

Submitter: Dhruti Patel
On Behalf Of: ALKO HOTELS
Committee: House Committee On Revenue
Measure, Appointment or Topic: HB4148

Chair and Members of the Committee,

My name is Dhruti Patel, and I am submitting this written testimony in strong opposition to HB 4148, on behalf of tourism and hospitality stakeholders in Lane County.

Under current Oregon law, transient lodging tax (TLT) revenues from new or increased taxes are required to prioritize tourism-related uses, recognizing that these funds are generated by overnight visitors and should be reinvested to sustain and grow the visitor economy. HB 4148 represents a significant departure from that policy framework.

HB 4148 reduces the minimum percentage of net local TLT revenue required to be spent on tourism-related purposes from 70 percent to as little as 40 percent, while allowing up to 60 percent to be used for city or county services. In addition, the bill expands eligibility so those services may be provided indirectly through special districts rather than directly by the city or county.

For Lane County, this change is particularly concerning. Tourism is a major economic driver across Eugene, Springfield, and our surrounding communities. Local hotels and lodging providers collect these taxes with the understanding that the funds will be reinvested into destination marketing, event recruitment, and tourism infrastructure that generate overnight stays and visitor spending. Reducing the guaranteed investment in tourism promotion undermines that compact.

Allowing a majority of TLT revenue to be diverted to general services — including through special districts that may have no direct connection to tourism — weakens accountability and dilutes the original purpose of the tax. While cities and counties face real service demands, TLT revenues were never intended to become a substitute for general fund dollars.

Lane County competes directly with destinations in neighboring states and regions that continue to protect and prioritize tourism reinvestment. Reduced funding for promotion and visitor services makes our community less competitive for conventions, group travel, and major events, ultimately resulting in fewer visitors, lower occupancy, and less overall tax revenue.

HB 4148 shifts the balance away from tourism in a way that will have long-term

negative consequences for local businesses, workers, and the broader economy in Lane County. For these reasons, I respectfully urge the committee to oppose HB 4148 and preserve the integrity and intended use of transient lodging tax revenues.

Thank you for your consideration.

Sincerely,
Dhruti Patel