



July 19, 2017

**Letter of Support for the Proposed Resolution Opposing Taxpayer Financing of Professional Sports Stadiums**

Dear State Legislator,

On behalf of more than 3.2 million Americans for Prosperity activists in all 50 states, I write to you in support of the Proposed Resolution Opposing Taxpayer Financing of Professional Sports Stadiums. The proposed resolution calls on states to enact legislation that would end taxpayer financing of professional sports stadiums. This legislation would prohibit all taxpayer financing of professional sports stadiums, but only once a majority of states have passed similar legislation.

Currently, professional sports teams pit localities and states against each other to secure ever higher amounts of taxpayer money for multi-million dollar stadiums. Owners threaten to move their team if a government does not pony up subsidies. Stadiums should be located based on what's best for the fan base, players, and staff, not which city or state will give the most money.

The economic literature shows that stadium subsidies are a losing proposal for taxpayers. Studies from respected institutions like the Brookings Institute and the Mercatus Center demonstrate that the promised economic benefits of stadium subsidies fail to materialize. Most of the economic activity generated by sports franchises come at the expense of other leisure activities. Instead of boosting overall economic activity, it merely shifts it around. The increased economic activity from the sports team often does not generate enough revenue to cover the cost of the subsidy, leaving taxpayers to make up the difference.

Recent examples of professional sports teams leaving cities show the harms that building a publicly financed stadium can have on a city. Taxpayers in St. Louis and Oakland have been left on the hook for millions of dollars going towards stadiums that no longer have anyone to fill them. Even though it does not make economic sense to continue subsidies, it remains difficult for elected officials to say no when a beloved sports team threatens to leave town.

The proposed resolution ends the stadium subsidy arms race by having states collectively say no to stadium subsidies. The resolution prohibits taxpayer financing of professional sports stadiums, but only goes into effect once a majority of states have done so. This method solves the collective action problem of elected officials not wanting to lose a sports team because another state or city offers subsidies by being the first to end the use of subsidies.

For these reasons, Americans for Prosperity is proud to support the Proposed Resolution Opposing Taxpayer Financing of Professional Sports Stadiums and encourages you to support it as well.

Sincerely,

Akash Chogule  
Director of Policy  
Americans for Prosperity

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 2.8 million activists across the nation, a local infrastructure that includes 35 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit [www.AmericansForProsperity.org](http://www.AmericansForProsperity.org).

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