

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.

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## 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

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## 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           (5) the term “person” means any individual,  
2           partnership, corporation, or unincorporated associa-  
3           tion, any combination or association thereof, or any  
4           political subdivision;

5           (6) the terms “professional sports league” and  
6           “league” mean an association that—

7                   (A) is composed of 2 or more member  
8           teams;

9                   (B) regulates the contests and exhibitions  
10           of its member teams; and

11                   (C) has been engaged in competition in a  
12           particular sport for more than 7 years; and

13           (7) the terms “stadium” and “arena” mean the  
14           principal physical facility within which a member  
15           team plays the majority of its home games.

16 **SEC. 4. CLARIFICATION OF ANTITRUST LAWS RELATED TO**  
17 **THE RELOCATION AND RELOCATION DETER-**  
18 **MINATION CRITERIA.**

19           (a) APPLICATION OF ANTITRUST LAWS.—It shall not  
20           be unlawful by reason of any provision of the antitrust  
21           laws for a professional sports league to enforce rules au-  
22           thorizing the membership of the league to decide that a  
23           member club of such league shall not be relocated.

24           (b) CRITERIA FOR RELOCATION DECISIONS.—Not-  
25           withstanding any other law, prior to making a decision

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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