, public safety, and core services directly support tourism and benefit residents and visitors alike.

Repeat visitation—especially during shoulder and off-peak seasons—is critical to long-term economic stability. House Bill 4148 supports that outcome by allowing a visitor-paid tax to help fund the services and facilities that make tourism successful in the first place.

A fairness issue Oregonians understand

There is also a fairness principle that Oregonians understand. Transient lodging taxes are paid by visitors. While the lodging industry collects the tax, the burden is borne by the consumer. Under current law, a large share of post-2003 lodging tax revenues must be spent in ways that primarily benefit the tourism industry, while many of the costs tourism generates fall on local residents.

Recent statewide polling conducted for the League of Oregon Cities shows that more than 70 percent of Oregonians support allowing a greater share of lodging tax revenue to be used for city services impacted by tourism. That support crosses political parties, age groups, and regions of the state. Oregonians understand that visitors should help pay for the services they use.

Local accountability remains strong

House Bill 4148 maintains strong local accountability. Decisions about lodging tax revenues will continue to be made through public budget processes, advisory committees, and elected councils. The bill also includes reporting requirements

that increase transparency and public visibility into how funds are allocated and spent.

Local governments are not asking for less accountability. We are asking for the flexibility to responsibly manage the impacts of tourism using a tax paid by visitors.

Closing

House Bill 4148 is not anti-tourism. It is pro-community, pro-visitor experience, and pro-sustainability.

For Seaside, this bill provides the flexibility needed to continue welcoming visitors, supporting local hospitality jobs, and maintaining the services and infrastructure that make tourism possible—today and well into the future.

I respectfully urge your strong support for HB 4148. Thank you for your thoughtful consideration of this issue.

Steve Wright
Mayor, City of Seaside
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