



OLR RESEARCH REPORT

September 9, 2011

2011-R-0305

SPORTS COMMISSIONS AND OTHER SIMILAR ENTITIES

By: John Rappa, Chief Analyst

You asked how many states have state-level sports commissions, whether they are state agencies or nonprofit organizations, and how they are funded. You also wanted details about the Indiana Sports Corporation, Massachusetts Sports Partnership, and Florida Sports Foundation. Lastly, you wanted to know how many Connecticut municipalities and regions have active sports commissions and convention and visitors bureaus (CVBs).

SUMMARY

State level sports promotion organizations operate in 12 states (two in Rhode Island), but only six refer to themselves as “sports commissions.” Two of these are government entities—the Minnesota Amateur Sports Commission and Missouri Horse Racing Commission. Minnesota’s commission receives state budget appropriations; Missouri’s, race track licensing fee revenues.

The other four commissions are nonprofit organizations. The Delaware, Oregon, and Rhode Island commissions are membership organizations funded mostly with membership fees. Utah’s commission receives state budget appropriations.

The other state-level sports promotion organizations include three public entities and five nonprofit organizations, which refer to themselves as corporations, foundations, partnerships, or councils. The latter includes the Florida Sports Foundation (FSF), Indiana Sports Corporation (ISC), and Massachusetts Sports Partnership (MSP).

The FSF, ISC, and MSP are private, nonprofit corporations, but FSF and MSP are organizationally connected to state agencies and receive state funds in addition to private dollars. FSF also receives funds generated by the fees charged for motor vehicle plates bearing the names and logos of Florida's professional sports teams. ISC is funded mostly by corporate sponsorships.

The three organizations mostly perform the same functions, but with different emphases. For example, FSF concentrates on attracting golfers, sports fishermen, and, during the spring, baseball fans. ISC and MSP concentrate on attracting major sporting events, with the former focusing mainly on amateur and collegiate events. Each organization holds amateur sports events or administers health and fitness programs.

Each organization is overseen by a board of directors that includes representatives of sports teams and facilities, the hospitality industry, and the business community.

Connecticut has no state-level sports promotion organization. The nonprofit Fairfield County Sports Commission appears to be the state's only regional sport commission. It focuses mainly on promoting physical fitness and good nutrition and preserving the region's sport heritage, among other things, but does not appear to market the region as a place for holding sports events. [The Greater Hartford Convention and Visitors Bureau](#) (CVB), on the other hand, promotes the region for such events.

The Greater Hartford CVB is one of four regional CVBs. The others are Fairfield County CVB, Mystic Country/Connecticut, Greater New Haven CVB, and Northwest Connecticut CVB.

STATE-LEVEL SPORTS PROMOTION AGENCIES

Organizational Types

"Sports commissions" are one type of state-level organization that promotes sports to attract tourists and market a state's assets; the other types are authorities, foundations, nonprofit corporations, partnerships, and councils. As Table 1 shows, there are at least 13 such organizations in 12 states (Rhode Island has two). The table describes their organizational type and identifies their funding sources.

Table 1: Statewide Sports Promotion Organizations

Organization	Organization Type			Funding Sources
	Government	Quasi-Public	Nonprofit	
Arizona Sports and Marketing Authority		X		<ul style="list-style-type: none"> Stadium and events revenues County hotel tax and rental car tax Income tax generated by Cardinals organization
Delaware Sports Commission			X	Membership fees
Florida Sports Foundation			Nonprofit operating in Governor's Office of Tourism, Trade, and Economic Development	<ul style="list-style-type: none"> Professional team license plate fees General Fund appropriations
Indiana Sports Corporation			X	Membership fees
Kentucky Sports Authority	Unit of Tourism, Arts, and Heritage Cabinet			<ul style="list-style-type: none"> Room tax* State appropriations
Massachusetts Sports Partnership			Nonprofit operating in Tourism and Travel Office	<ul style="list-style-type: none"> State appropriations Private contributions
Minnesota Amateur Sports Commission		X		State appropriations
Missouri Horse Racing Commission	X			Race track licensing fees
New Mexico Sports Authority	Unit of Tourism Department			General Fund appropriations
Oregon Sports Commission			X	Membership fees
Rhode Island Sports Commission			Subsidiary of Providence-Warrick Convention and Visitors Bureau	Membership fees
Rhode Island Sports Council			X	Membership Fees
Utah Sports Commission			X	General Fund appropriations

* Revenue can be used only for marketing and promotion

State-Level Sports Commissions

As Table 1 shows, the organizations' names do not necessarily reflect whether they are public or private entities. With respect to the six state-level sports commissions, only two are public entities funded with taxpayer dollars—the Minnesota Amateur Sports Commission and the Missouri Horse Racing Commission.

The other commissions are nonprofit organizations. The Delaware, Oregon, and Rhode Island commissions are funded with membership fees; the Utah commission receives state appropriations. The Rhode Island commission is a unit of the Providence-Warrick Convention and Visitors Bureau.

