

104TH CONGRESS
1ST SESSION

H. R. 2699

To require the consideration of certain criteria in decisions to relocate professional sports teams, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 30, 1995

Mr. STOKES introduced the following bill; which was referred to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require the consideration of certain criteria in decisions to relocate professional sports teams, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fans Rights Act of
5 1995”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds that—

8 (1) professional sports teams foster a strong
9 local identity with the people of the cities and re-

1 gions in which they are located, providing a source
2 of civic pride for their supporters;

3 (2) professional sports teams provide employ-
4 ment opportunities, revenues, and a valuable form of
5 entertainment for the cities and regions in which
6 they are located;

7 (3) there are significant public investments as-
8 sociated with professional sports facilities;

9 (4) it is in the public interest to encourage pro-
10 fessional sports leagues to operate under policies
11 that promote stability among their member teams
12 and to promote the equitable resolution of disputes
13 arising from the proposed relocation of professional
14 sports teams; and

15 (5) professional sports teams travel in inter-
16 state to compete and utilize materials shipped in
17 interstate commerce, and professional sports games
18 are broadcast nationally.

19 **SEC. 3. DEFINITIONS.**

20 As used in this Act—

21 (1) the term “home territory” means the geo-
22 graphic area within which a member team operates
23 and plays the majority of its home games, as defined
24 in the governing agreement or agreements of the rel-
25 evant league on November 1, 1995, or upon the

1 commencement of operations of any league after
2 such date;

3 (2) the term “interested party” includes—

4 (A) any local government that has provided
5 financial assistance, including tax abatement, to
6 the facilities in which the team plays;

7 (B) a representative of the local govern-
8 ment for the locality in which a member team’s
9 stadium or arena is located;

10 (C) a member team;

11 (D) the owner or operator of a stadium or
12 arena of a member team; and

13 (E) any other affected party, as designated
14 by the relevant league;

15 (3) the term “local government” means a city,
16 county, parish, town, township, village, or any other
17 general governmental unit established under State
18 law;

19 (4) the terms “member team” and “team”
20 mean any team of professional athletes—

21 (A) organized to play major league foot-
22 ball, basketball, hockey, or baseball; and

23 (B) that is a member of a professional
24 sports league;

1 to approve or disapprove the relocation of a member team,
2 a professional sports league shall take into consider-
3 ation—

4 (1) the extent to which fan loyalty to and sup-
5 port for the team has been demonstrated during the
6 team's tenure in the community;

7 (2) the degree to which the team has engaged
8 in good faith negotiations with appropriate persons
9 concerning terms and conditions under which the
10 team would continue to play its games in the com-
11 munity or elsewhere within its home territory;

12 (3) the degree to which the ownership or man-
13 agement of the team has contributed to any cir-
14 cumstances that might demonstrate the need for the
15 relocation;

16 (4) the extent to which the team, directly or in-
17 directly, received public financial support by means
18 of any publicly financed playing facility, special tax
19 treatment, or any other form of public financial sup-
20 port;

21 (5) the adequacy of the stadium in which the
22 team played its home games in the previous season,
23 and the willingness of the stadium, arena authority,
24 or local government to remedy any deficiencies in
25 the facility;

1 (6) whether the team has incurred net operat-
2 ing losses, exclusive of depreciation and amortiza-
3 tion, sufficient to threaten the continued financial vi-
4 ability of the team;

5 (7) whether any other team in the league is lo-
6 cated in the community in which the team is located;

7 (8) whether the team proposes to relocate to a
8 community in which no other team in the league is
9 located;

10 (9) whether the stadium authority, if public, is
11 opposed to the relocation; and

12 (10) whether there is a bona fide investor offer-
13 ing fair market value for the member team and
14 seeking to retain the team in the home territory.

15 **SEC. 5. NOTICE OF PROPOSED CHANGE IN HOME TERRI-**
16 **TORY AND RIGHT OF FIRST REFUSAL.**

17 (a) IN GENERAL.—Any person seeking to change the
18 home territory of a member team to a location other than
19 the location of such member team's home territory shall
20 furnish notice of such proposed change not later than 180
21 days before the commencement of the season in which the
22 member team is to play in such other location.

23 (b) PARTIES ENTITLED TO RECEIVE NOTICE.—The
24 notice required under subsection (a) shall be furnished to
25 all interested parties.

1 (c) REQUIREMENTS.—The notice shall—

2 (1) be in writing and delivered in person or by
3 certified mail;

4 (2) be made available to the news media;

5 (3) be published in 1 or more newspapers of
6 general circulation within the member team's home
7 territory; and

8 (4) contain—

9 (A) an identification of the proposed new
10 location of such member team;

11 (B) a summary of the reasons for the
12 change in home territory based on the criteria
13 listed in section 4(b); and

14 (C) the date on which the proposed change
15 would become effective.

16 (d) OPPORTUNITY TO PURCHASE.—

17 (1) IN GENERAL.—During the 180-day notice
18 period under subsection (a), a local government, sta-
19 dium, arena authority, person, or any combination
20 thereof, may prepare and present a proposal to pur-
21 chase the member team to retain the team in the
22 home territory.

