Department of Legislative Services

Maryland General Assembly 2017 Session

FISCAL AND POLICY NOTE First Reader

House Bill 1049 Appropriations (Delegate Moon, et al.)

Interstate Compact on Washington Area Professional Football Team Franchise Facility Incentives

This bill establishes the Interstate Compact on Washington Area Professional Football Team Franchise Facility Incentives (compact). A party state to the compact (Maryland, Virginia, and Washington, DC), a local jurisdiction located in a party state, or an authority or corporation established by a party state or local jurisdiction is prohibited from providing or offering to provide specified types of financial assistance for the construction of facilities for the Washington area professional football team. A party state may withdraw from the compact only after providing one year's notice to the other party states. A party state is not required to comply with the compact if the party state's Attorney General determines that another party state has repealed, replaced, or failed to implement any aspect of the compact.

The bill takes effect October 1, 2017, except that it does not take effect unless similar legislation is enacted by Virginia and Washington, DC, which must occur by January 1, 2018. The bill is null and void on January 1, 2020, if Virginia and Washington, DC, fail to concur in this bill by enacting legislation.

Fiscal Summary

State Effect: The procedural provisions of the bill do not materially affect State finances or operations. The effect on any future financial assistance provided by the State, a State authority, or a State corporation, if any, to the Washington area football team is unknown.

Local Effect: The bill does not directly affect local government finances or operations. The effect on any future financial assistance provided by local governments, if any, to the Washington area football team is unknown.

Analysis

Bill Summary: Beginning October 1, 2017, a party state to the compact, a local jurisdiction located in a party state, or an authority or a corporation established by a party state or local jurisdiction may not:

- provide or offer to provide financing or public incentives for the construction of facilities for the Washington area professional football team unless the financing or public incentives are otherwise available to all development projects or business entities located in the party state;
- utilize public funds for the construction or maintenance of facilities for the Washington area professional football team;
- utilize public funds for infrastructure improvements required by newly constructed facilities for the Washington area professional football team; or
- lease or donate land to the Washington area professional football team or an entity affiliated with the Washington area professional football team.

Current Law/Background: The current stadium for the Washington area professional football team is located in Prince George's County and opened for operations in 1997. Per the <u>agreement</u> that provided land and some State and local financial incentives for the stadium project, the team is required to play all home games at the stadium for 30 years. After that time, the team may play elsewhere. Several sites in Washington, DC, and Virginia have already been publicly considered as relocation options.

As of March 1, 2017, Washington, DC, had introduced legislation similar to the bill but Virginia had not.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Commerce; Maryland Stadium Authority; Department of Budget and Management; Comptroller's Office; Montgomery County; Maryland Economic Development Corporation; Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2017

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