

HOUSE BILL REPORT

HB 2838

As Reported by House Committee On:
Technology, Telecommunications & Energy

Title: An act relating to restrictions on local access to broadcasts of professional sports.

Brief Description: Prohibiting professional football blackouts.

Sponsors: Representatives Hunt, Schmidt, Simpson, Schual-Berke, Morris, Lovick, Sullivan, Anderson, Esser, Conway, Tokuda, Kirby and Berkey.

Brief History:

Committee Activity:

Technology, Telecommunications & Energy: 2/5/02 [DP].

Brief Summary of Bill

- Prohibits professional football teams that play in stadiums funded with public money and their affiliated league from denying the local live broadcast of games played in the stadium unless a certain percentage of tickets are left unsold.

HOUSE COMMITTEE ON TECHNOLOGY, TELECOMMUNICATIONS & ENERGY

Majority Report: Do pass. Signed by 19 members: Representatives Morris, Chair; Ruderman, Vice Chair; Crouse, Ranking Minority Member; Anderson, Berkey, Bush, Casada, DeBolt, Delvin, Esser, Hunt, Linville, Lysen, Nixon, Pflug, Reardon, Romero, Sullivan and Wood.

Staff: Pam Madson (786-7166); Ken Conte (786-7102).

Background:

The National Football League (NFL) rules provide that any game that is not sold out 72 hours before the game begins is eliminated from live broadcast coverage within the team's home territory. The team's home territory is the city in which the team plays its home games and includes an area 75 miles in every direction from the city limits.

The NFL's blackout rule has a long history and has been challenged by those seeking to

change the rule. In 1973 Congress adopted anti-blackout legislation that was in effect until 1975. The NFL has continued the rule as its policy since that time.

Summary of Bill:

A professional football team performing in a stadium constructed with public funds and any league, conference, or association affiliated with the team shall not deny the live local broadcast of an event within an area 75 miles of the stadium based on attendance. This prohibition does not apply if, within 72 hours of the event, the percentage of tickets not sold is greater than the percentage of construction costs for the stadium paid with public funds. For example, if 40 percent of the stadium's construction costs are paid with public funds, then a live broadcast could be blacked out if, 72 hours before the event, 41 percent or more of the seats remained unsold.

This prohibition does not apply to existing contracts but does apply to any extensions or renegotiations of existing contracts.

A violation of this prohibition is a violation of the consumer protection act.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Blackouts don't work. It is time for Washington to play a leadership role by stating that, in the case of publicly funded stadiums, the citizens should have some say in decisions to televise or not televise games. There are some people who can't attend games for a variety of reasons including disabilities. It's time for a change. I believe there is an increase in revenue due to advertising during the broadcast if games aren't blacked out. This bill removes a terrible injustice for fans. A large number of votes for the stadium were from within 75 miles of the city and yet these are the people who are excluded from seeing the game if it isn't sold out. We orchestrated the financing of the stadium in the most cost effective manner possible. The state share of the cost is \$300 million out of the total cost of approximately \$435 million. This is the most difficult project we've worked on in that it was hard to find ways to save the taxpayer dollars. Our citizens are paying for this facility and they will be paying for it for a long time.

Testimony Against: None.

Testified: (In support) Representative Hunt, prime sponsor; Representative Schmidt;

Vinnie Richichi, 710 KIRO-AM Radio; and Michael J. Murphy, State Treasurer.