23 (2) MEMBERSHIP IN LEAGUE.—If a bid under
24 paragraph (1) is successful, the professional sports
25 league of the member team shall not prohibit mem-

1 bership in the league on the basis that the new own-
2 ership of the member team is made up of multiple
3 owners or that the new ownership includes 1 or
4 more local governments.

5 (e) OPPORTUNITY TO INDUCE TEAM TO STAY.—Dur-
6 ing the 180-day notice period under subsection (a), a local
7 government, stadium authority, person, or any combina-
8 tion thereof, shall be given the opportunity to prepare and
9 present a proposal to induce the member team to remain
10 in its home territory.

11 (f) RESPONSE.—The response of the owner to any
12 offer made under subsection (d) or (e) shall—

13 (1) be in writing and delivered in person or by
14 certified mail; and

15 (2) state in detail the reasons for refusal of any
16 bona fide offer.

17 (g) DETERMINATION BY LEAGUE.—

18 (1) IN GENERAL.—The professional sports
19 league shall make a determination with respect to
20 the location of such member team’s home territory
21 before the expiration of the 180-day notice period re-
22 quired by this section.

23 (2) HEARINGS.—In making a determination
24 under this subsection, the professional sports league
25 shall conduct a hearing at which interested parties

1 are afforded an opportunity to present oral or writ-
2 ten testimony regarding a change in the location of
3 a member team's home territory. The league shall
4 keep a record of all such proceedings.

5 (3) CONSIDERATION OF PROPOSALS.—The pro-
6 fessional sports league shall take into account any
7 inducement proposal that has been offered under
8 subsection (e).

9 (h) CONSIDERATIONS.—In determining whether to
10 approve or disapprove the relocation of a member team,
11 a professional sports league shall take into consideration
12 the criteria listed in section 4(b).

13 **SEC. 6. JUDICIAL REVIEW.**

14 (a) IN GENERAL.—A decision by a professional
15 sports league to approve or disapprove the relocation of
16 a member team may be reviewed in a civil action brought
17 by an interested party.

18 (b) VENUE.—

19 (1) IN GENERAL.—Subject to paragraph (3),
20 venue shall be proper in any district court of the
21 United States having jurisdiction over the action
22 under section 1331 of title 28, United States Code.

23 (2) CHANGE OF VENUE.—Subject to paragraph
24 (3), upon the motion of any party, the district court
25 may, for the convenience of the parties or in the in-

1 terests of justice, transfer an action brought under
2 this section to any district that has jurisdiction over
3 such action under section 1331 of title 28, United
4 States Code.

5 (3) LIMITATION.—No action may be brought
6 under this section in any United States district
7 court of the State that contains—

8 (A) the member club’s home territory; or

9 (B) the proposed location of such member
10 club.

11 (c) ADDITIONAL PROCEEDINGS.—In any case in
12 which the interested parties have not been afforded an op-
13 portunity to present oral or written testimony in accord-
14 ance with section 5(f), the district court may, by order,
15 require the relevant professional sports league to conduct
16 additional proceedings at which such testimony may be
17 presented, and to reconsider its decision to approve or dis-
18 approve the relocation based on such testimony. Not later
19 than 30 days after the date of any such order, the league
20 shall reconsider and resubmit its decision to the district
21 court, and the district court shall review such decision in
22 accordance with this section.

23 (d) NO WAIVER OF RIGHTS.—Nothing in this Act
24 shall be construed to require the waiver of any legal rights
25 in existence prior to the date of enactment of this Act.

1 **SEC. 7. INAPPLICABILITY TO CERTAIN MATTERS.**

2 (a) IN GENERAL.—Nothing contained in this Act
3 shall—

4 (1) alter, determine, or otherwise affect the ap-
5 plicability or inapplicability of the antitrust laws, the
6 labor laws, or any other provision of law relating to
7 the wages, hours, or other terms and conditions of
8 employment of players in any professional sports
9 league, to any employment matter regarding players
10 in any such league, or to any collective bargaining
11 rights and privilege of any player union in any such
12 league;

13 (2) alter or affect the applicability or inapplica-
14 bility of the antitrust laws or any applicable Federal
15 or State law relating to broadcasting or telecasting,
16 including section 1291 of title 15, United States
17 Code, any agreement between any professional
18 sports league or its member teams, and any person
19 not affiliated with such a league for the broadcasting
20 or telecasting of the games of such league or its
21 member teams on any form of television;

22 (3) affect any contract, or provision of a con-
23 tract, relating to the use of a stadium or arena be-
24 tween a member team and the owner or operator of
25 any stadium or arena or any other person;

1 sion of other value to a league or to any of its members
2 in connection with a decision regarding the relocation of
3 a member team.

4 **SEC. 9. EFFECTIVE DATE.**

5 This Act shall apply to any relocation of the home
6 territory of a member team that occurs on or after Octo-
7 ber 1, 1995.

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