..... (Original Signature of Member)

117th CONGRESS 2d Session



To establish certain conditions and requirements relating to the relocation of professional sports teams, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

Mr. TONY GONZALES of Texas introduced the following bill; which was referred to the Committee on

# A BILL

- To establish certain conditions and requirements relating to the relocation of 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 "Strengthening Public
5 Undertakings for Retaining Sports Act" or the "SPURS
6 Act".

#### 7 SEC. 2. FINDINGS.

8 Congress finds the following:

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(1) The name of a professional sports team al ways is linked to the name of the community in
 which the team is located.

4 (2) Communities, sports fans, and taxpayers
5 make a substantial and valuable financial, psycho6 logical, and emotional investment in professional
7 sports teams and names of teams.

8 (3) Communities receive substantial tax reve9 nues and employment opportunities from the oper10 ation of professional sports teams.

11 (4) The public, through a municipal stadium or 12 arena authority (which may be a city or county 13 agency or a municipal corporation), often authorizes 14 capital construction bonds to build a stadium or 15 arena for a professional sports team, while the lease 16 or use agreement generally sets rent to cover only 17 operating costs of the stadium or arena without re-18 imbursing the public for construction costs.

19 (5) A professional sports team that wishes to
20 relocate the operations of the team to another area
21 should take into account the social and community
22 needs of the community in which the team operates.

(6) Professional sports teams promote civic
pride and generate jobs, revenue, and other local
economic development.

(7) Professional sports teams remain in com munities for generations and represent much more
 than a business.

4 (8) Current law does not protect the rights of
5 sports fans or the interests of communities when
6 professional sports teams decide to relocate.

7 (9) Owners of professional sports teams have
8 opportunities to extract enormous benefits from
9 communities and owners take advantage of those op10 portunities.

#### 11 SEC. 3. PROHIBITION ON RELOCATION.

12 A professional sports team may not relocate unless13 each of the following conditions is met:

(1) One or more of the parties, other than the
professional sports team, to the stadium or arena
lease agreement of the professional sports team has
failed to comply with a provision of material significance to such stadium or arena lease agreement and
such failure to comply cannot be remedied within a
reasonable period of time.

(2) The stadium or arena in which the professional sports team plays regular season and playoff
home games is inadequate for the purposes of properly and competitively operating the professional
sports team, and the entity that owns or operates

such stadium or arena has failed to demonstrate in tent to remedy the inadequacy of such stadium or
 arena within a reasonable period of time.

4 (3) The professional sports team has incurred
5 an annual net loss for not fewer than five years
6 prior to the proposed relocation.

7 (4) The government authority that is party to
8 the stadium or arena lease agreement described in
9 paragraph (1) has not made a formal objection to
10 the proposed relocation by the date that is 1 year
11 after the date on which an owner of the professional
12 sports team submits a petition for relocation under
13 section 5(a).

#### 14 SEC. 4. RIGHT OF FIRST REFUSAL.

15 In any case in which an owner of a professional 16 sports team submits a petition for relocation under section 17 5(a), such owner shall, until the date that is 1 year after 18 the date on which such owner submits such petition, offer 19 the professional sports team for sale at fair market value 20 to other persons who would not relocate the professional 21 sports team before such petition may be approved.

#### 22 SEC. 5. REQUIREMENTS FOR RELOCATION.

(a) PETITION FOR RELOCATION.—An owner of a pro-fessional sports team who intends to relocate the profes-

sional sports team shall submit a petition for relocation
 as follows:

3	(1) Such owner shall submit such petition to
4	the government authority that is party to the sta-
5	dium or arena lease agreement described in section
6	3(1) at least 1 year before the proposed relocation
7	may be approved by such government authority
8	under subsection (b).
9	(2) Such petition shall be in writing and sent
10	by certified mail or delivered to such government au-
11	thority personally.
12	(3) Such petition shall contain the following:
13	(A) A statement detailing the intent to re-
14	locate, the conditions justifying the proposed re-
15	location, and the new location.
16	(B) Documentation that supports the ex-
17	istence of the conditions justifying the proposed
18	relocation.
19	(C) The date on which the owner of the
20	professional sports team intends for the pro-
21	posed relocation to occur.
22	(b) Review by Government Authority.—
23	(1) REVIEW.—An owner of a professional
24	sports team may not relocate the professional sports
25	team unless a petition for the relocation of the pro-

fessional sports team submitted under subsection (a)
 has been formally approved by the government au thority in writing.

