
By: Delegates Busch, W. Baker, Bobo, Bonsack, Cadden, Conway, Cummings, Curran, DeCarlo, Dewberry, Donoghue, Doory, Dypski, Fry, Gordon, Guns, Hammen, Healey, Hecht, Holt, Hurson, Klausmeier, Kopp, Krysiak, Love, Malone, McHale, McIntosh, Minnick, V. Mitchell, Mohorovic, Owings, Pendergrass, Perry, Preis, Rosapepe, Rudolph, Turner, Weir, Wood, Workman, and Kagan

Introduced and read first time: January 31, 1996

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: February 28, 1996

CHAPTER _____

1 AN ACT concerning

2 **Economic Development - Professional Sports Stadiums - Proceeds From Permanent Seat**

3 **Licenses**

4 [TAG ftpo]FOR the purpose of providing that the proceeds for certain permanent seat licenses ~~in~~ at
5 certain professional sports stadiums may be used only for certain purposes; defining
6 a certain term; providing that the proceeds from certain permanent seatlicenses
7 provided to the Maryland Stadium Authority are in addition to and not a
8 substitution for a certain reimbursement required from a National Football League
9 team; providing for the effective date of this Act; and generally relating to
10 professional sports stadiums.

11 BY adding to

12 Article - Financial Institutions

13 Section 13-724

14 Annotated Code of Maryland

15 (1992 Replacement Volume and 1995 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

17 MARYLAND, That the Laws of Maryland read as follows:

2

1 **Article - Financial Institutions**

2 13-724.

3 (A) IN THIS SECTION, "PROFESSIONAL SPORTS TEAM" MEANS A TEAM THAT
4 RELOCATES TO THE STATE FROM ANOTHER STATE OR JURISDICTION.

5 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, PROCEEDS
6 DERIVED FROM THE SALE OF PERMANENT SEAT LICENSES AT A PROFESSIONAL
7 SPORTS STADIUM CONSTRUCTED IN THE STATE BY THE MARYLAND STADIUM
8 AUTHORITY MAY BE USED ONLY FOR:

9 (1) AMOUNTS THAT ARE OWED TO A NATIONAL SPORTS LEAGUE OR
10 ASSOCIATION AS A RESULT OF THE COSTS OF THE RELOCATION OF A PROFESSIONAL
11 SPORTS TEAM TO THE STATE;

12 (2) THE DESIGN AND CONSTRUCTION COSTS OF NECESSARY TRAINING
13 FACILITIES;

14 (3) THE REASONABLE COSTS OF MOVING AND RELOCATION,
15 INCLUDING:

16 (I) THE PHYSICAL MOVEMENT OF PROPERTY;

17 (II) LAND AND AIR TRAVEL COSTS;

18 (III) EMPLOYEE SEVERANCE COSTS; AND

19 (IV) EMPLOYEE RELOCATION COSTS;

20 (4) AMOUNTS OWED TO THE STATE OR OTHER JURISDICTION FROM
21 WHICH THE PROFESSIONAL SPORTS TEAM HAS RELOCATED AND TO OTHER
22 INTERESTED PARTIES CLAIMING RIGHTS AS A RESULT OF THE RELOCATION OF THE
23 TEAM TO THE STATE, INCLUDING ANY AMOUNTS PAID TO THE OTHER STATE OR
24 JURISDICTION OR INTERESTED PARTIES TO SETTLE OR OTHERWISE RESOLVE THE
25 CLAIMS;

26 (5) THE REPAYMENT OF BONDS OR OTHER INDEBTEDNESS INCURRED
27 BY OR FOR THE BENEFIT OF THE PROFESSIONAL SPORTS TEAM IN CONNECTION
28 WITH FACILITIES THAT THE PROFESSIONAL SPORTS TEAM USED OR OCCUPIED IN
29 THE STATE OR OTHER JURISDICTION FROM WHICH THE PROFESSIONAL SPORTS
30 TEAM HAS RELOCATED;

31 (6) PAYMENTS TO THE AUTHORITY; OR

32 (7) OTHER REASONABLE COSTS AND EXPENSES INCURRED OR LOSSES
33 SUSTAINED RESULTING FROM THE RELOCATION OF THE PROFESSIONAL SPORTS
34 TEAM TO THE STATE.

35 (C) ANY PROCEEDS DERIVED FROM THE SALE OF PERSONAL SEAT LICENSES
36 THAT EXCEED THE COSTS DESCRIBED IN SUBSECTION (B) OF THIS SECTION:

37 (1) MAY NOT ACCRUE DIRECTLY TO THE BENEFIT OF ANY INDIVIDUAL
38 OR PRIVATE ENTITY; AND

3

1 (2) SHALL BE HELD BY THE AUTHORITY FOR STADIUM CONSTRUCTION
2 AND THE CONTINUING COSTS TO MAINTAIN THE PROFESSIONAL SPORTS STADIUM
3 IN THE STATE USED BY THE PROFESSIONAL SPORTS TEAM.

4 SECTION 2. AND BE IT FURTHER ENACTED, That any funds provided to
5 the Maryland Stadium Authority from the proceeds of permanent seat licenses shall be in
6 addition to and not in substitution of the \$24 million required to be reimbursed by the
7 National Football League team as part of the long-term lease agreement with the
8 Maryland Stadium Authority under § 13-712.1(4) of the Financial Institutions Article as
9 enacted by Chapter (House Bill 1267) of the Acts of the General Assembly of 1996.

10 SECTION ~~2~~ 3, AND BE IT FURTHER ENACTED, That this Act shall take effect
11 June 1, 1996.