

2 **HB 2977 - H AMD 0160 ADOPTED 2/17/92**
3 By Representatives Appelwick and Padden

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5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** The legislature finds that:

8 (1) Professional sports franchises are unique economic entities
9 and, though privately owned, have great public value.

10 (2) Awarding a professional sports franchise vests rights and
11 economic benefits in the state and in political subdivisions of the
12 state.

13 (3) Removal of a professional sports franchise from a state causes
14 economic damages to the state and its political subdivisions.

15 Therefore, it is vital to protect the state and its political
16 subdivisions from economic loss from wrongful removal of a professional
17 sports franchise."

18 "NEW SECTION. **Sec. 2.** The state and its political subdivisions
19 shall have a cause of action for economic damages against any person,
20 corporation, state, or other entity responsible for a decision or
21 action, or inaction, resulting in the wrongful removal of a
22 professional sports franchise from this state."

23 "NEW SECTION. **Sec. 3.** The removal of a professional sports
24 franchise is wrongful upon the occurrence of any one or more of the
25 following elements:

1 (1) The removal occurs after the rejection of a purchaser on the
2 basis of residence, race, color, creed, or nationality;

3 (2) The removal is a violation of the Washington state franchise
4 act;

5 (3) The removal results in a violation of any contract or lease
6 between the franchise and an entity of government; or

7 (4) Other circumstances amounting to bad faith."

8 "NEW SECTION. Sec. 4. The measure of damages to the state or
9 its political subdivisions shall be the loss of direct or indirect tax
10 revenues as demonstrated by normal revenue forecast procedures, expert
11 analysis, or historic collections for a period of six years from the
12 date the franchise is removed from the state. The court may award
13 punitive damages upon finding that the defendant's actions giving rise
14 to the liability were taken in bad faith. The court shall award the
15 prevailing party reasonable attorneys' fees and costs."

16 "NEW SECTION. Sec. 5. The legislature finds that any
17 professional sports league granting a franchise in this state is doing
18 business in this state and that the league and its member owners,
19 commissioners, and officers have submitted to jurisdiction in the state
20 courts of the state of Washington."

21 "NEW SECTION. Sec. 6. Venue for litigation of professional
22 sports franchise issues shall be the county in which the primary home
23 facility of the franchise team is located."

24 "NEW SECTION. Sec. 7. If more than one person is found liable
25 on a claim under section 2 of this act, the liability of such persons
26 shall be joint and several."

1 "NEW SECTION. **Sec. 8.** Sections 1 through 7 of this act are
2 each added to chapter 4.24 RCW."

3 "NEW SECTION. **Sec. 9.** This act shall apply to all actions
4 taken on or after the effective date of this act that give rise to an
5 action under section 2 of this act."

6 "NEW SECTION. **Sec. 10.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of the
8 state government and its existing public institutions, and shall take
9 effect immediately."

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13 On page 1, line 2 of the title, after "franchise;" strike the
14 remainder of the title and insert "adding new sections to chapter 4.24
15 RCW; creating a new section; prescribing penalties; and declaring an
16 emergency."