



SB110 House Committee on Revenue Hearing - May 15, 2025







# SB 110 Key facts

- ② SB 110 makes **three simple updates** to SB 5, adjusting dollars to the current market.
- ② SB 5 was passed in 2003 to attract an MLB team, it's been on the books for over 20 years with **no impact and zero cost** to Oregon.
- ② The mechanism established by SB 5/110 centers around the **Major League Stadium Grant Fund**.
- ② The terms "*Bond*" or "*Stadium Authority*" **are not defined** in SB 5 or SB 110.

# SB 110 Updates three dollar amounts

## 1. Maximum Capital Contribution

From **\$150M** to **\$800M**

Increases the maximum capital contribution (plus financing cost) from tax revenue on MLB salaries into the Major League Stadium Grant Fund

## 2. Est. Stadium Construction Costs

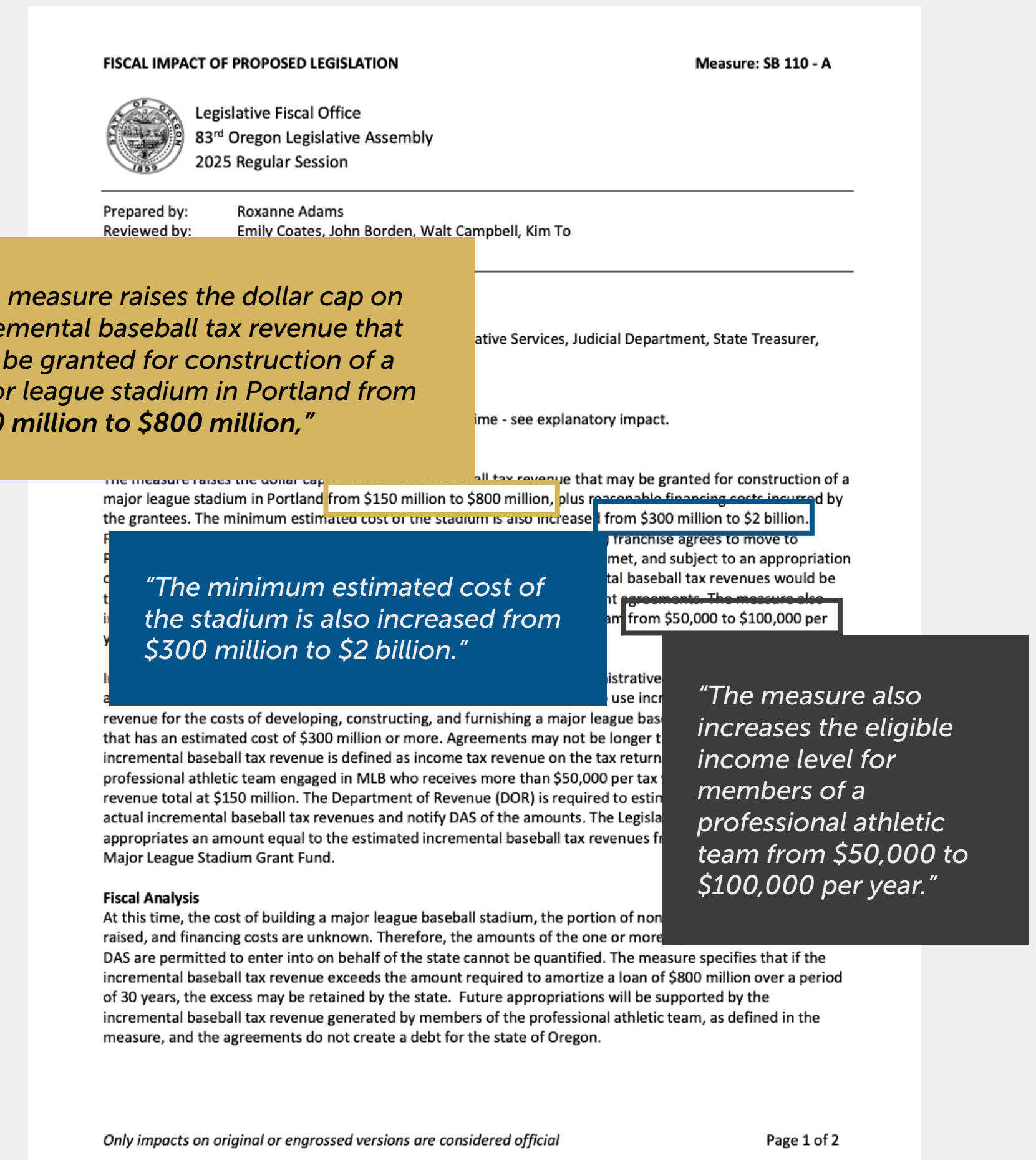
**From \$300M to \$2B**

Raises the estimated total cost of developing, constructing, & furnishing a major league stadium

