H.R. REP. 95-1627, H.R. Rep. No. 1627, 95TH Cong., 2ND Sess. 1978, 1978 U.S.C.C.A.N. 7478, 1978 WL 8517 (Leg.Hist.)

**\*\*7478** P.L. 95-606, AMATEUR SPORTS ACT OF 1978

SEE PAGE 92 STAT. 3045

SENATE REPORT (COMMERCE, SCIENCE, AND TRANSPORTATION

COMMITTEE)

NO. 95-770, APR. 27, 1978 (TO ACCOMPANY S. 2727)

HOUSE REPORT (JUDICIARY COMMITTEE) NO 95-1627, SEPT. 25,

1978 (TO ACCOMPANY S. 2727)

CONG. RECORD VOL. 124 (1978)

DATES OF CONSIDERATION AND PASSAGE

SENATE MAY 8, OCTOBER 15, 1978

HOUSE OCTOBER 14, 1978

THE HOUSE REPORT IS SET OUT.

                                                                                  (CONSULT NOTE FOLLOWING TEXT FOR INFORMATION ABOUT OMITTED MATERIAL.  EACH     COMMITTEE REPORT IS A SEPARATE DOCUMENT ON WESTLAW.)

HOUSE REPORT NO. 95-1627

SEPT. 25, 1978

**\*1** THE COMMITTEE ON THE JUDICIARY, TO WHOM WAS REFERRED THE BILL (S. 2727) TO PROMOTE AND COORDINATE AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES, TO RECOGNIZE CERTAIN RIGHTS FOR U.S. AMATEUR ATHLETES, TO PROVIDE FOR THE RESOLUTION OF DISPUTES INVOLVING NATIONAL GOVERNING BODIES, AND FOR OTHER PURPOSES, HAVING CONSIDERED THE SAME, REPORT **\*\*7479** FAVORABLY THEREON WITH AMENDMENTS AND RECOMMEND THAT THE BILL DO PASS.

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**\*5** EXPLANATION OF COMMITTEE AMENDMENTS

PAGE 2, LINES 1 THROUGH 24; PAGE 3, LINES 1 THROUGH 24; PAGE 4, LINES 1 THROUGH 24; PAGE 5, LINES 1 THROUGH 14.

THE AMENDMENT STRIKES ALL OF TITLE I OF THE BILL WHICH CONTAINED A DECLARATION OF POLICY. THE BILL REVISES THE EXISTING LAW INCORPORATING THE U.S. OLYMPIC COMMITTEE. THE INCORPORATING STATUTE ITSELF STATES THE PURPOSES AND POWERS OF THE CORPORATION.

THE AMENDMENT ALSO MODIFIES THE NUMBERING OF THE BILL SO THAT SECTION 1(A) OF THE BILL AMENDS THE LAW INCORPORATING THE U.S OLYMPIC COMMITTEE IS RENUMBERED AND AMENDED IN THE SAME MANNER PROVIDED IN THE BILL AS IT PASSED THE SENATE, AND SECTION 1(B) OF THE BILL THEN PROVIDES THAT THE BALANCE OF THE PRESENT 12 SECTIONS IN THE INCORPORATING STATUTE ARE TO BE STRICKEN AND THE LANGUAGE OF THE AMENDED BILL SUBSTITUTED. THE AMENDED BILL THEREFORE SETS OUT THE BALANCE OF THE PROVISIONS OF THE REVISED CHARTER.

PAGE 5, LINE 22: THIS IS A CLARIFYING AMENDMENT WHICH STRIKES THE WORDS ‘ARE PERMITTED TO‘ FROM THE DEFINITION OF ‘AMATEUR ATHLETIC CORPORATION‘.

PAGE 6, LINE 15: TECHNICAL AMENDMENT TO ELIMINATE A QUOTATION MARK.

PAGE 6, LINES 16 THROUGH 18: A HEADING IS ELIMINATED AS UNNECESSARY AND SIMPLIFIES THE BILL.

**\*6** PAGE 6, LINE 24: THE LANGUAGE ADDS LANGUAGE TO CLARIFY THE FACT THAT THE PURPOSE OF COORDINATING AND DEVELOPING AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES IS TO RELATE DIRECTLY TO INTERNATIONAL ATHLETIC COMPETITION.

PAGE 8, LINE 14: TECHNICAL AMENDMENT TO ELIMINATE THE WORD ‘AND‘.

PAGE 8, LINE 20: THE LANGUAGE ADDS TO THE PURPOSES OF THE CORPORATION A STATEMENT THAT THE CORPORATION IS TO ENCOURAGE PARTICIPATION BY ATHLETES OF RACIAL AND ETHNIC MINORITIES.

PAGE 9, LINE 2: IN A SIMILAR MANNER TO THE AMENDMENT IN THE PURPOSES SECTION, THIS PROVISION RELATING TO POWERS OF THE CORPORATION IS AMENDED TO STATE ITS COORDINATING FUNCTIONS IN THE UNITED STATES IS TO DIRECTLY RELATE TO INTERNATIONAL AMATEUR ATHLETIC COMPETITION.

