

May 13, 2025

Representative Nathanson, Chair  
Representative Reschke, Vice-Chair  
Representative Walters, Vice-Chair  
Members of the House Committee on Revenue

Re: SB 110 A-Engrossed

I am writing to oppose SB 110 A-Engrossed with or without the -A9 amendment.

The consortium seeking an MLB expansion franchise for Portland is, I assume, pursuing a profit making venture. The stadium for the franchise should be its responsibility.

SB 110 A is presented as a public-private development. However, the Reason Foundation's analysis of publicly-financed sports stadiums have seldom, if ever, lived up to the promise of their initial presentations.

Instead, publicly-financed stadiums become a point of leverage for team owners over city and state governments. For instance, the Tampa Bay Rays threatened to leave Tampa Bay unless local government paid half toward a new stadium. Similarly, the Arizona Diamondbacks are working to get the state and local government to help finance improvements for the Diamondbacks stadium built in 1998. And, the Athletics left Oakland after 57 years when the community failed to finance a new stadium.

The -A9 amendments would require a revenue sharing agreement with the proposed Portland MLB team. The revenue sharing agreement would appear to compensate the public for the risk that it would take on by financing a stadium. However, it is not clear how the revenue sharing agreement (one percent of gross revenue from all sources) would affect the State's existing corporate activity tax.

Finally, the dedicated tax revenue from player and non-player salaries may not be sufficient to repay an \$800 million loan to finance a new stadium. The Revenue Impact Statement indicates \$23 million per year would be available, although the estimate is uncertain. The estimate appears to be based on the median MLB team payroll of \$162 million (2025).

There is no assurance that a Portland MLB team payroll would be close to that of the median of MLB teams. There is a significant range in MLB team payrolls. Three teams at the bottom of the 2025 ranking have team payrolls that are less than half the medium. The Tampa Bay Rays, one of the two 1998 expansion teams, are among those teams with the lowest team payroll.

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SB 110 A-Engrossed has moved through the legislative process on a wave of nostalgia for baseball. It should not proceed further. Please do not pass SB 110 A-Engrossed out of committee.

Victor Dodier  
Salem, Oregon