Authorities

The Arizona, Kentucky, and New Mexico sports promotion organizations are “authorities,” a term which in Connecticut refers to semi-independent, quasi-public government agencies with substantial powers, including acquiring and developing property, operating facilities, issuing bonds, and generating revenue. But only Arizona’s authority matches this description.

The Arizona Sports and Tourism Authority develops, manages, and operates sports facilities and promote sport events. Besides charging fees for using its facilities, the authority receives dedicated tax revenue, including the county hotel tax and the rental car surcharge. Kentucky and New Mexico’s sports authorities are units of state agencies and funded with state budget appropriations and, in Kentucky’s case, room tax revenue. Both market and promote their respective states’ sports assets, but do not develop and manage sports facilities.

Foundations

The Florida Sports Foundation (which we discuss below) is a nonprofit organization, but it is located within the Governor’s Office of Tourism, Trade, and Economic Development and receives most of its funds from the fees the state charges for special sports-related license plates. The Georgia Sports Foundation is a nonprofit organization operating outside of state government and funded by sponsorship fees and donations.

Other Organizations

- The Indiana Sports Corporation is an Indianapolis-based nonprofit corporation funded with membership fees.
- The Massachusetts Sports Partnership is a nonprofit organization situated within the Office of Travel and Tourism. It is funded with state budget appropriations and private donations.
- The Rhode Island Sports Council (as distinct from the Rhode Island Sports Commission) is a nonprofit corporation supported by membership fees.

SELECTED STATEWIDE NONPROFIT SPORTS PROMOTION ORGANIZATIONS

Florida Sports Foundation (FSF)

FSF is a nonprofit organization formed in 1992 specifically to support Florida's Department of Commerce sports marketing efforts. When the legislature abolished the department in 1996, it transferred FSF to the Office of Tourism, Trade, and Economic Development, which is part of the Executive Office of the Governor. As part of a 2011 economic development reorganization, FSF was merged with Enterprise Florida, Inc., a nonprofit "public-private partnership" organization also housed in the Office of Trade, Tourism, and Economic Development.

FSF promotes tourism by marketing the state's golf and fishing attractions and major league baseball spring training events. It also provides grants and technical assistance to regional and municipal sports commissions and CVBs bidding on hosting sporting events that draw national attention and out-of-state visitors. Lastly, FSF sponsors amateur sporting events, such as the Olympic-style Sunshine Games.

A thirty-member governing board consisting of 15 gubernatorial appointees and 15 private sector members oversees FSF's eight member staff. As a result of the recent merger with Enterprise Florida, Inc., FSF's board now functions as an advisory board reporting to Enterprise Florida's board.

FSF funds come from state budget appropriations, charitable contributions and the sale of license plates bearing the names and logos of Florida's professional sports teams.

Indiana Sports Corporation (ISC)

Formed in 1979, ISC is a private, nonprofit corporation focusing on promoting Indianapolis as a place to host major amateur and collegiate sporting events that tend to attract the national media and out-of-state visitors. One factor that makes Indianapolis a strong contender to host such events is that its major sports facilities are located downtown near major hotels, restaurants, and other amenities.

ISC's services include marketing Indianapolis' assets and amenities; managing sports events; and running statewide youth sports, fitness, and health programs. Funding for these tasks come from corporate sponsors and the fees ISC charges for participating in its programs.

Indianapolis businesses support ISC because the events help brand the city and make it easier for businesses to recruit talented employees, John Dedman, ISC's Vice President for Communications explained.

A 45-member board of directors oversees ISC's 11-member staff. ISC's bylaws apportion the board to representatives of specified organizations, such as the Indiana Chamber of Commerce, and at large members.

Unlike FSF and MSP, ISC is not part of the state government, but works with Indiana's Tourism Department to share best practices with other sports marketing organizations, including CVBs.

Massachusetts Sports Partnership (MSP)

MSP is a nonprofit organization formed in 1992 after the Governor's Sports Advisory Council recommended forming an organization that could help the state reap the economic benefits generated by major sports events. It initially operated under contract with the Massachusetts Sports and Entertainment Commission; now, it operates under contract with the Massachusetts Office of Travel and Tourism (MOTT).

MSP mainly focuses on attracting sporting events and meetings; encouraging sports and entertainment businesses to collaborate on supporting these activities; supporting hotels, restaurants, and other businesses benefiting from them; and creating sports-related opportunities for youth. Funds for these tasks come from state appropriations, private donations, and event sponsors that hire MSP to perform specified tasks. MSP originally had its own line item in the state budget, but now is funded through MOTT's budget.

MSP's 20-member governing board consists of representatives of professional sport teams, sport facilities, and entertainment and hospitality businesses. The board oversees MSP two-person staff, which mainly plays a liaison role with the sports facilities and venues that host major sporting events, Jonathan Paris, MSP's executive director explained. For example, MSP alerts these organizations about upcoming events and works with convention and visitors bureaus to arrange lodging and other services for sponsors and participants. The staff also draws on MOTT's resources.

JR:ro