PAGE 9, LINE 19, AND LINE 21: THE AMENDMENTS MAKE IT CLEAR THAT THE POWER OF THE USOC AS TO THE RESOLUTION OF DISPUTES OR CONFLICTS ARE TO RELATE TO THOSE WHICH INVOLVE ‘ANY OF ITS MEMBERS AND ANY AMATEUR ATHLETE, COACH, TRAINER, MANAGER, ADMINISTRATOR, OFFICIAL, NATIONAL GOVERNING BODY OR AMATEUR SPORTS ORGANIZATION ‘AND ARE TO BE THOSE DISPUTES OR CONFLICTS‘ WHICH ARISE IN CONNECTION WITH THEIR ELIGIBILITY FOR PARTICIPATION IN THE OLYMPIC GAMES, THE PAN-AMERICAN GAMES, WORLD CHAMPIONSHIP COMPETITION, OR OTHER PROTECTED COMPETITION AS DEFINED THE THE CONSTITUTION AND BYLAWS OF THE CORPORATION.

PAGE 10, LINE 23: THE AMENDMENT MAKES IT CLEAR THAT THE USOC CONSTITUTION AND BYLAWS MUST CONFORM TO APPLICABLE STATE AND FEDERAL LAW.

**\*\*7480** PAGE 10, LINE 25: THE USOC IS NOT A U.S. ENTITY. AS A PRIVATE NONPROFIT CORPORATION, IT WOULD BE INAPPROPRIATE TO PROVIDE FOR THE USE OF THE FEDERAL REGISTER FOR NOTICES OF PROPOSED CHANGES IN ITS CONSTITUTION.

PAGE 11, LINE 6: THE AMENDMENT CORRECTS AN ERRONEOUS REFERENCE TO A SUBPARAGRAPH.

PAGE 11, LINE 11: THE AMENDMENT INCREASES THE TIME FOR PUBLIC COMMENT ON AMENDMENTS TO THE USOC CONSTITUTION FROM 30 TO 60 DAYS PRIOR TO ADOPTION.

PAGE 11, LINES 12 AND 13: THIS IS A CONFORMING AMENDMENT STRIKING ‘FEDERAL REGISTER‘.

PAGE 11, LINES 14 THROUGH 20: THIS IS A CONFORMING AMENDMENT WHICH RESTATES THE LANGUAGE OF PRESENT SECTION 5 OF THE CHARTER AS SECTION 106(A) OF THE REVISED CHARTER.

PAGE 11, LINE 24: TECHNICAL AMENDMENT TO CORRECT THE FORM OF THE REVISED SUBSECTION.

PAGE 12, LINE 18: THE AMENDMENT ADDS THE LANGUAGE OF PRESENT SECTIONS 6, 7, AND 8 OF THE INCORPORATING STATUTE AS SECTIONS 107, 108, AND 109 OF THE REVISED CHARTER.

PAGE 12, LINE 19 THROUGH LINE 16 ON PAGE 15: THE AMENDMENTS ON THOSE PAGES COMPLETELY REVISE THE LANGUAGE OF FORMER SECTION 207 OF THE BILL WHICH MODIFIED CHARTER LANGUAGE RELATING TO THE USE OF EMBLEMS, SYMBOLS AND TERMS. THE COMMITTEE AMENDMENTS REVISE THE LANGUAGE OF THE ORIGINAL BILL REFERRING TO THE EMBLEMS, SYMBOLS, TRADEMARKS (AND RELATED MATTERS) AND CERTAIN OLYMPIC-RELATED WORDS. IT FURTHER RETAINS THE SUBSTANCE OF THE PRESENT LAWS EXEMPTION (IN SECTION 9 OF THE ACT OF SEPTEMBER 21, 1950) PROTECTING CONTINUED LAWFUL USE OF SYMBOLS OR WORDS BY PERSONS WHO USED THEM PRIOR TO SEPTEMBER 21, 1950.

**\*7** A NEW SUBSECTION (C) IS CONTAINED IN REVISED SECTION 110 WHICH PROVIDES THAT THE CORPORATION IS TO HAVE THE EXCLUSIVE RIGHT TO USE THE NAME ‘UNITED STATES OLYMPIC COMMITTEE‘, THE OLYMPIC SYMBOL AND THE OLYMPIC-RELATED WORDS REFERRED TO ABOVE, SUBJECT TO THE SPECIFIC PREEXISTING RIGHTS JUST DESCRIBED ABOVE.

PAGE 15, FOLLOWING LINE 16: THE AMENDMENT REPEALS THE LANGUAGE OF PRESENT SECTIONS 10 AND 11 OF THE ACT OF SEPTEMBER 21, 1950 AS SECTIONS 111 AND 112 OF THE REVISED CHARTER.

PAGE 15, LINES 17 THROUGH 24 AND PAGE 16, LINES 1 THROUGH 6: THE AMENDMENT REVISES SECTION 113 OF THE CHARTER CONCERNING THE ANNUAL REPORT OF THE CORPORATION.

PAGE 16, LINES 7 THROUGH 10: THE LANGUAGE OF LINES 7 THROUGH 10 OF PAGE 16 ARE STRICKEN AS A CONFORMING AMENDMENT.

PAGE 16, LINE 13, AND LINES 17 AND 18: THE AMENDMENTS, SIMILAR TO THOSE MADE TO SECTION 105 AS TO POWERS OF THE CORPORATION, PROVIDE THAT THE USOC IN ITS CONSTITUTION AND BYLAWS IS TO PROVIDE FOR THE RESOLUTION OF DISPUTES INVOLVING ‘ANY OF ITS MEMBERS AND RELATING TO THE OPPORTUNITY OF ATHLETES AND OTHERS TO PARTICIPATE IN THE OLYMPIC GAMES, THE PAN-AMERICAN GAMES, WORLD CHAMPIONSHIP COMPETITION ‘OR OTHER SUCH PROTECTED COMPETITION‘ AS DEFINED IN ITS CONSTITUTION AND BYLAWS.

