

SB 110 -1 STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

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Meeting Dates: 3/24, 3/26

WHAT THE MEASURE DOES:

Requires the Legislative Revenue Officer to study the personal income tax system and submit a report to the interim committees of the Legislative Assembly related to revenue no later than December 1, 2026.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces content of measure.

Increases from \$150 million to \$800 million (plus reasonable financing costs), aggregate amount of incremental personal income tax baseball revenues that may be granted by the State of Oregon to be used to pay for the costs of financing, developing, constructing and furnishing a major league baseball stadium in Portland.

BACKGROUND:

Enacted in 2003, SB 5 allows the Director of the Oregon Department of Administrative Services, with the approval of the State Treasurer, to enter into one or more agreements on behalf of the State of Oregon to grant 30 years worth of incremental state personal income tax baseball revenues for the purpose of building a baseball stadium located in Portland. The incremental state personal income tax baseball revenues are the personal income tax liabilities shown on Oregon income tax returns filed by members of a professional Major League Baseball team. Current law limits the total grant payments to no more than \$150 million (plus reasonable financing costs) and requires the baseball stadium to have an estimated cost of \$300 million or more. Incremental baseball tax revenues received in a year that substantially exceed the amount reasonably required to amortize the \$150 million loan are retained by the state of Oregon. Grant agreements may not be authorized until after a Major League Baseball franchise has agreed to locate and be based in Portland and all funding to build the major league stadium that is not based on the grant agreement has been committed.