



Nevada wants the Raiders so badly it's raiding taxpayers to pay for a stadium

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Gov. Brian Sandoval and the Nevada State Legislature are giving billionaire Sheldon Adelson and the Oakland Raiders a \$750 million subsidy courtesy of taxpayers to build a football stadium in Las Vegas.

The bill passed the State Senate last Tuesday and the Assembly on Friday. Gov. Brian Sandoval, who just received an “F” grade from the Cato Institute for his tax and spend policies, signed it into law Monday. It authorizes \$750 million in bonds to pay for some of the construction costs, plus raises taxes on hotel rooms to pay back the bonds.

Gov. Sandoval told the Las Vegas Review-Journal “Cities such as New York and Chicago and Seattle, they have not only stadiums, but major sports franchises, and are also investing more than a \$1 billion a year in their respective convention centers...I refuse to let any of them get ahead of us.”

RAIDING TAXPAYERS: Nevada Gov. Brian Sandoval signed into law a measure to partially fund a stadium for the Oakland Raiders in Las Vegas, courtesy of taxpayers.

Sheldon Adelson’s Las Vegas Sands Corporation has publicly stated that it will not share any profits generated by the stadium with the taxpayers helping to fund its construction, saying they would make very little money off of the stadium itself. The Raiders are set to spend \$500 million toward building the stadium, while Adelson is in for \$650 million, both less than the amount the government is pitching in.

Supporters of the bond claim that the economic benefits are too great to ignore. Democratic Minority Leader Aaron Ford told the Las Vegas Review-Journal that he was persuaded to support the bond because a local construction worker testified about having to live in his car and shower at a gym because he can’t find work.

“I couldn’t leave this chamber and look a laborer in the eye and say I had a chance to give you a job and I said no,” Ford added.

Readers of the Las Vegas Review-Journal might not realize there are people who oppose the stadium bond due to the sheer amount of articles showing support. The Review-Journal is owned by the Adelson family, which the paper notes at the bottom of each article. Their readers were

deprived of information presented by Stop the Stadium Scam, a group that wants to “Keep public funds out of billionaires’ bank accounts.” This group points out that a special tax district would be created in the area surrounding the stadium with the purpose of taking sales tax revenues to give to Adelson’s Sands Corporation and the Raiders for their stadium.

The group cites a study by the Journal of Sports Economics which shows the public ends up paying 40 percent more for stadiums than originally presented through estimates. They also point to minimal economic growth through public funding of stadiums.

Further, both the Cato Institute and the Mercatus Center have done their own research into public stadiums and their economic impact. The Mercatus Center found that there is “no significant impact on the growth rate of per capita personal income” and that sports teams are actually “negatively correlated with the level of per capita personal income.”

“Corporate welfare at its worst,” said Chris Edwards, Director of Tax Policy Studies at the Cato Institute.

“When governments pick winners in the economy to receive subsidies, there are always losers—other businesses and taxpayers. The government favoring sports over other industries makes no sense. If individual Nevadans like pro sports, then the marketplace will provide pro sports for them—there is no need to artificially stimulate the sports industry,” explained Edwards. “And why sports? Polls show that about half of Americans like the NFL, but that means that half don’t. So why should the government of Nevada punish half of Nevadans with higher taxes to subsidize the NFL entertainment of the other half?”

Adelson may be getting his money to build a stadium, but there still is no guarantee that the Raiders will be moving to Las Vegas. Roger Goodell, commissioner of the National Football League, has not approved any plan for the team to relocate.

“There’s still a lot that has to happen before we would get to that stage,” Goodell said.

Las Vegas will soon be home to an NHL team which will be housed in an entirely privately-funded stadium. Bill Foley, owner of the unnamed team, built the \$375 million stadium with the help of T-Mobile.