PAGE 16, LINE 20: TECHNICAL AMENDMENTS REFERRING TO REVISED SECTION NUMBERS IN THE BILL.

PAGE 18, LINE 13: THE BILL IS AMENDED TO REFER TO ARBITRATION ‘CONDUCTED IN ACCORDANCE WITH THE COMMERCIAL RULES‘ OF THE AMERICAN **\*\*7481** ARBITRATION ASSOCIATION, AND THEREBY CLARIFY THE REFERENCE TO THE ASSOCIATION AS CONTAINED IN THE BILL.

PAGE 20, LINE 11: CLARIFYING AMENDMENT.

PAGE 24, LINE 17: THE AMENDMENT PROVIDES AMONG THE DUTIES OF A GOVERNING BODY A REQUIREMENT THAT, WHEN FEASIBLE, OPPORTUNITY BE GIVEN TO INCLUDE HANDICAPPED PERSONS IN REGULAR ATHLETIC COMPETITION.

PAGE 29, LINES 4 THROUGH 10: THE AMENDMENT STRIKES THE LAST SENTENCE IN SECTION 204. IT WOULD HAVE HAD THE EFFECT OF PROVIDING SPECIAL JURISDICTION IN U.S. DISTRICT COURTS FOR CERTAIN INJUNCTION PROCEEDINGS.

PAGE 35, LINE 22 THROUGH LINE 6 ON PAGE 36, AND PAGE 36, LINES 7, 10, AND 13: THE AMENDMENT STRIKES A PARAGRAPH WHICH WOULD HAVE AUTHORIZED ARBITRATORS TO ISSUE SUBPENAS AND TO PETITION DISTRICT COURTS FOR ENFORCEMENT. THE SUBSEQUENT THREE PARAGRAPHS ARE REDESIGNATED ACCORDINGLY.

PAGE 36, LINES 21, 22, AND 23: THE AMENDMENT STRIKES LANGUAGE PROVIDING SPECIAL JURISDICTION IN THE DISTRICT COURTS TO ENFORCE DECISIONS OF ARBITRATORS REFERRED TO IN THE BILL.

PAGE 37, LINE 3: THE AMENDMENT MERELY INSERTS THE WORD ‘EXCLUSIVE‘ PRIOR TO ‘JURISDICTION OVER SUCH COMPETITION‘, THEREFORE CLARIFYING THAT THE GROUPS DESCRIBED IN THE SECTION ARE TO HAVE EXCLUSIVE JURISDICTION OVER THE COMPETITIONS REFERRED TO THEREIN.

PAGE 37, LINE 11: THE SECRETARY OF THE TREASURY IS SUBSTITUTED FOR THE SECRETARY OF COMMERCE AS THE SECRETARY AUTHORIZED TO AWARD GRANTS.

PAGE 37, LINE 20 THROUGH LINE 9 ON PAGE 38: THE AMENDMENT STRIKES THE BALANCE OF SUBSECTION (A) AFTER ‘EXCEEDING‘ AND SUBSTITUTES LANGUAGE WHICH PROVIDES THAT NOT TO EXCEED $30 MILLION IS AUTHORIZED FOR GRANTS TO FINANCE THE DEVELOPMENT AND OPERATION OF PROGRAMS APPROVED **\*8** BY THE USOC CONSISTENT WITH ITS OBJECTS AND PURPOSES AS DEFINED IN REVISED SECTION 104.

PAGE 38, LINES 17 THROUGH LINE 7 ON PAGE 39: THE AMENDMENT SUBSTITUTES A REVISED SUBSECTION (C) FOR SUBSECTIONS (C),(D), AND (E) OF THE BILL. THE AMENDED SUBSECTION (C) AUTHORIZES A SINGLE APPROPRIATION OF $30 MILLION FOR FISCAL YEAR 1980.

PAGE 39, LINES 8 THROUGH 19: THE AMENDMENT STRIKES SECTION 212 OF THE BILL WHICH WOULD HAVE AUTHORIZED TRANSFER OF EXCESS REAL PROPERTY OWNED BY THE UNITED STATES TO THE USOC.

PURPOSE

THE PROPOSED LEGISLATION, AS AMENDED, WOULD AMEND THE LAW INCORPORATING THE U.S. OLYMPIC COMMITTEE TO ALLOW IT TO BECOME THE COORDINATING BODY FOR AMATEUR SPORTS IN THE UNITED STATES WHICH RELATE TO INTERNATIONAL AMATEUR ATHLETIC COMPETITION AND TO PROVIDE A MECHANISM FOR RESOLVING DISPUTES AMONG THE VARIOUS SPORTS ORGANIZATIONS AND THE ATHLETES. THE LEGISLATION WOULD ALSO AUTHORIZE THE SECRETARY OF THE TREASURY TO AWARD GRANTS TO THE U.S. OLYMPIC COMMITTEE NOT EXCEEDING $30 MILLION TO FINANCE ITS PROGRAMS AND TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES.

STATEMENT

THE BILL AMENDS THE CURRENT U.S. OLYMPIC COMMITTEE (USOC) CHARTER WHICH WAS ORIGINALLY ADOPTED IN 1950. THE BILL MAKES BASIC **\*\*7482** CHANGES IN THAT CHARTER. THE MAJOR PURPOSE OF THESE CHANGES IS TO ALLOW THE USOC TO BECOME THE COORDINATING BODY FOR AMATEUR SPORTS WHICH RELATE TO AMERICAN PARTICIPATION IN THE OLYMPIC GAMES, THE PAN-AMERICAN GAMES, AND OTHER MAJOR INTERNATIONAL COMPETITIONS. THE BILL ALSO CONTAINS A PROVISION WHICH AUTHORIZES A $30 MILLION GRANT TO THE USOC TO FINANCE THE DEVELOPMENT AND OPERATION OF ANY PROGRAMS APPROVED BY THE USOC CONSISTENT WITH ITS PURPOSES, AND TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES.

