



Legislature Takes Aim at Oregon's Tourism Industry

By Bobbie Singh-Allen, Executive Director, Independent Lodging Industry Association

In these tough economic times, one would hope that state government would be focused on creating jobs and helping grow the public sector. Unfortunately, the Legislature is currently considering a bill that would directly harm Oregon's multi-billion tourism industry.

Senate Bill 1519 would create a new tax on the services customers use to book hotel rooms in Oregon, making it more expensive to visit Oregon and hurting small businesses that offer lodging. At a time when many of these entrepreneurs are already struggling, this proposal could be disastrous.

As head of the Independent Lodging Industry Association, we represent over 3,000 independent hotel members nationwide – including more than 55 in Oregon. And we are proud of our role in helping grow tourism in Oregon from a \$3.7 billion annual industry in 1991 to over \$8.7 billion today.

Independent hotel owners rely on travel agents and online travel companies to help sell hotel rooms that would otherwise go unsold. Because they lack the marketing infrastructure of large hotel chains, independent hotel companies often find it helpful to partner with travel agents and online travel companies—particularly during slower travel seasons. In this way, owners of independent hotels can reach out-of-state visitors throughout the world who might never hear of these properties but for the marketing reach of their online partners.

The lodging industry has suffered in this weakened economy. Online Travel Companies (OTCs) such as Expedia, Orbitz, Travelocity, and others are playing a vital role in boosting room sales in these difficult times. The heads OTCs put in beds often are the difference between profitability or a loss for many hotel operators

But rather than continue to grow this industry, the Oregon Legislature is considering a new tax on these services –discouraging these services from working with local operators and making it more expensive for tourists to visit Oregon.

For the sake of tourism and the small business owners who operate independent hotels in the state, I encourage you to contact your legislators and urge them to oppose any efforts to tax interactive travel services and Senate Bill 1519.

For more information, please contact visit www.independentlodging.org.

About Us:

The Independent Lodging Industry Association (ILIA) is a national association with over 3000 members nationwide. It was founded in 2010 by the California Lodging Industry Association (CLIA). CLIA was established 65 years ago by a group of independent hotel owners and operators. Over the past several decades, independent hotels, independently owned franchised hotels, and owners have been impacted by decisions being made out of the halls of State Capitols to Washington, D.C. Chain hotels have dominated the policy making process. ILIA will level the playing field and allow independent hotels a seat at the table. For more information, please visit www.independentlodging.org or contact Bobbie Singh Allen at: 916-826-2075.

Independent Lodging Industry Association

2150 River Plaza Drive Suite 295 Sacramento, CA 95833

(916) 925-2915