
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, Kagan

Introduced and read first time: January 31, 1996

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

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

4 FOR the purpose of providing that the proceeds for certain permanent seat licenses in
5 professional sports stadiums may be used only for certain purposes; defining a
6 certain term; providing for the effective date of this Act; and generally relating to
7 professional sports stadiums.

8 BY adding to

9 Article - Financial Institutions
10 Section 13-724
11 Annotated Code of Maryland
12 (1992 Replacement Volume and 1995 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - Financial Institutions**

16 13-724.

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

19 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, PROCEEDS
20 DERIVED FROM THE SALE OF PERMANENT SEAT LICENSES AT A PROFESSIONAL
21 SPORTS STADIUM IN THE STATE MAY BE USED ONLY FOR:

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

25 (2) THE DESIGN AND CONSTRUCTION COSTS OF NECESSARY TRAINING
26 FACILITIES;

2

1 (3) THE REASONABLE COSTS OF MOVING AND RELOCATION,
2 INCLUDING:

3 (I) THE PHYSICAL MOVEMENT OF PROPERTY;

4 (II) LAND AND AIR TRAVEL COSTS;

5 (III) EMPLOYEE SEVERANCE COSTS; AND

6 (IV) EMPLOYEE RELOCATION COSTS;

7 (4) AMOUNTS OWED TO THE STATE OR OTHER JURISDICTION FROM
8 WHICH THE PROFESSIONAL SPORTS TEAM HAS RELOCATED AND TO OTHER
9 INTERESTED PARTIES CLAIMING RIGHTS AS A RESULT OF THE RELOCATION OF THE
10 TEAM TO THE STATE, INCLUDING ANY AMOUNTS PAID TO THE OTHER STATE OR
11 JURISDICTION OR INTERESTED PARTIES TO SETTLE OR OTHERWISE RESOLVE THE
12 CLAIMS;

13 (5) THE REPAYMENT OF BONDS OR OTHER INDEBTEDNESS INCURRED
14 BY OR FOR THE BENEFIT OF THE PROFESSIONAL SPORTS TEAM IN CONNECTION
15 WITH FACILITIES THAT THE PROFESSIONAL SPORTS TEAM USED OR OCCUPIED IN
16 THE STATE OR OTHER JURISDICTION FROM WHICH THE PROFESSIONAL SPORTS
17 TEAM HAS RELOCATED;

18 (6) PAYMENTS TO THE AUTHORITY; OR

19 (7) OTHER REASONABLE COSTS AND EXPENSES INCURRED OR LOSSES
20 SUSTAINED RESULTING FROM THE RELOCATION OF THE PROFESSIONAL SPORTS
21 TEAM TO THE STATE.

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

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

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

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 June 1, 1996.