

105TH CONGRESS
1ST SESSION

H. R. 590

To amend the Act of September 30, 1961, to limit the antitrust exemption applicable to broadcasting agreements made by leagues of professional sports, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 1997

Mr. BLUMENAUER (for himself, Mr. CONYERS, Mr. FARR of California, and Mr. TRAFICANT) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend the Act of September 30, 1961, to limit the antitrust exemption applicable to broadcasting agreements made by leagues of professional sports, 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 “Give Fans a Chance
5 Act of 1997”.

1 **SEC. 2. AMENDMENT TO ANTITRUST EXEMPTION.**

2 The Act of September 30, 1961 (Public Law 87–331;
3 15 U.S.C. 1291 et seq.), is amended by adding at the end
4 the following:

5 **“SEC. 7. CONDITIONAL APPLICATION OF ACT.**

6 “(a) INAPPLICABILITY.—This Act shall not apply to
7 a league of clubs of a professional sport for any period
8 during which any member club of such league is—

9 “(1) subject to such league’s requirement, or to
10 an agreement made by 2 or more member clubs of
11 such league, that forbids any of such clubs to trans-
12 fer (by sale or otherwise) an ownership interest of
13 any kind in such club to any governmental entity or
14 to members of the general public; or

15 “(2) not in compliance with subsection (b) or
16 (c).

17 “(b) NOTICE OF PROPOSED CHANGE IN COMMUNITY;
18 OPPORTUNITIES TO RESPOND TO PROPOSED RELOCA-
19 TION.—

20 “(1) IN GENERAL.—A member club that pro-
21 poses to relocate, or a league that proposes to relo-
22 cate a member club, out of a community in the home
23 territory of the member club shall furnish notice of
24 such proposed relocation not later than 180 days be-
25 fore the commencement of the season in which the

1 club is to play home games in the proposed new lo-
2 cation.

3 “(2) PERSONS ENTITLED TO RECEIVE NO-
4 TICE.—The notice required by paragraph (1) shall
5 be furnished to all interested persons.

6 “(3) REQUIREMENTS.—The notice shall—

7 “(A) be in writing and delivered in person
8 or by certified mail;

9 “(B) be made available to the news media;

10 “(C) be published in 1 or more newspapers
11 of general circulation within the club’s home
12 community; and

13 “(D) contain—

14 “(i) an identification of the proposed
15 new home community of such club;

16 “(ii) a summary of the reasons for the
17 proposed relocation based on the criteria
18 listed in subsection (c); and

19 “(iii) the date on which the proposed
20 relocation would become effective.

21 “(4) OPPORTUNITY TO OFFER TO PURCHASE.—

22 “(A) IN GENERAL.—During the 180-day
23 notice period specified in paragraph (1), a local
24 government, stadium, arena authority, person,
25 or any combination thereof, may prepare and

1 present a proposal to purchase the club to re-
2 tain the club in the home community.

3 “(B) MEMBERSHIP IN LEAGUE.—If a bid
4 under subparagraph (A) is successful, the
5 league of which the club is a member shall not
6 prohibit the club’s membership in the league on
7 the basis that the club is owned in whole or in
8 part by several persons or entities, or by 1 or
9 more local governments.

10 “(5) OPPORTUNITY TO INDUCE CLUB TO
11 STAY.—During the 180-day notice period specified
12 in paragraph (1), the club (and the league of which
13 the club is a member) shall give a local government,
14 stadium authority, person, or any combination there-
15 of, the opportunity to prepare and present a pro-
16 posal to induce the club to remain in its home com-
17 munity.

18 “(6) RESPONSE.—The response of the owner of
19 the club to any offer made under paragraph (4) or
20 (5) shall—

21 “(A) be in writing and delivered in person
22 or by certified mail; and

23 “(B) state in detail the reasons for refusal
24 of any bona fide offer.

25 “(7) DETERMINATION BY LEAGUE.—

1 “(A) IN GENERAL.—The league of which
2 the club is a member shall make a determina-
3 tion, before the expiration of the 180-day notice
4 period specified in paragraph (1), with respect
5 to the relocation of club out of its home com-
6 munity .

7 “(B) HEARINGS.—In making a determina-
8 tion under this paragraph, the league shall con-
9 duct a hearing at which interested persons are
10 afforded an opportunity to present oral or writ-
11 ten testimony regarding the proposed relocation
12 of the club. The league shall keep a record of
13 all such proceedings.

14 “(C) CONSIDERATION OF PROPOSALS.—
15 The league shall take into account any induce-
16 ment proposal that is offered under paragraph
17 (5).

18 “(8) CONSIDERATIONS.—In determining wheth-
19 er to approve or disapprove the relocation of the
20 club, the league shall take into consideration the cri-
21 teria listed in subsection (c).

22 “(c) CRITERIA FOR RELOCATION DECISIONS.—Not-
23 withstanding any other law, before making a decision to
24 approve or disapprove the relocation of a club out of its

1 home community, the league of which such club is a mem-
2 ber shall take into consideration—

3 “(1) the extent to which fan loyalty to and sup-
4 port for the club has been demonstrated during the
5 club’s operation in such community;

6 “(2) the degree to which the club has engaged
7 in good faith negotiations with appropriate persons
8 concerning terms and conditions under which the
9 club would continue to play home games in such
10 community or elsewhere within the club’s home ter-
11 ritory;

12 “(3) the degree to which the ownership or man-
13 agement of the club has contributed to any cir-
14 cumstances that might demonstrate the need for the
15 relocation;

16 “(4) the extent to which the club, 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 club 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 club 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 club;

5 “(7) whether any other club in the league is lo-
6 cated in the same home community;

7 “(8) whether the club proposes to relocate to a
8 community that is the home community of another
9 member club of the league;

10 “(9) whether the stadium authority, if public, is
11 opposed to the proposed relocation; and

12 “(10) whether there is a bona fide investor of-
13 fering fair market value for the club and seeking to
14 retain the club in such community.”.

15 **SEC. 3. EFFECTIVE DATE.**

16 This Act and the amendment made by this Act shall
17 take effect on the first day of the first month beginning
18 more than 180 days after the date of the enactment of
19 this Act.

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