



From the Offices of Representative Walters, Javadi; Senators Neron Misslin, Weber

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Press Contact:

Rep. Walters, Rep.JulesWalters@OregonLegislature.gov

Rep. Javadi, Rep.CyrusJavadi@OregonLegislature.gov

Sen. Neron Misslin, Sen.CourtneyNeronMisslin@OregonLegislature.gov

Sen. Weber, Sen.SuzanneWeber@OregonLegislature.gov

New Oregon Law Gives Communities Greater Control Over Lodging Tax Revenue

SALEM, Ore. – The LOCAL Act (Local Opportunities for Community Advancement and Livability Act, [HB 4148](#)) will officially take effect on June 5, giving Oregon cities and counties expanded flexibility over how they invest transient lodging tax (TLT) revenues.

The new law gives communities more flexibility to reinvest tourism dollars back into the places that make Oregon worth visiting including public safety, roads, infrastructure, and local services while still maintaining strong support for tourism promotion. It also creates a new opportunity for small restaurants and lodging businesses to receive grants for repairs, upgrades, and other improvements.

“Tourism has become a major economic engine in communities across Oregon, but local governments have been operating under outdated restrictions that no longer reflect the realities on the ground,” said **Rep. Jules Walters** (D-West Linn). “The LOCAL Act gives communities the flexibility to address public safety, infrastructure, and livability needs while still supporting a strong tourism economy.”

Rep. Cyrus Javadi (D-Tillamook) said the law reflects a more sustainable long-term approach to tourism investment.

“For coastal communities especially, tourism success brings real pressure on roads, emergency services, utilities, and small businesses,” said **Rep. Javadi**. “This law recognizes that healthy tourism depends on healthy communities. Visitors want to come to places that are safe, functional, and thriving year-round, and this law helps local leaders make those investments.”

In addition to preserving tourism funding, the law requires regular public reporting so communities can clearly see how lodging tax revenue is being used and where those dollars are going.

“The new law gives communities more flexibility to reinvest tourism dollars back into the places that make Oregon such an amazing place to explore, including public safety, roads, infrastructure, and local services while still maintaining strong support for tourism promotion,” said **Sen. Courtney Neron Misslin** (D-Wilsonville, Sherwood, King City & Tigard). “It also creates a new opportunity for small restaurants and lodging businesses to receive grants for repairs, upgrades, and other improvements.”

“As we begin the tourist season in earnest, we are reminded that many of Oregon’s coastal and rural communities serve far more people than actually call those communities home,” said **Sen. Suzanne Weber** (R-Tillamook). “Those visitors support local businesses and jobs, but they also place increasing demands on roads, emergency services, parks, and other public infrastructure. The LOCAL Act gives communities greater flexibility to address those impacts while continuing to invest in the tourism economy that helps make Oregon such a special place to visit.”

The law is effective June 5, with operative changes to revenue allocation taking effect January 1, 2027.

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