BACKGROUND

THE UNITED STATES OLYMPIC COMMITTEE (USOC) WAS ESTABLISHED IN 1896 TO SERVE AS THIS COUNTRY'S REPRESENTATIVE TO THE INTERNATIONAL OLYMPIC COMMITTEE. NINE MULTISPORT ORGANIZATIONS AND 32 NATIONAL GOVERNING BODIES COMPRISE THE MEMBERSHIP OF THE USOC. IN ORDER TO BE REPRESENTED IN THE USOC STRUCTURE, AMATEUR SPORTS ORGANIZATIONS CONDUCTING COMPETITIONS OR PROGRAMS IN A PARTICULAR SPORT MUST BECOME AFFILIATED WITH THE NATIONAL GOVERNING BODY FOR THAT SPORT. 1

IN 1975, THE PRESIDENT'S COMMISSION ON OLYMPIC SPORTS WAS ESTABLISHED WITH THE MANDATE TO DETERMINE HOW BEST TO CORRECT THE DISORGANIZATION AND THE SERIOUS FACTIONAL DISPUTES THAT SEEMED TO PLAGUE AMATEUR SPORTS IN THE UNITED STATES. THE OVERALL DECLINE OF AMERICAN ACHIEVEMENT IN OLYMPIC AND INTERNATIONAL COMPETITION WAS APPARENT. FOR A NATION OF ALMOST 250 MILLION PEOPLE, WE WERE **\*9** FALLING SERIOUSLY BELOW OUR POTENTIAL TO BOTH FIELD STRONG INTERNATIONAL TEAMS AND TO GUARANTEE GREATER ATHLETIC OPPORTUNITIES AT THE GRASSROOTS LEVEL.

AFTER 2 YEARS OF STUDY, IN JANUARY 1977, THE PRESIDENT'S COMMISSION REPORTED ITS FINDINGS AND MADE RECOMMENDATIONS. IT FAVORED ESTABLISHING A VERTICAL SPORTS STRUCTURE, USING THE USOC AS THE COORDINATING BODY THROUGH WHICH AMATEUR SPORTS ORGANIZATIONS COULD WORK TO BE RESPONSIVE TO THE NEEDS OF THE NATION'S AMATEUR ATHLETES. TO CREATE SUCH A STRUCTURE, IT RECOMMENDED EXPANDING THE CHARTER OF THE USOC AND GIVING IT FIVE NEW POWERS:

A MEANS TO SETTLE ORGANIZATIONAL DISPUTES OVER THE RIGHT TO BE THE RECOGNIZED NATIONAL GOVERNING BODY IN A SPORT;

A MEANS TO INDUCE ALL ORGANIZATIONS WITH SIGNIFICANT NATIONAL PROGRAMS IN A SPORT TO BELONG TO THE NATIONAL GOVERNING BODY SO THAT THEIR ACTIVITIES CAN BE COORDINATED;

A MEANS TO GUARANTEE AN ATHLETE'S RIGHT TO COMPETE;

A MEANS TO FINANCE AMATEUR SPORTS MORE EFFECTIVELY; AND

A CENTRAL POLICY MAKING FORUM TO IDENTIFY U.S. SPORTS PROBLEMS AND EFFECT SOLUTIONS.

THE PRESIDENT'S COMMISSION MADE IT CLEAR THAT IT DID NOT WANT THE FEDERAL GOVERNMENT DIRECTING AMATEUR ATHLETICS IN THIS COUNTRY. HOWEVER, IT ASKED CONGRESS TO LEGISLATE ITS RECOMMENDATIONS BY AMENDING THE 1950 CHARTER OF THE USOC. S. 2727, THE AMATEUR SPORTS ACT, EMBODIES MAY OF THE COMMISSION'S RECOMMENDATIONS. THE AMATEUR ATHLETIC UNION (AAU), THE NATIONAL COLLEGIATE ATHLETIC ASSOCIATION (NCAA), THE ASSOCIATION FOR INTERCOLLEGIATE ATHLETICS FOR **\*\*7483** WOMAN (AIAW), AS WELL AT THE USOC ITSELF HAVE PARTICIPATED IN THE DISCUSSIONS REGARDING THESE REORGANIZATIONAL EFFORTS AND THEY HAVE HELPED SHAPE THE COURSE OF S. 2727.

DISCUSSION OF MAJOR PROVISIONS OF THE BILL

THE BILL IS DIVIDED INTO THREE SECTIONS. SECTION 1 ENLARGES THE PURPOSES AND POWERS OF THE USOC TO PERMIT IT TO CARRY OUT ITS EXPANDED ROLE. THE NEW PURPOSES OF THE USOC INCLUDE THE COORDINATION AND DEVELOPMENT OF AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES DIRECTLY RELATING TO INTERNATIONAL AMATEUR ATHLETIC COMPETITION; THE EXERCISE OF EXCLUSIVE JURISDICTION OVER ALL MATTERS PERTAINING TO THE PARTICIPATION OF THE UNITED STATES IN THE OLYMPIC GAMES, AND THE PAN-AMERICAN GAMES; THE PROVIDING OF THE MEANS FOR THE SWIFT RESOLUTION OF CONFLICTS AND DISPUTES INVOLVING AMATEUR ATHLETES, NATIONAL GOVERNING BODIES, AND AMATEUR SPORTS ORGANIZATIONS; AND THE PROTECTION OF THE OPPORTUNITY OF ANY AMATEUR ATHLETE, COACH TRAINER MANAGER, ADMINISTRATOR OR OFFICIAL TO PARTICIPATE IN THE OLYMPIC GAMES, THE PAN-AMERICAN GAMES, AND OTHER INTERNATIONAL AMATEUR ATHLETIC COMPETITIONS.