### 3. Income level used to define team staff

**From \$50K to \$100K**

Increases the personal income amount used to define a *member of a baseball team* as used in the bill





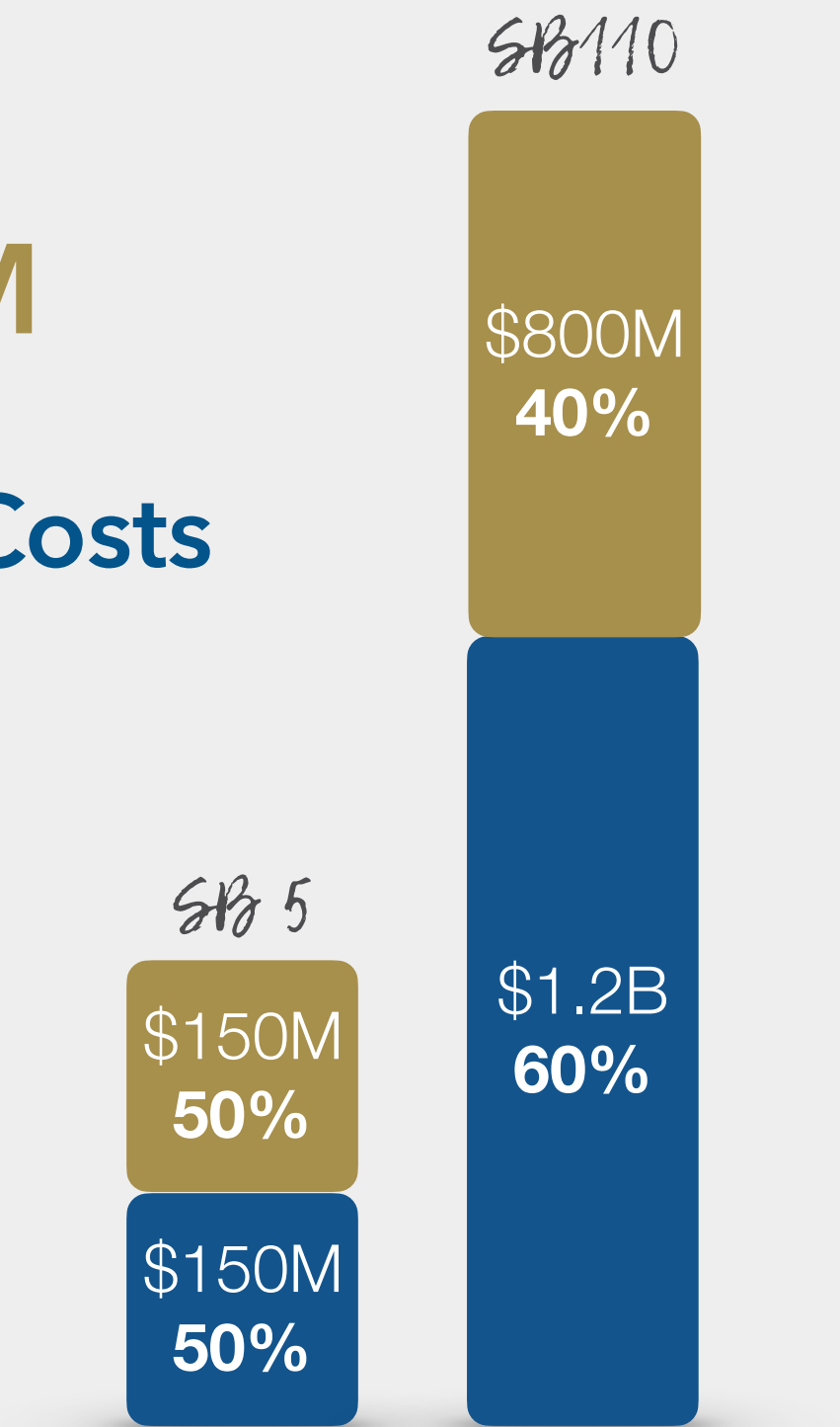
# SB 110 Compared to SB 5

## Maximum Contribution

From \$150M to \$800M

## Est. Stadium Construction Costs

From \$300M to \$2B



Stadium construction costs contribution percentages between SB 5 & SB 110

## Avg. MLB Team Salaries have increased

2003: \$126 Million  
2024: \$337 Million  
2030: \$440 Million (projected)

## Construction Cost Increases

Stadium construction costs have increased by 5-8x since 2003



# SB 110 Does not

Does not create a new tax

Creates, Extends, or Expands Tax Expenditure: Yes ☐ No ☒

*\*excerpt from REVENUE IMPACT OF PROPOSED LEGISLATION 4/1/2025*

Does not

- Impact state bonding capacity
- Extend beyond 30 years
- Apply to anything other than building an MLB Stadium

