

LB1202

Appropriate federal funds to the Department of Economic Development for a grant to any Nebraska-based soccer team or professional baseball team

Basic information

LB1202 would appropriate \$5 Million of funding received by the State of Nebraska from the American Rescue Plan Act of 2021 to the Department of Economic Development to provide for a grant to assist professional soccer or professional baseball teams affiliated with Major League Baseball with costs and revenue losses directly resulting from Covid-19, when no games were played between Sept 2, 2019 until May 4, 2021.



Community Impact of Professional Sports

Sarpy County has invested \$34.1 million in recognition that Werner Park is an important economic engine and contributes to the community life of the region, attracting families and young professionals to Sarpy County. In 2016, an economic impact analysis revealed that the Storm Chasers produced an economic impact over \$87 million in the first five years of its operation. In recognition of the importance of professional sports to the area, the Sarpy County Board of Commissioners passed Resolution 2022-049, in support of LB1202.

Direct Economic Losses from Covid-19

Following the cancellation of the 2020 Minor League Baseball season, the Omaha Storm Chasers sustained losses of roughly \$2.5 Million. These losses include projected ticket and concessions revenue of between \$600,000 and \$1 Million over 72 games. Also included in this calculation is another \$637,725 in rent payments to Sarpy County for use of the park, Covid-specific safety supplies, utilities, and other costs related to maintaining the physical operations of the organizations.

The impact to Union Omaha was more than \$2.5 Million during 2020 and 2021, with over \$2.3 Million being lost revenue from ticket sales, group package sales and concessions revenue.

LB1202 ARPA eligibility

LB1202 qualifies as an appropriate use of ARPA funding under the aid meant to offset negative economic impacts qualification. An industry can be considered "impacted" if the totality of relevant major economic indicators demonstration the industry is experiencing comparable or worse economic impacts as the national tourism. Tourism, travel, and hospitality are presumed eligible. [1]

[1] Legislative Fiscal Office, *Coronavirus State and Local Fiscal Recovery Funds, 2022*