

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

**SPONSOR** Maestas **ORIGINAL DATE** 02/18/14  
**LAST UPDATED** \_\_\_\_\_ **HM** 93

**SHORT TITLE** New Mexico Major League Soccer Team **SB** \_\_\_\_\_

**ANALYST** Armstrong

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
 Economic Development Department (EDD)

### SUMMARY

#### Synopsis of Bill

House Memorial 93 requests that the governor lead a dialogue with representatives from the Department of Finance and Administration, the Economic Development Department, the Tourism Department, the athletics community, the state's chambers of commerce, the Bureau of Business and Economic Research at the University of New Mexico, New Mexico business owners, and other stakeholders to explore the feasibility of building a soccer-specific stadium with the hope of establishing a Major League Soccer (MLS) team to New Mexico in the future.

### FISCAL IMPLICATIONS

The memorial does not include an appropriation. Any costs associated with carrying out the memorial's request would be absorbed with existing resources. According to EDD, a comprehensive feasibility study would be appropriate for this level of investment, and there is no appropriation for such an endeavor.

### SIGNIFICANT ISSUES

MLS currently has 19 active teams, the closest to New Mexico being in Denver and Dallas. On average, a MLS franchise is worth \$103 million, a figure that has increased more than 175

**House Memorial 93 – Page 2**

percent in the past five years. However, the economics of sports has been proven to be a risky venture and there are many examples of cities that have lost millions of dollars constructing underutilized venues. While the popularity of soccer has greatly increased in the U.S. and New Mexico, the feasibility of building an event venue and supporting a professional team deserves careful study.

JA/ds