

## HOUSE JOINT RESOLUTION NO. 632

*Continuing the Joint Subcommittee Studying Financing Options for the Purpose of Constructing a Baseball Stadium in Virginia.*

Agreed to by the House of Delegates, January 30, 1997

Agreed to by the Senate, February 19, 1997

WHEREAS, the Joint Subcommittee Studying Financing Options for the Purpose of Constructing a Baseball Stadium in Virginia, created pursuant to House Joint Resolution No. 223 (1996) and Senate Joint Resolution No. 101 (1996), met seven times during 1996 to discuss issues relating to financing options for the purpose of constructing a baseball stadium in Virginia, including, without limitation, the appropriate roles for state and local government and the private sector, possible revenue sources, and the costs to state and local governments; and

WHEREAS, the subcommittee heard testimony from experts in stadium financing and other professional sports-related organizations, including the Virginia Baseball Club, Inc., and the Virginia Baseball Stadium Authority (the "Authority"); and

WHEREAS, in its final report to the Governor and the General Assembly (House Document No. 7 — the "Final Report"), the subcommittee recommended a financing strategy based on a public-private partnership such that the funding responsibility from public sources would equal approximately 52 percent and the funding responsibility from private sources would equal approximately 48 percent, one of the largest private contributions toward the construction of a major league baseball stadium in the nation; and

WHEREAS, the subcommittee's recommendations for the public component of the financing strategy includes a new state sports lottery, a rebate by the Commonwealth of its share of sales taxes and corporate and personal income and franchise taxes collected on transactions and wages of stadium and team operations, including during the construction period, and two-percent admission surcharge reimbursable to the host locality for actual expenses; and

WHEREAS, legislation has been offered to the 1997 General Assembly to implement the subcommittee's recommendations, including a pilot program by the State Lottery Department consisting of new lottery tickets and shares, not including Keno or Video Lottery; and

WHEREAS, actions by major league baseball with respect to the possible awarding of an expansion franchise or relocation of an existing major league baseball team to Virginia may have an impact on the financing strategy for the construction of a major league baseball stadium; and

WHEREAS, due to the number and complexity of issues involved and the need to monitor all of the above-referenced possible actions, another year of study of possible state and local financing strategies is necessary to ensure that such strategies produce sufficient revenue to meet the public commitment to the public/private partnership recommended by the subcommittee; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Subcommittee Studying Financing Options for the Purpose of Constructing a Baseball Stadium in Virginia be continued. The membership of the subcommittee shall continue as initially appointed. Vacancies shall be filled as provided in HJR No. 223 and SJR No. 101.

The subcommittee shall (i) continue to study financing options for constructing a major league baseball stadium in Virginia; (ii) oversee the implementation of recommendations contained in the Final Report, including the creation of the Virginia Lottery's pilot program for new lottery tickets or shares devoted to the Authority; (iii) receive regular reports from the Authority regarding actions taken by major league baseball with respect to possible awarding of an expansion franchise or relocation of an existing major league baseball team to Virginia; (iv) recommend additional state and local finance strategies that might be utilized to cover the construction and operation of a major league baseball stadium; and (v) recommend such other action by the Commonwealth or other parties that would achieve the goal of locating and operating a major league baseball team in Virginia.

The direct costs of this study shall not exceed \$4,500.

The Division of Legislative Services shall continue to provide staff support for the study. All agencies of the Commonwealth shall provide assistance to the subcommittee, upon request.

The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the General Assembly by August 31, 1998.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of this study.