9        184.404. (1) The Director of the Oregon Department of Administrative Services, with the ap-  
10        proval of the State Treasurer, may enter into one or more agreements on behalf of the State of  
11        Oregon to grant the incremental baseball tax revenues for a period of not more than 30 years. The  
12        grant agreements must:  
13        (a) Provide that the granted amounts may be used only to pay for the costs of financing, devel-  
14        oping, constructing and furnishing a major league stadium;

*\*excerpt from SB 110*

Does not activate until there is new tax income from an Oregon MLB team

**Revenue Impact:**  
'Incremental baseball tax revenues' cannot be granted until a Major League Baseball (MLB) franchise has agreed to locate and be based in Portland, has entered into a legally binding commitment to remain in Portland for at least the term of the grant agreement, and all funding to build the stadium (unrelated to the grant agreement) has been committed. As none of these requirements have been met, this analysis reflects the hypothetical of a

*\*excerpt from REVENUE IMPACT OF PROPOSED LEGISLATION 4/1/2025*

Does not create state indebtedness

33        State of Oregon does not pledge its full faith and credit or taxing power. The grant agreements do  
34        not create an indebtedness of the State of Oregon in violation of Article XI, section 7, of the Oregon  
35        Constitution. If a provision of a grant agreement is construed to have the effect of creating a debt  
36        in violation of Article XI, section 7, of the Oregon Constitution, the provision is void.

*\*excerpt from SB 110*



# SB 110 Legislative guardrails

*SECTION 3: The Director of the Oregon Department of Administrative Services **may not execute a grant agreement** authorized by section 2 of this 2003 Act **until the director has determined:***

**1. The City Has Made a Request**

**2. MLB Commits to Oregon for 30 yrs**

**3. Private Capital is Committed**

**4. No indebtedness to Oregon is Created**

**5. DAS & Treasury oversight is Created**

**6. Advisory Committee consisting of elected & appointed officials**

SECTION 3. The Director of the Oregon Department of Administrative Services may not execute a grant agreement authorized by section 2 of this 2003 Act until the director has determined that:

(1) The City of Portland has made a written request to the director to execute and deliver the grant agreement;

(2) A Major League Baseball franchise has agreed to locate and be based in Portland and has entered into a legally binding commitment to remain in Portland for at least the term of the grant agreement;

(3) All funding to build the major league stadium that is not based on the grant agreement has been committed;

(4) No grantee is both a public body and a guarantor for the repayment of bonds or other indebtedness that is to be repaid through use of grant moneys;

(5) The Oregon Department of Administrative Services has provided a written report regarding the estimated and actual incremental baseball tax revenues to, and has solicited comments from, the advisory committee described in subsection (6) of this section relating to the following provisions of the proposed grant agreement:

(a) The methodology for estimating the incremental baseball tax revenues;

(b) The methodology for determining the actual incremental baseball tax revenues; and

(c) The requirement that estimated and actual incremental baseball tax revenues be based on the Oregon personal income tax rates in effect when the grant agreement is executed or for the period for which the taxes are collected, whichever is greater, even if those rates are subsequently reduced; and

(6) An advisory committee, consisting of two legislators appointed by the President of the Senate, two legislators appointed by the Speaker of the House of Representatives and one person appointed by the Governor, has reviewed the provisions of the proposed grant agreement listed in subsection (5) of this section.



# Major League Stadium Grant Fund

## Simple Mechanics





# MLB Oregon generates new state revenue

## New Income Tax Revenue Sources

 <b>Staff of design, construction firms &amp; local contractors</b>	 <b>Stadium vendor employees (game day support)</b>
 <b>Professional service vendors &amp; consultants</b>	 <b>Zidell Yards District hotel, restaurant &amp; retail employees</b>
 <b>Marketing &amp; comms firms for MLB franchise efforts</b>	 <b>Ancillary construction at South Waterfront &amp; Zidell Yards District</b>
 <b>Employees of Oregon construction materials &amp; equipment suppliers</b>	 <b>Team staff making &lt;\$100K</b>