SECTION 1 OF THE BILL ALSO EXPANDS THE POWERS OF THE USOC TO INCLUDE THE POWER TO SERVE AS THE COORDINATING BODY FOR AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES DIRECTLY RELATING TO INTERNATIONAL AMATEUR ATHLETIC COMPETITION; TO RECOGNIZE AN AMATEUR SPORTS ORGANIZATION AS NATIONAL GOVERNING BODY FOR ANY SPORT INCLUDED IN THE PROPOSAL OF THE OLYMPIC GAMES OR THE PAN-AMERICAN GAMES; AND TO FACILITATE THE RESOLUTION OF CONFLICTS AND DISPUTES INVOLVING ITS MEMBERS AND ANY NATIONAL GOVERNING BODY, AMATEUR SPORTS ORGANIZATIONS OR ANY ATHLETE, **\*10** COACH OR OTHER PARTICIPANT IN PROTECTED COMPETITION AS DEFINED IN THE CONSTITUTION AND BYLAWS OF THE USOC.

SECTION 1 FURTHER ADDS TO THE USOC CHARTER A REQUIREMENT THAT THE GOVERNANCE OF THE AFFAIRS OF THE ORGANIZATION BE CONDUCTED BY REPRESENTATIVES OF ALL PHASES OF THE AMATEUR ATHLETIC COMMUNITY. FURTHER, UNDER THE BILL, USOC WOULD BE ABLE TO PROTECT CERTAIN SYMBOLS, EMBLEMS, TRADEMARKS, TRADENAMES AND WORDS BY CIVIL ACTION PURSUANT TO THE TRADEMARK ACT OF 1946. CURRENTLY, THE USOC CHARTER PROVIDES A CRIMINAL PENALTY FOR USE OF CERTAIN SYMBOLS, EMBLEMS, OR WORDS WHICH HAVE PROVED TO BE UNWORKABLE, AS TO ENFORCE IT, A CRIMINAL INTENT NEEDS TO BE ESTABLISHED.

FINALLY, SECTION 1 AMENDS THE CHARTER TO REFLECT THE RECENT CHANGES MADE IN THE USOC CONSTITUTION AND BYLAWS TO ALLOW FOR THE SWIFT RESOLUTION OF DISPUTES INVOLVING ANY OF ITS MEMBERS AND RELATING TO THE OPPORTUNITY OF ANY AMATEUR ATHLETE, COACH, TRAINER, OR OTHER PERSON TO PARTICIPATE IN CERTAIN PROTECTED COMPETITIONS AS DEFINED IN ITS CONSTITUTION AND BYLAWS. ON THIS POINT, THE CURRENT USOC CONSTITUTION READS AS FOLLOWS:

SECTION 6. NO MEMBER OF THE USOC MAY DENY OR THREATEN TO DENY ANY AMATEUR ATHLETE THE OPPORTUNITY TO COMPETE IN THE OLYMPIC GAMES, THE PAN AMERICAN GAMES, WORLD CHAMPIONSHIP COMPETITION, OR OTHER SUCH PROTECTED COMPETITION AS SET FORTH IN SECTION 7; NOR MAY IT CENSURE, SUBSEQUENT TO SUCH COMPETITION, OR OTHERWISE PENALIZE, ANY SUCH ATHLETE WHO PARTICIPATES IN SUCH COMPETITION.

**\*\*7484** SECTION 7. AS USED IN SECTION 6 OF THIS ARTICLE, ‘PROTECTED COMPETITION‘ MEANS ANY INTERNATIONAL AMATEUR ATHLETIC COMPETITION IN A SPORT INCLUDED WITHIN THE CALENDARS OF PAN AMERICAN OR OLYMPIC GAMES: (A) THE TERMS OF WHICH COMPETITION REQUIRE THAT THE ENTRANTS THEREIN BE TEAMS OR INDIVIDUALS REPRESENTING THEIR RESPECTIVE NATIONS; (B) THE UNITED STATES TEAM OR GROUP OF INDIVIDUALS FOR WHICH IS OFFICIALLY DESIGNATED AS REPRESENTING THE UNITED STATES BY THE APPROPRIATE GROUP A MEMBER; (C) THE UNITED STATES TEAM OR GROUP OF INDIVIDUALS FOR WHICH IS SELECTED, ORGANIZED AND SPONSORED BY THE APPROPRIATE GROUP A MEMBER; AND (D) THE UNITED STATES TEAM OR GROUP SELECTION PROCESS FOR WHICH IS MADE ON A NATIONAL QUALIFICATION BASIS, THROUGH A DEFINED SELECTION OR TRYOUT PROCESS, PUBLICLY ANNOUNCED IN ADVANCE. EXCEPT FOR DOMESTIC AMATEUR ATHLETIC COMPETITION EXPRESSLY RESTRICTED TO MEMBERS OF A SPECIFIC CLASS OF AMATEUR ATHLETES (SUCH AS HIGH SCHOOL ATHLETES, COLLEGE ATHLETES OR MEMBERS OF THE ARMED FORCES), THE TERM ‘PROTECTED COMPETITION ‘ SHALL ALSO INCLUDE ANY DOMESTIC AMATEUR ATHLETIC EVENT OR TRYOUT ORGANIZED AND CONDUCTED BY THE APPROPRIATE GROUP A MEMBER AND ANNOUNCED IN ADVANCE TO PROSPECTIVE ENTRANTS AND PUBLICLY BY SUCH GROUP A MEMBER, AS DIRECTLY QUALIFYING SUCCESSFUL COMPETITORS THEREIN AS A MEMBER OF THE UNITED STATES TEAM OR GROUP OF INDIVIDUALS FOR PARTICIPATION IN PROTECTED COMPETITION REFERRED TO IN THE IMMEDIATELY PRECEDING SENTENCE OF THIS SECTION. 2

