



## Support Portland's Competitiveness - Oppose HB 4134

HB 4134 would increase taxes \$38M a year on Oregon's tourism industry. This hits Portland especially hard, when the region is still struggling to recover from the pandemic and reputational damage.

Portland's tourism industry is last in the nation among our peers in post-pandemic recovery.

- Tourism spending is still down over \$100M annually from 2019
- Inflation adjusted direct travel spending in 2024 remained 15% below 2019 levels
- Average monthly room night occupancy is still 14 points below 2019 levels
  - City Center hotels sold 400,000 fewer rooms in 2024 than in 2019

Portland's overall economy has been in a recession since 2023 and is down 39,000 jobs since the onset of the pandemic. Specifically, in 2025, employment in the Leisure and Hospitality sector in Multnomah County was down 14% compared to pre-pandemic levels. This means that Multnomah County's sector is behind every single U.S. County besides San Francisco County.

### **An increase in the TLT will damage Portland's tourism industry and the region's overall economic recovery.**

**Portland City Economist, Peter Hulseman, 1/22/26**

*"It's difficult to imagine a resurrection of Portland's economy without recovery in the hospitality sector."*

- TLT revenues generated in the city reached \$40M in FY18-19 and have remained stuck at \$25M since FY23-24.
- The city economist's baseline forecast projects TLT revenue growth reaching only as high as \$30M by FY2030-31.

Portland's current total tax on lodging is 16%. Raising the tax to 17.25% would launch Portland past Los Angeles, Sacramento and San Francisco making Portland the 2<sup>nd</sup> highest lodging tax rate in the West, behind only Seattle, while diverting those increased revenues away from economic development.

### **Convention business loses competitiveness under HB 4134.**

Cost and affordability, including hotel rates and total destination cost, are important factors reported by convention bureau directors when choosing sites.

At a time when the state of Oregon and the Portland region need urgent support and investment in the private sector the most, HB 4134 would raise taxes and direct state and local Tourism and Lodging Taxes away from programs that drive economic vitality and growth, as well as advance a positive narrative to the rest of the country.

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