

104TH CONGRESS
2D SESSION

H. R. 3805

To establish procedures and remedies governing the relocation of certain professional sports teams, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 12, 1996

Mr. BRYANT of Tennessee (for himself, Mr. CONYERS, Mr. WHITFIELD, Mr. MANTON, and Mr. LARGENT) 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 establish procedures and remedies governing the relocation of certain 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 “Sports Relocation Re-

5 form Act of 1996”.

6 **SEC. 2. RELOCATION OF CERTAIN TEAMS.**

7 (a) DEFINITIONS.—For purposes of this section—

1 (1) the term ‘home territory’ means the geo-
2 graphic metropolitan area within which a member
3 team operates and plays the majority of its home
4 games;

5 (2) the term ‘interested party’ includes, with re-
6 spect to a member team—

7 (A) any political subdivision of a State that
8 provides, or has provided, financial assistance,
9 including tax abatement, for facilities (including
10 a stadium or arena) in which the member team
11 plays;

12 (B) a representative of the political sub-
13 division with jurisdiction over the geographic
14 area in which the stadium or arena of the mem-
15 ber team is located;

16 (C) a member team;

17 (D) the owner or operator of a stadium or
18 arena of a member team; and

19 (E) any other person who is determined by
20 the sports league of the member team to be an
21 affected party;

22 (3) the term ‘member team’ means a team of
23 professional athletes—

24 (A) organized to play professional football,
25 basketball, or hockey; and

1 (B) that is a member of a professional
2 sports league;

3 (4) the term ‘person’ means any individual,
4 partnership, corporation, or unincorporated associa-
5 tion, any combination or association thereof, or any
6 State or political subdivision of a State;

7 (5) the term ‘professional sports league’ means
8 an association that—

9 (A) is composed of 2 or more member
10 teams;

11 (B) regulates the contests and exhibitions
12 of its member teams; and

13 (C) has been engaged in competition in a
14 particular sport for a period of more than 7
15 years; and

16 (6) the terms ‘stadium’ and ‘arena’ mean the
17 principal physical facility within which a member
18 team has played the majority of its home games.

19 (b) ESTABLISHMENT OF RULE.—

20 (1) IN GENERAL.—Subject to the requirements
21 set forth in this section, any professional sports
22 league may establish a rule—

23 (A) authorizing the membership of that
24 league to decide whether or not a member team

1 of that league may be relocated outside of the
2 home territory of that member team; and

3 (B) requiring that any person seeking to
4 change the home territory of that member team
5 obtain the approval of the appropriate profes-
6 sional sports league.

7 (2) INAPPLICABILITY OF ANTITRUST LAWS.—
8 Notwithstanding any other provision of law, the
9 antitrust laws shall not apply to the enforcement or
10 application by a professional sports league of any
11 rule established pursuant to paragraph (1).

12 (c) PROCEDURAL REQUIREMENTS.—

13 (1) REQUEST FOR APPROVAL.—

14 (A) IN GENERAL.—Not later than 210
15 days before the commencement of the season in
16 which a member team proposes to play in a new
17 location, any person seeking to change the
18 home territory of that member team shall sub-
19 mit a request for approval of the proposed
20 change to the appropriate professional sports
21 league.

22 (B) REQUIREMENTS.—Each request for
23 approval submitted under subparagraph (A)
24 shall—

25 (i) be in writing;

1 (ii) be delivered in person or by cer-
2 tified mail to each interested party by not
3 later than 30 days after submission to the
4 appropriate professional sports league
5 under subparagraph (A);

6 (iii) be made available by the date
7 specified in clause (ii) to the news media;

8 (iv) be published by the date specified
9 in clause (iii) in 1 or more newspapers of
10 general circulation within the home terri-
11 tory of the member team; and

12 (v) contain—

13 (I) an identification of the pro-
14 posed location of the member team;

15 (II) a summary of the reasons
16 for the change in home territory based
17 on the criteria described in paragraph
18 (2)(B); and

19 (III) the date on which the pro-
20 posed change would become effective.

21 (2) PROCEDURES.—

22 (A) ESTABLISHMENT.—Each professional
23 sports league shall establish rules and proce-
24 dures for approving or disapproving requests
25 submitted under paragraph (1), that shall—

1 (i) include criteria to be considered
2 and taken as a whole by the professional
3 sports league in approving or disapproving
4 such requests; and

5 (ii) be made available upon request to
6 any interested party.

