(R-84-1763)

## RESOLUTION NUMBER R- 260678 Adopted on MAY 14 1984

WHEREAS, there is presently no State tax on receipts from professional sports ticket sales or broadcasting rights; and

WHEREAS, this bill (AB 2437) would impose a tax of 3% on the amount received from ticket sales and 6% on the gross receipts from broadcasting rights; and

WHEREAS, the revenue raised would be allocated to school districts for the support of high school interscholastic athletic programs; and

WHEREAS, to be eligible, school districts would have to require persons participating in the athletic programs to maintain at least a 2.0 grade point average; and

WHEREAS, opponents of the bill believe it would either drive up the price of tickets, thereby reducing sales, or would be absorbed by the franchise owners, in either case reducing the profitability of sports franchises; and

WHEREAS, The City of San Diego receives some \$3,000,000 a year in revenue from professional sports franchises at San Diego Jack Murphy Stadium, and an unknown amount of this revenue could be lost if this bill passes; and

WHEREAS, on April 23, 1984, the Rules Committee reviewed the various aspects of AB 2437 (Condit) as set forth by the Intergovernmental Relations Department in its Report No. 84-22, dated April 18, 1984 (with legislative analysis attached

thereto) and voted unanimously to recommend opposition to said proposed bill; and

WHEREAS, the Rules Committee now forwards the matter to the full Council with a unanimous recommendation to oppose; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, that this Council, for and on behalf of the people of San Diego, after full review of IRD Report No. 84-22, dated April 18, 1984, and the legislative analysis and recommendation attached thereto, does hereby express its opposition to AB 2437 (Condit), relating to excise tax on professional sports events.

BE IT FURTHER RESOLVED, that the Intergovernmental Relations Department is hereby directed to take all necessary and appropriate action to carry forward the above-expressed Council opposition to AB 2437.

APPROVED: John W. Witt, City Attorney

Ву

Jack/Katz

Chaef Deputy City Attorney

JK:smm 5/3/84 R-84-1763 Or.Dept:Rules Form=r.none

Passed and adopted by the Council oby the following vote:	of The City of San Diego on	MAY 14 1984	
Councilmen Bill Mitchell Bill Cleator Gloria McColl William Jones Ed Struiksma Mike Gotch Dick Murphy Uvaldo Martinez Mayor Roger Hedgecock	Yeas Nays	Not Present Ineligible	e
AUTHENT	ICATED BY:	ROGER HEDGECOCK	
		f The City of San Diego, Californ	nia.
(Seal)	СН	ARLES G. ABDELNOUR	
		of The City of San Diego, Califo	omia.
	By least	a. Blackell	, Deputy.
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	Office of the City	Clerk, San Diego, California	
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CC-1276 (REV. 6-83)

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