

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
83rd Oregon Legislative Assembly  
2026 Regular Session  
Legislative Revenue Office

<b>Bill Number:</b>	<b>SB 1501 - B</b>
<b>Revenue Area:</b>	<b>Personal Income Tax</b>
<b>Economist:</b>	<b>Kyle Easton</b>
<b>Date:</b>	<b>3/2/2026</b>

*Only Impacts on Original or Engrossed Versions are Considered Official*

**Measure Description:**

Redirects General Fund revenue from personal income tax sources to the Oregon Arena Fund. Defines terms, and requirements under which revenue redirections can occur. Beginning September 1, 2027, and every three months thereafter, requires Department of Revenue to determine aggregate amount of personal income tax withheld by “operating organizations” and “construction organizations” in the previous three months. On July 1, 2028, and on July 1 of each year thereafter, requires the Office of Economic Analysis to estimate the amount of personal income tax paid by “performers” on income derived from performances at the Rose Quarter in the previous twelve months. Requires Department of Administrative Services to transfer such amounts as soon as practicable. Ends determinations and estimates of revenue to be redirected on the later of, January 1, following expiration of Moda Center lease term, or January 1, following the date on which all indebtedness incurred by the State of Oregon, the net proceeds of which are deposited in the Oregon Arena Fund, is retired.

**Revenue Impact (in \$Millions):**

	<b>2025-27</b>	<b>2027-29</b>	<b>2029-31</b>
<b>General Fund</b>	\$0	-\$72.3	-\$82.6
<b>Oregon Arena Fund</b>	\$0	\$72.3	\$82.6

**Impact Explanation:**

Measure identifies three categories of personal income tax revenue to be redirected from the General Fund to the Oregon Arena Fund.

“Operating organizations” are employers that derive revenue from activities or operations that are physically located in the Rose Quarter, excluding “construction organizations” and “performers”. Operating organizations include professional home sports teams that play in the Rose Quarter and organizations that derive revenue from activities or operations that are physically located in the Rose Quarter. Redirected revenue from operating organizations is the personal income tax withholding of such organizations paid for, and related to, activities/services performed in the Rose Quarter. Estimate of redirected personal income tax withholding from operating organizations is based on an analysis of home team professional athletes’ salaries and supporting organizations. The transfer of withholding is expected to occur beginning in quarter three of calendar year 2027, and quarterly thereafter.

“Construction organizations” are an employer that derives revenue in a given quarter from activities or operations directly related to the renovation or other improvement of the Moda Center. Redirected revenue from construction organizations is the personal income tax withholding of such organizations paid for services directly

related to the renovation or other improvement of the Moda Center. Estimate of redirected personal income tax withholding assumes \$600 million in aggregate construction costs is expended in the years 2027, 2028, and 2029, and about 40% of construction costs are expended on labor subject to withholding. The transfer of withholding is expected to occur beginning in quarter three of calendar year 2027, and quarterly thereafter through 2029.

“Performers” are a person or entity who performs, or whose employees or contractors perform, for any audience at the Rose Quarter, including, without limitation, a musical, comedic, theatrical, sports or other artistic, athletic or entertainment performance (excluding home teams). Redirected revenue from performers is the estimated amount of Oregon personal income tax paid by performers on income derived from performances at the Rose Quarter. The first transfer is expected to occur in quarter three of calendar year 2028, for the estimated amount of personal income tax paid for income derived from performances during July 1, 2027, to June 30, 2028. Estimate of redirected personal income tax revenue for performers is based on an analysis of total revenue from performances held in the Rose Quarter and of the average salaries of away team players for games played in the Rose Quarter.

**Creates, Extends, or Expands Tax Expenditure: Yes  No**