7 (B) CRITERIA TO BE CONSIDERED.—The
8 criteria described in subparagraph (A)(i) shall
9 include—

10 (i) the extent to which fan loyalty to
11 and support for the member team has been
12 demonstrated, through attendance, ticket
13 sales, and television ratings, during the
14 tenure of the member team in the home
15 territory;

16 (ii) the degree to which the member
17 team has engaged in good faith negotia-
18 tions with appropriate persons concerning
19 the terms and conditions under which the
20 member team would continue to play its
21 games in the home territory of the member
22 team;

23 (iii) the degree to which the ownership
24 or management of the member team has
25 contributed to any circumstance that might

1 demonstrate the need for the relocation of
2 the member team;

3 (iv) the extent to which the member
4 team has, directly or indirectly, received
5 public financial support by means of any
6 publicly financed playing facility, rent
7 abatement, special tax treatment, any
8 other form of public financial support, any
9 other public benefits not generally available
10 to businesses as a whole within the juris-
11 diction, and the extent to which such sup-
12 port continues;

13 (v) the adequacy of the stadium or
14 arena of the member team, and the willing-
15 ness of the stadium or arena authority and
16 the local government to remedy any defi-
17 ciencies in the stadium or arena;

18 (vi) whether the member team has in-
19 curred net operating losses, exclusive of de-
20 preciation or amortization, sufficient to
21 threaten the continued financial viability of
22 the member team;

23 (vii) whether any other member team
24 in the professional sports league is located
25 in the home territory of the member team;

1 (viii) whether the member team pro-
2 poses to relocate to a territory in which no
3 other member team in the professional
4 sports league is located;

5 (ix) whether the stadium or arena au-
6 thority, if public, is opposed to the reloca-
7 tion;

8 (x) the effect that relocation would
9 have on contracts, agreements, or under-
10 standings between the member team and
11 public and private parties; and

12 (xi) any other criteria considered to be
13 appropriate by the professional sports
14 league.

15 (3) HEARINGS.—In determining whether to ap-
16 prove or disapprove a proposed request submitted
17 under paragraph (1), the professional sports league
18 shall—

19 (A) conduct a hearing at which interested
20 parties shall be afforded an opportunity to sub-
21 mit written testimony and exhibits; and

22 (B) keep a written record of that hearing
23 and any testimony and exhibits submitted
24 under subparagraph (A).

25 (d) JUDICIAL REVIEW.—

1 (1) IN GENERAL.—A decision by a professional
2 sports league to approve or disapprove a request
3 submitted under paragraph (c)(1) may only be re-
4 viewed in a civil action filed by an interested party
5 in accordance with this subsection.

6 (2) VENUE.—

7 (A) IN GENERAL.—Except as provided in
8 subparagraph (B), an action under this sub-
9 section may be filed only in the United States
10 District Court for the District of Columbia.

11 (B) EXCEPTION.—If the home territory of
12 the member team or the proposed home terri-
13 tory of the member team is located within a 50-
14 mile radius of the District of Columbia, an
15 action under this subsection may be filed only
16 in the United States District Court for the
17 Southern District of New York.

18 (3) TIME.—

19 (A) FILING.—An action under this sub-
20 section shall be filed not later than 14 days
21 after the date of the formal vote of the profes-
22 sional sports league approving or disapproving
23 the proposed relocation.

24 (B) REVIEW.—Not later than 30 days
25 after the filing of the action in accordance with

1 subparagraph (A), the district court shall issue
2 an order with respect to that action.

3 (4) STANDARD OF REVIEW.—The scope of judi-
4 cial review in any action under this subsection shall
5 be limited to a determination of whether—

6 (A) in deciding whether to approve or dis-
7 approve a proposed relocation, the professional
8 sports league failed to comply with this section;
9 and

10 (B) the decision of the professional sports
11 league to approve or disapprove a proposed re-
12 location was arbitrary or capricious.

13 (5) RELIEF GRANTED BY COURT.—

14 (A) IN GENERAL.—In any action under
15 this subsection, if the district court makes a de-
16 termination described in subparagraph (A) or
17 (B) of paragraph (4), the court shall—

18 (i) remand the matter for further con-
19 sideration by the professional sports
20 league; and

21 (ii) enjoin any relocation of the mem-
22 ber team at issue until the professional
23 sports league has reconsidered the matter
24 in accordance with the order of the court
25 under this paragraph.

1 (B) LIMITATION OF COURT.—The court
2 may not grant any relief in any action under
3 this subsection other than enjoining or approv-
4 ing enforcement of the decision by the profes-
5 sional sports league to approve or disapprove a
6 request submitted under paragraph (c)(1).

7 (C) PROHIBITION OF MULTIPLE LAWSUITS
8 BY OTHER INTERESTED PARTIES.—An inter-
9 ested party shall have a right of intervention in
10 a civil action described in paragraph (1), but
11 may not file an additional civil action after the
12 initial civil action has been filed.

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