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HOUSE BILL NO. 242

Offered January 10, 2018

Prefiled January 2, 2018

A *BILL to amend the Code of Virginia by adding in Title 2.2 a chapter numbered 55.3, consisting of sections numbered 2.2-5514 and 2.2-5515, relating to prohibition of public funding of professional sports teams.*

Patrons—Webert, Collins, Freitas, Krizek and VanValkenburg; Senators: Surovell and Wexton

Referred to Committee on Appropriations

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 2.2 a chapter numbered 55.3, consisting of sections numbered 2.2-5514 and 2.2-5515, as follows:

CHAPTER 55.3.**PROHIBITION OF PUBLIC FUNDING OF PROFESSIONAL SPORTS TEAMS.****§ 2.2-5514. Definitions.**

For purposes of this chapter:

"Professional sports stadium" means a venue that hosts two or more events or practices featuring professional sports teams in a calendar year. "Professional sports stadium" includes practice and development facilities, office space, merchandising facilities, restaurants, or lodging for professional sports teams.

"Professional sports team" means any team consisting of athletes that receive monetary compensation for participating in sporting events. "Professional sports team" does not include high school or collegiate teams or teams funded exclusively by organizations holding tax-exempt status under 26 U.S.C. § 501(c)(3).

"Public funding" means:

1. Tax incentives that reduce the burden of state or local taxes, including deductions, subtractions, modifications, credits, and exemptions from taxation;
2. State or local grants, appropriations, authorizations, or expenditures, including the issuance of any state or locally supported debt or any conduit debt issued by a state or local authority;
3. State or local loans; and
4. Financial assistance in the construction of private infrastructure.

§ 2.2-5515. Prohibition of public funding of professional sports teams.

A. On and after January 1, 2019, neither the Commonwealth nor any political subdivision thereof shall:

1. Provide or offer to provide public funding for the construction of a professional sports stadium unless the public funding is otherwise available to all development projects or business entities located in the locality;

2. Utilize public funding for the construction or maintenance of facilities for a professional sports team;

3. Utilize public funding for infrastructure improvements required by a newly constructed professional sports stadium; or

4. Lease or donate land to a professional sports team or an entity affiliated with a professional sports team.

B. Nothing in this section shall be construed to prohibit the Commonwealth or any political subdivision thereof from constructing, maintaining, and charging reasonable fees for the use of public infrastructure related to a professional sports stadium, including water and sewer systems, electricity generation facilities, and transportation facilities.

C. Nothing in this section shall be construed to abrogate any existing contractual obligation incurred by the Commonwealth or any political subdivision thereof prior to January 1, 2019.

INTRODUCED

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