**\*11** SECTION 2 ADDS AN ENTIRELY NEW TITLE TO THE CHARTER WHICH GIVES THE USOC THE AUTHORITY TO RECOGNIZE APPROPRIATE AMATEUR ATHLETIC ORGANIZATIONS TO BE NATIONAL GOVERNING BODIES IN THE UNITED STATES FOR THE SPORTS INCLUDED ON THE PROGRAM OF THE OLYMPIC GAMES OR THE PAN-AMERICAN GAMES. THIS SECTION SPECIFIES THE REQUIREMENTS OF ELIGIBILITY FOR RECOGNITION AS A NATIONAL GOVERNING BODY, AND THE DUTIES AND AUTHORITIES OF SUCH ORGANIZATIONS ONCE SELECTED. ONE OF THE PRINCIPAL ELIGIBILITY REQUIREMENTS IS THAT ANY ORGANIZATION WHICH SEEKS TO BE RECOGNIZED AS THE NATIONAL GOVERNING BODY MUST AGREE TO SUBMIT TO BINDING ARBITRATION IN ANY CONTROVERSY INVOLVING ITS RECOGNITION AS A NATIONAL GOVERNING BODY OR INVOLVING THE OPPORTUNITY OF ANY ATHLETE, COACH, TRAINER, OR OTHER PERSON TO PARTICIPATE IN AMATEUR ATHLETIC COMPETITION.

CURRENTLY, VARIOUS ORGANIZATIONS ARE RECOGNIZED AS THE NATIONAL GOVERNING BODIES FOR THE ABOVE DESCRIBED SPORTS, AND THEY ARE MEMBERS OF THE USOC. HOWEVER, THIS BILL WOULD FOR THE FIRST TIME, PLACE THE USOC IN THE POSITION OF RECOGNIZING THE SPORTS ORGANIZATION WHICH WILL BE THE NATIONAL GOVERNING BODY FOR A GIVEN SPORT IN THE UNITED STATES. THIS RECOGNITION WILL BE BASED ON SPECIFIC ELIGIBILITY REQUIREMENTS WHICH ARE STATED IN THE CHARTER AS AMENDED BY THIS BILL. FURTHER, THIS BILL ALSO FOR THE FIRST TIME, PROVIDES A METHOD FOR RESOLVING THE VARIOUS CONTROVERSIES WHICH HAVE SURROUNDED THE NATIONAL GOVERNING BODIES, WITH OTHER AMATEUR SPORTS ORGANIZATIONS OR THE AMATEUR ATHLETES THEMSELVES. THE BILL ALSO GIVES THE USOC THE RESPONSIBILITY OF MONITORING AND OVERSEEING THE NATIONAL GOVERNING BODIES WITH RESPECT TO THEIR COMPLIANCE WITH THE RELEVANT PROVISIONS OF THE CHARTER.

**\*\*7485** THE BILL ALSO RECOGNIZES THAT THERE ARE MANY AMATEUR SPORTS ORGANIZATIONS WHICH CONDUCT AMATEUR ATHLETIC COMPETITIONS THAT ARE RESTRICTED TO A SPECIFIC CLASS OF AMATEUR ATHLETES. EXAMPLES IN THIS AREA INCLUDE COMPETITIONS RESTRICTED ONLY TO HIGH SCHOOL STUDENTS, OR TO COLLEGE STUDENTS, OR MEMBERS OF THE ARMED FORCES, OR MEMBERS OF THE YMCA. IN VIEW OF THIS SPECIAL CATEGORY OF EVENTS, THE BILL CREATES A PROVISION IN THE USOC CHARTER WHICH GIVES THE ORGANIZATION CONDUCTING SUCH EVENTS THE EXCLUSIVE JURISDICTION OVER THAT COMPETITION.

SECTION 3 OF THE BILL AUTHORIZES A THIRTY MILLION DOLLAR ($30 MILLION) GRANT TO THE USOC IN FISCAL YEAR 1980 TO FINANCE THE DEVELOPMENT AND OPERATION OF ANY PROGRAMS CONSISTENT WITH ITS CORPORATE PURPOSES AS DEFINED IN SECTION 104 OF THE CHARTER AS AMENDED BY THIS BILL, AND TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES.

THE FIRST TWO SECTIONS OF THIS ACT ORDER THE RESTRUCTURING AND REORGANIZATION OF THE USOC THROUGH AMENDMENTS OF ITS FEDERAL CHARTER. THIS SECTION PROVIDES FINANCIAL ASSISTANCE TO ACCOMPLISH THIS REORGANIZATION AND TO AID IN THE IMPLEMENTATION AND OPERATION OF ANY PROGRAMS APPROVED BY THE USOC WHICH WILL ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES.

