

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2531

STATUS: B-Engrossed

SUBJECT: Allowing the Department of Administrative Services, with the approval of the State Treasurer to enter into one or more agreements to grant incremental soccer tax revenues for a period of up to 30 years

GOVERNMENT UNIT AFFECTED: Department of Administrative Services, Department of Revenue, State Treasurer

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DATE: June 4, 2009

2009-2011

2011-2013

EXPENDITURES:

See Comments

EFFECTIVE DATE: 91 days after adjournment of sine die

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The measure allows the Department of Administrative Services (DAS), with the approval of the State Treasurer, to enter into one or more agreements to grant incremental soccer tax revenues for a period of up to 30 years. The measure provides that the grant agreements are to be used for the costs of financing, developing, constructing and furnishing a major league stadium and must be limited to \$5 million. The measure requires the Department of Revenue (DOR) to estimate and provide DAS with incremental soccer tax revenues; DOR is also provided with the authority to adopt administrative rules necessary to fully implement the duties of the department. The measure requires DAS to request that the Legislative Assembly appropriate an amount equal to the estimated incremental soccer tax revenues from the General Fund to the Major League Stadium Grant Fund; the moneys in this fund may be disbursed under the grant agreements. The measure stipulates that subject to the appropriation by the Legislative Assembly, the obligation of the State of Oregon is to transfer estimated or actual incremental soccer tax revenues to the Major League Stadium Grant Fund. The provisions of this measure are repealed on the earlier of the date by which all bonds are retired or July 1, 2041.

DAS reports a minimal fiscal impact to implement and administer the grant agreements for incremental soccer tax revenues. The measure provides for the continuous appropriation of amounts in the Major League Stadium Fund and establishes two \$1 expenditure limitations for the 2009-11 biennium, one for grant agreements and one for agencies' administrative costs. These placeholder limitations could be increased by the Legislature of the Emergency Board when conditions are met and funds are available.

The Department of Revenue (DOR) anticipates that it will incur a minimal fiscal impact to estimate the incremental athletic tax revenues and specify the methodology for estimating the incremental tax revenues. DOR anticipates that this work will require approximately 40 hrs of its current staff's time; additional staff resources will not be required.

There is no fiscal impact to the State Treasurer as a result of the passage of this legislation.