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Welfare For Florida's NBA Franchises

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SPORT AND SOCIETY FOR ARETE

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I picked up the newspaper last weekend and saw on the front page under the headline, "New Welfare Era Dawning," two related stories. The first was about welfare reform. Florida's welfare-to-work bill was just passed by the State Legislature. The bill will require the 170,000 parents on Florida's welfare rolls to find jobs, and will limit, to four years, the time that anyone can receive medical benefits, subsidies for children, and other dependency-creating luxuries so generously supplied by the state over the years.

The legislature is sending a clear message with its actions: no more welfare and get to work. It is estimated that this bill will save the State of Florida some \$50M in the very first year. What to do with savings?

The second story concerned a jobs creation bill, which contained a provision that the Orlando Magic and the Miami Heat will receive a \$2M-a-year sales tax rebate which will go on for 30 years, not four, and will be given to the cities. But what about Florida's other sports franchises? What about their subsidy? Aren't they deserving as well? Not to worry, they already have the sales tax subsidy by virtue of earlier legislation. This injustice suffered so long by the Magic and Orlando, and by Miami, is over at last.

This is all made to sound oh so much kinder and gentler by saying that the Magic want the money used to expand seating, parking or food concessions at the O-rena. You can bet it will not be the parking, as it is the only one of three that the Magic would not profit from directly. No one has suggested that the Magic and other sports franchises in Florida might finance some of these further capital investments, which will generate more profit for themselves, out of their own profits.

One local Republican, Sen. John Ostalkiewicz, tried to insert a proviso into the bill that if one of these teams left their current counties in the next fifty years they would be required to return the subsidies, stating the obvious, that in the day of welfare reform this is more welfare for the rich. He pointed out that some of these team owners even try to extort further concessions from their localities by threatening to move. What he did not point out is that this bill could create an unhealthy dependency by these millionaires and billionaires on state welfare payments.

Sen. Kenneth Jenne, Democrat of Fort Lauderdale, called for a study to see if perhaps state and local government were giving away too much. Why he would think such a thing was apparently beyond the ability of his colleagues to fathom. After all it has become an axiom that no price is too high to pay for a city to become major league, no extortion too naked to be opposed and risk the loss of a major league franchise. What really matters is whose welfare you are reforming.

Two days earlier the same newspaper reported in its Business Section that Financial World magazine estimated that the value of the Orlando Magic has increased by 21% this past year, and that the local money machine was worth \$122M, up from \$101M in 1995. Of the eight professional franchises in the State, only two have decreased in value over the past year, both in hockey, although with both making the playoffs this year that is likely to change.

The most valuable franchises are the three NFL teams. Jacksonville is worth \$145M, the lowly Bucs \$164M, and the Dolphins \$214M. Miami is the second most valuable sports franchise in the United States, and their value increased by 15% over the past year. Indeed it is difficult looking at these figures to understand the need for sales tax subsidies from the state of Florida to the tune of \$16M per year.

But then why get all worked up over such small potatoes as a few million dollars in subsidies, when in fact sports franchises are already raking off much much more than that in other tax breaks, sweetheart facilities rental agreements, control of stadia, and other assorted and creative forms of subsidy and public ripoffs at the local, state and national level? Would anyone really think that the \$2M might be better spent on the 30 child-abuse investigators who will be let go by the state? Think about that the next time you hear about a child-abuse case in which the victim was not removed from the home quick enough by state investigators.

But better to look at the good news. The day of welfare dependency in Florida is dead, and this bold and courageous action against the powerless will save the state millions. Now that this is taken care of, the legislature can move to address the issue of sports franchise dependency, a serious addiction that seems to have hooked politicians and citizens all across the land especially the rich and powerful. This would truly be the dawning of a new era, addressing welfare for the rich and powerful as well as the poor and powerless.

On Sport and Society this is Dick Crepeau reminding you that you don't have to be a good sport to be a bad loser.

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