ALTHOUGH THE BILL, AS AMENDED, DOES NOT SPECIFY THE PURPOSES FOR WHICH THE FUNDS ARE TO BE USED, WITNESSES FOR THE OLYMPIC COMMITTEE HAVE SUBMITTED WRITTEN BUDGETS FOR EXPENDITURES OF THE $30 MILLION AUTHORIZED. THOSE SUBMISSIONS DEMONSTRATED THAT APPROXIMATELY $8 MILLION WOULD BE USED FOR THE OPERATION OF NATIONAL TRAINING CENTERS FOR AMATEUR ATHLETES, BY THE USOC; ANOTHER $4 MILLION WAS SOUGHT FOR THE DEVELOPMENT OF ADDITIONAL DATA AND SERVICES IN THE AREA OF SPORTS MEDICINE; AND APPROXIMATELY $18 MILLION TO IMPLEMENT THE REORGANIZATION **\*12** AND VITALIZATION OF THE NATIONAL GOVERNING BODIES AS AUTONOMOUS, EFFECTIVE COORDINATING BODIES FOR THEIR RESPECTIVE SPORTS. THE COMMITTEE INTENDS THAT THESE FUNDS ARE TO BE USED BY THE USOC PRIMARILY AMONG ITS MEMBERS FOR THE PURPOSES OF PROGRAM DEVELOPMENT AND FOR EXPENSES INCURRED IN CONNECTION WITH THE OPERATION OF THE TRAINING CENTERS.

IT SHOULD BE THOROUGHLY UNDERSTOOD THAT THIS IS INTENDED TO BE A ONE-TIME-ONLY GRANT. THE USOC HAS TESTIFIED THAT IT WILL NOT SEEK FUTURE FUNDS FROM THE FEDERAL GOVERNMENT, AND IT IS WITH THE UNDERSTANDING THAT THE COMMITTEE INCLUDED THIS SECTION IN THE BILL. THE USOC ALSO TESTIFIED THAT THESES FUNDS ARE NEEDED AS ‘SEED MONEY‘ TO ACCOMPLISH THE REORGANIZATION WHICH SHOULD ENCOURAGE NEW AND INCREASED FINANCIAL SUPPORT FROM THE PRIVATE SECTOR.

BY AUTHORIZING THIS APPROPRIATION, THE COMMITTEE IS IN NO WAY ADVOCATING FOR A PERMANENT PROGRAM OF FEDERAL FINANCIAL ASSISTANCE TO AMATEUR ATHLETICS IN THIS COUNTRY. THE UNITED STATES DISTINGUISHES ITSELF FROM MANY OTHER COUNTRIES BY ALLOWING AMATEUR ATHLETICS TO BE A TRULY AMATEUR IN NATURE, FREE FROM GOVERNMENT FUNDS AND DOMINANCE. IT IS THE COMMITTEE'S VIEW THAT THIS APPROACH TO AMATEUR ATHLETICS CONTINUES TO BE IN THE BEST INTEREST OF THE UNITED STATES; THUS, THESE FUNDS SHOULD NOT BE USED IN ANY MANNER WHICH MIGHT IMPINGE ON THIS POLICY.

THE CHARTER OF THE USOC, AS AMENDED BY THIS ACT, IS INTENDED TO CREATE A VERTICAL STRUCTURE IN THE AMATEUR SPORTS COMMUNITY. IN THIS STRUCTURE, EACH SPORT ON THE PROGRAM OF THE OLYMPIC GAMES OR PAN-AMERICAN GAMES WILL BE GOVERNED BY A NATIONAL GOVERNING BODY WHICH **\*\*7486** MUST MEET CERTAIN ELIGIBILITY REQUIREMENTS AND WHICH IS RECOGNIZED BY THE USOC. IN ORDER TO BE RECOGNIZED AS A NATIONAL GOVERNING BODY, AS AMATEUR SPORTS ORGANIZATIONS MUST, AMONG OTHER REQUIREMENTS, GRANT REASONABLE DIRECT REPRESENTATION ON ITS GOVERNING BOARD TO OTHER MAJOR AMATEUR SPORTS ORGANIZATIONS AND ATHLETES IN THAT SPORT, AND DEMONSTRATE THAT IT IS AUTONOMOUS IN THE GOVERNANCE OF ITS SPORT. IN TURN, UNDER THE CHARTER, AS AMENDED BY THIS ACT, THE MEMBERSHIP OF THE USOC MUST ALSO INCLUDE THE MAJOR SPORTS ORGANIZATIONS IN THE VARIOUS SPORTS, AS WELL AS ATHLETES AND THE NATIONAL GOVERNING BODIES. THUS, IT IS INTENDED THAT THIS ACT WILL CREATE A VERTICAL STRUCTURE GOVERNING EACH SPORT AS DESCRIBED ABOVE, WHICH WILL INCLUDE, UNDER THE PURVIEW OF THE ORGANIZATIONS TO THE NATIONAL GOVERNING BODIES.

IT IS THE COMMITTEE'S INTENTION THAT THE AUTHORITY VESTED IN THE USOC, THROUGH THESE CHARTER AMENDMENTS, HOWEVER, IS LIMITED TO THOSE SPORTS WHICH ARE PART OF THE OFFICIAL PROGRAM OF THE OLYMPIC GAMES OR THE PAN-AMERICAN GAMES. AS SUCH, THE PROVISIONS OF THE BILL AS AMENDED ARE DESIGNED TO FACILITATE THE COORDINATION AND ORGANIZATION OF U.S. PARTICIPATION IN INTERNATIONAL AMATEUR ATHLETIC COMPETITION. THEY ARE NOT IN ANY WAY DESIGNED TO EMPOWER THE USOC TO REGULATE ANY ASPECT OF SPORTS SUCH AS BOWLING, GOLF, OR ANY OTHER SPORT WHICH CURRENTLY IS NOT A COMPETITIVE PART OF EITHER THE OLYMPIC OR PAN-AMERICAN GAMES.

