

Amendment No. 1 to HB3723

Sargent  
Signature of Sponsor

**AMEND Senate Bill No. 3107\***

**House Bill No. 3723**

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-103(d)(1)(A), is amended by adding the following language, to be designated as subdivision (iv), and by redesignating present subdivision (iv) accordingly:

(iv)

(a) For purposes of this subdivision (d)(1)(A)(iv), "best interests of the state" means a determination that the purchase of the stadium within the municipality will result from the special allocation and distribution of state and local tax provided for in this subdivision (d)(1)(A)(iv) and that purchase of the stadium by the municipality will significantly enhance economic activity within the municipality.

(b) Notwithstanding the allocations provided for in subsection (a), if a franchise for a minor league affiliate of a major league baseball team (American or National League) playing at the Class AA level or higher locates in a municipality in this state, and if the municipality purchases an existing stadium for the franchise and issues bonds to assist with the purchase, then at such time as the franchise begins operating in the stadium following the purchase, an amount shall be apportioned and distributed to the municipality equal to the amount of state and local tax revenue derived from the sale of admissions to games of the professional sports franchise, and also the sale of food and drink sold on the premises of the stadium used in conjunction with those games, parking charges, and related services, as well as the sale by the professional sports

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franchise, within the county in which the games take place, of authorized franchise goods and products associated with its operations as a professional sports franchise less local taxes collected in the year preceding the stadium purchase.

(c) In order to be entitled to receive the distribution of state and local tax revenue under this subdivision (d)(1)(A)(iv), the municipality shall first receive certification from the commissioner of revenue, with the approval of the commissioner of economic and community development, that the special allocation of state and local tax is in the best interests of the state.

(d) The apportionment and distribution shall be used exclusively for the retirement of debt evidenced by bonds issued by the municipality for the purchase of the stadium. The apportionment shall continue only until the debt is fully paid, and in no event greater than thirty (30) years from the date the franchise begins operating in the stadium following the purchase. Following the expiration of this thirty-year period, all amounts that would have otherwise been distributed to the municipality or retained in lieu of distribution shall be allocated as provided elsewhere without regard to this subsection (d).

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.