



February 9, 2026

Oregon House Committee on Revenue
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

RE: Support for HB 4148 and SB 1562 (LOCAL Act) – 2026 Oregon Legislative Session

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

On behalf of the City of Oregon City, I submit this testimony in strong support of HB 4148 and SB 1562, the Local Opportunities for Community Advancement and Livability (LOCAL) Act. Tourism is vital to Oregon's economy, but it also creates real impacts for communities that host visitors—including increased wear on local infrastructure, increased demand for public spaces, and additional pressure on public safety and community services. The LOCAL Act updates outdated restrictions on transient lodging tax (TLT) revenues so communities can better balance supporting tourism with maintaining the quality of life for residents.

Tourism brings opportunity—and local costs that cities must manage.

In Oregon City, visitors contribute to the vitality of our local businesses and events, but visitor volumes also increase the day-to-day strain on city-managed assets. Increased travel and dispersed short-term lodging patterns create added wear on **roads and transportation systems** and intensify the maintenance needs of shared public facilities—particularly parks and event spaces.

The LOCAL Act provides the flexibility cities need to keep tourism sustainable.

HB 4148 and SB 1562 adjust the post-2003 lodging tax distribution so that 60% can be used for critical local services and infrastructure, while 40% remains dedicated to tourism promotion and facilities. This is a practical, balanced approach that preserves investment in tourism promotion while allowing cities to address the on-the-ground impacts that tourism creates.

For Oregon City, the modified allocations would allow us to more adequately support tourism by:

- **Maintaining parks and public facilities to support events and visitor use.** Oregon's parks and trails are seeing record use and many park systems report significant deferred maintenance needs; allowing greater flexibility helps ensure public facilities remain safe, clean, and event-ready for residents and visitors alike.
- **Addressing road and transportation impacts associated with visitor activity.** Tourism-related travel patterns add wear to local streets and increase pressure on maintenance and reinvestment. Greater local flexibility helps cities respond to these needs and sustain access to destinations, events, and local businesses.
- **Supporting public safety needs in peak seasons and at community events.** Even where service delivery models differ by jurisdiction, visitor volumes increase the need for coordinated public safety readiness and response. Local governments need the ability to support these services in ways that keep communities safe and maintain a positive visitor experience.

Oregonians support this approach.

Statewide, over 70% of voters support allowing more local lodging tax revenue to fund essential city services that keep tourism sustainable.

Conclusion

HB 4148 and SB 1562 help local governments manage tourism responsibly—so visitors and residents alike can continue enjoying Oregon's communities safely and sustainably—while still protecting investment in tourism promotion. For these reasons, Oregon City respectfully urges your “YES” vote on HB 4148 and SB 1562.

Thank you for the opportunity to provide testimony.

Sincerely,



Tony Konkol
City Manager
City of Oregon City