 <b>Salaries of MLB players and team staff making &gt;\$100k</b>
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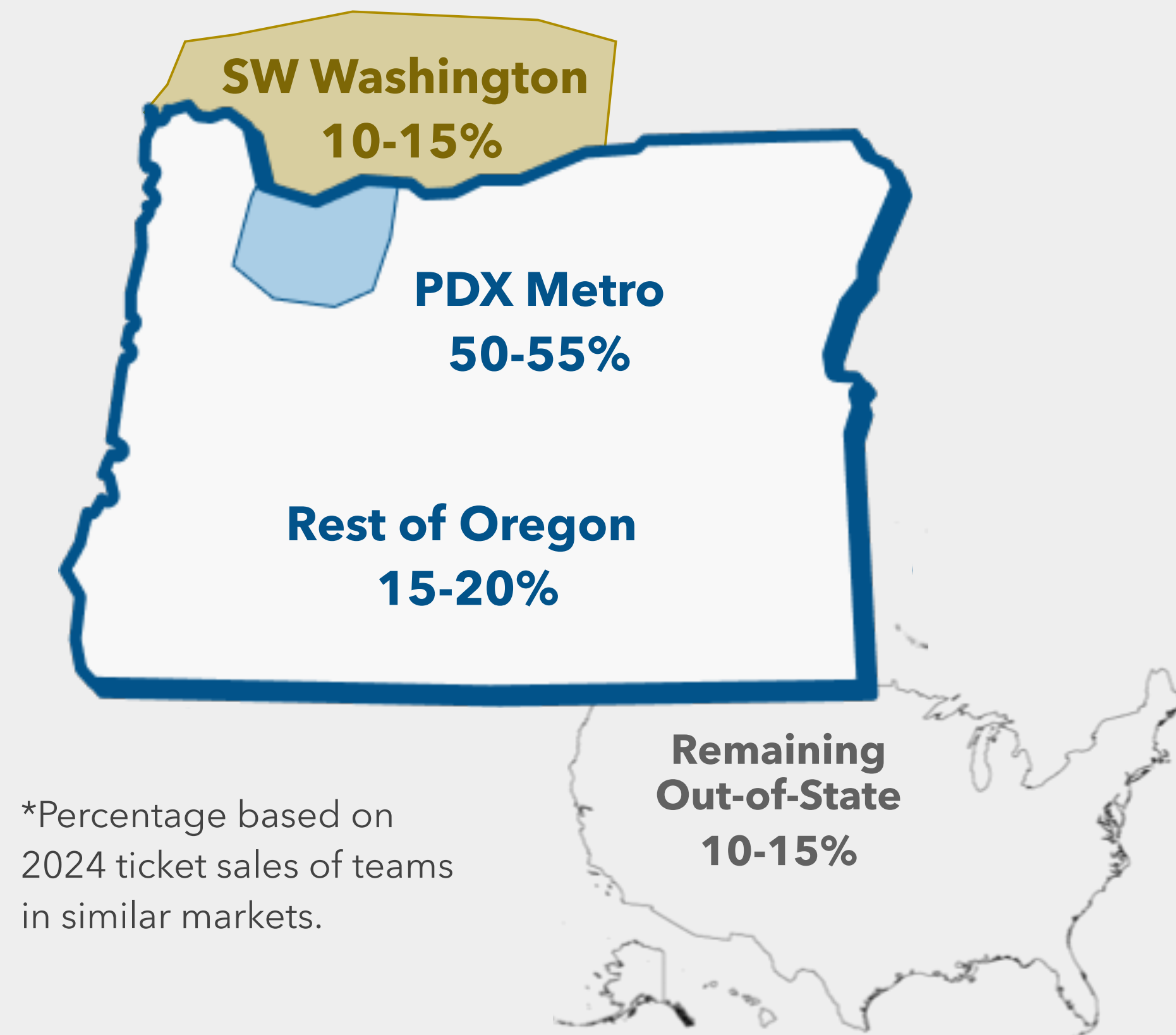


**Major League Stadium Grant Fund**



# MLB Oregon grows the traded sector

## Estimate Percentage of Fan Attendance by Location





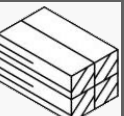


- ⌚ These travel dollars help support Oregon business, to the benefit of their employees and vendors.
- ⌚ Ticket sales help pay the Oregon MLB team's staff salaries.
- ⌚ The net effect is out-of-state dollars contribute to both the General Fund and Major League Stadium Grant Fund.



# After 30 years

## New Income Tax Revenue Sources

 Staff of design, construction firms & local contractors	 Stadium vendor employees (game day support)
 Professional service vendors & consultants	 Zidell Yards District hotel, restaurant & retail employees
 Marketing & comms firms for MLB franchise efforts	 Ancillary construction at South Waterfront & Zidell Yards District
 Employees of Oregon construction materials & equipment suppliers	 Team staff making <\$100K



	Salaries of MLB players and team staff making >\$100k
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# SB 110 Is

- ② A simple modernization of bill that has existed on the books for over 20 years.
- ② An allocation of only MLB players & staff income tax revenue into Major League Stadium Grant Fund.
- ② A sign of commitment to MLB, that Oregon is ready for an expansion franchise.
- ② The catalyst to unlock a generational opportunity.



*A new MLB team represents the biggest economic opportunity on the horizon for Oregon*