4 (2) DEADLINE FOR ACTION.— A government
5 authority to which a petition is submitted under sub6 section (a) shall approve or deny such petition not
7 later than 180 days after the date on which such pe8 tition is submitted.

9 SEC. 6. REQUIRED REIMBURSEMENT TO STATE AND LOCAL
10 GOVERNMENT FOR VALUE OF FINANCIAL AS11 SISTANCE RECEIVED.

12 (a) REQUIRED REIMBURSEMENT.—If an owner of a professional sports team relocates such professional sports 13 14 team from one stadium or arena to another stadium or 15 arena (including a stadium or arena located in the same metropolitan area in which the previous stadium or arena 16 is located) and, in so relocating such professional sports 17 18 team, such owner breaches a contract with a State or local 19 government with respect to use of the previous stadium 20 or arena, such owner shall (not later than 30 days after 21 the date on which such professional sports team plays the 22 first regular season home game in the new stadium or 23 arena) pay to such State or local government an amount 24 equal to the value of any financial assistance provided to

such professional sports team by such State or local gov ernment.

3 (b) EXCEPTION.—The requirement described in sub-4 section (a) does not apply to a breach of a contract that 5 provides as a remedy for such breach recovery of any fi-6 nancial assistance provided to the professional sports team 7 by the State or local government.

8 (c) PENALTY.—An owner of a professional sports 9 team that fails to meet the requirement described in sub-10 section (a) is liable in a civil action under section 7 to 11 the State or local government that provided to the profes-12 sional sports team the financial assistance described in 13 such subsection for damages in an amount equal to three 14 times the value of such financial assistance.

# 15 SEC. 7. PRIVATE RIGHT OF ACTION BY STATE OR LOCAL 16 GOVERNMENT.

17 A State or local government may bring a civil action 18 in an appropriate district court of the United States 19 against a professional sports team that violates section 3 20 or an owner of a professional sports team that violates 21 section 4, 5, or 6 to obtain damages, if—

(1) the State or local government has provided,
or has been requested to provide, financial assistance, including tax abatement, to the professional
sports team or the existing or proposed stadium or

arena in which the professional sports team plays or
 is proposed to play regular season and playoff home
 games; or

4 (2) the jurisdiction of the State or local govern5 ment includes or is included within, in whole or in
6 part, the metropolitan area in which the professional
7 sports team plays regular season and playoff home
8 games.

#### 9 SEC. 8. APPLICABILITY.

Sections 3, 4, and 5 only apply with respect to a professional sports team that has a stadium or arena lease
agreement with a government authority.

#### 13 SEC. 9. DEFINITIONS.

14 In this Act:

(1) FINANCIAL ASSISTANCE.—The term "financial assistance" includes special tax treatment and
financing of a stadium or arena in which a professional sports team plays regular season and playoff
home games.

20 (2) GOVERNMENT AUTHORITY.—The term
21 "government authority" means any unit of local gov22 ernment or other government agency or authority
23 that—

24 (A) owns, operates, or has a financial in-25 terest in a stadium or arena used by a profes-

1	sional sports team to play regular season and
2	playoff home games; or
3	(B) exercises regulatory authority with re-
4	spect to a professional sports team.
5	(3) Professional sports team.—The term
6	"professional sports team" means a major league
7	team in an organized professional sport.
8	(4) Relocate.—The term "relocate" means—
9	(A) to move the location in which a profes-
10	sional sports team plays regular season and
11	playoff home games from a metropolitan area
12	to a different metropolitan area; or
13	(B) to move such location within a metro-
14	politan area if the professional sports team falls
15	under the jurisdiction of a different government
16	authority.