SECTION BY SECTION ANALYSIS

THE BILL IS DIVIDED INTO TWO SECTIONS. SECTION 1 AMENDS THE EXISTING CHARTER TO REORGANIZE THE U.S. OLYMPIC COMMITTEE AND ADDS NEW **\*13** SECTIONS TO IT. SECTION 2 ADDS TO THE EXISTING CHARTER A NEW TITLE WHICH DEALS WITH THE SELECTION AND ADMINISTRATION OF THE NATIONAL GOVERNING BODIES. SECTION 3 PROVIDES FOR AN AUTHORIZATION OF A $30 MILLION GRANT TO THE USOC TO FINANCE THE DEVELOPMENT AND OPERATIONS AS TO PROGRAMS APPROVED BY THE USOC AND TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES. FURTHER, TO RENUMBERING OF THE SECTIONS OF THE CHARTER HAS BEEN CHANGED TO ACCOMMODATE THE NEW TITLE.

SECTION 1(A) ADDS THE DESIGNATION OF ‘TITLE I-- CORPORATION‘ TO THE EXISTING CHARTER. IT ALSO ALLOWS THE U.S. OLYMPIC COMMITTEE TO DETERMINE THE PLACE OF ITS PRINCIPAL OFFICES AND NATIONAL HEADQUARTERS. UNDER THE EXISTING CHARTER, THE PRINCIPAL OFFICES AND NATIONAL HEADQUARTERS WERE TO BE IN THE CITY OF WASHINGTON, D.C.

SECTION 1(B) RENUMBERS THE EXISTING SECTIONS AND ADDS CERTAIN SECTIONS TO THE CHARTER AS FOLLOWS:

SECTION 102 ALLOWS THE PERSONS DESCRIBED IN SECTION 101 TO COMPLETE THE ORGANIZATION AND TO CARRY OUT THE PROVISIONS OF THIS ACT.

SECTION 103 DEFINES THE FOLLOWING TERMS WHICH ARE USED IN SUBSEQUENT SECTIONS: ‘AMATEUR ATHLETE‘, ‘AMATEUR ATHLETIC COMPETITION‘, ‘AMATEUR SPORTS ORGANIZATION‘, ‘CORPORATION‘, ‘INTERNATIONAL AMATEUR ATHLETIC COMPETITION ‘, ‘NATIONAL GOVERNING BODY‘ AND ‘SANCTION‘.

THE TERM ‘INTERNATIONAL AMATEUR ATHLETIC COMPETITION‘ IS DEFINED AS ANY AMATEUR ATHLETIC COMPETITION BETWEEN ANY ATHLETE OR ATHLETES **\*\*7487** REPRESENTING THE UNITED STATES, EITHER INDIVIDUALLY OR AS PART OF A TEAM, AND ANY ATHLETES REPRESENTING ANY FOREIGN COUNTRY. THIS TERM IS NOT INTENDED TO BE LIMITED TO ATHLETES OR TEAMS KNOWN AS ‘NATIONAL‘ TEAMS OF THE UNITED STATES. IN THE CONTEXT OF THIS DEFINITION IT IS THE COMMITTEE'S INTENT THAT ANY UNITED STATES AMATEUR SPORTS ORGANIZATION WHICH WISHES TO CONDUCT OR SPONSOR AMATEUR ATHLETIC COMPETITION BETWEEN UNITED STATES AMATEUR ATHLETES OR TEAMS OF U.S. AMATEUR ATHLETES REPRESENTING SUCH ORGANIZATION, AND ATHLETES OR TEAMS OF AMATEUR ATHLETES REPRESENTING A FOREIGN COUNTRY OR INSTITUTION, MUST OBTAIN A SANCTION FROM THE APPROPRIATE NATIONAL GOVERNING BODY. CORRELATIVELY, IT IS UNDERSTOOD THAT A NATIONAL GOVERNING BODY MUST MAKE A SANCTION FOR SUCH AN INTERNATIONAL AMATEUR ATHLETIC COMPETITION AVAILABLE UPON SATISFACTION BY THE APPLICANT ORGANIZATION OF THE OBJECTIVE AND NONDISCRIMINATORY SANCTION CRITERIA SET FORTH IN THE BILL. THIS DEFINITION IS NOT INTENDED TO CHANGE THE PREVAILING PRACTICES, WHICH VARY FROM SPORT TO SPORT, WITH RESPECT TO SANCTIONING OF REGULAR ‘BORDER‘ SCHOLASTIC OR COLLEGIATE COMPETITION BETWEEN AMERICAN AND CANADIAN AND MEXICAN EDUCATIONAL INSTITUTIONS; NOR IS SUBSECTION 203(7) OF THE USOC CHARTER, AS AMENDED BY THE BILL, INTENDED TO AUTHORIZE A NATIONAL GOVERNING BODY TO DESIGNATE OR SELECT (AS DISTINCT MERELY FROM CERTIFYING ON REQUEST THE ELIGIBILITY OR AMATEUR STATUS OF) THE UNITED STATES AMATEUR ATHLETES OR TEAM OF U.S. AMATEUR ATHLETES TO PARTICIPATE IN AN INTERNATIONAL COMPETITION, OTHER THAN ONE INVOLVING A U.S. NATIONAL TEAM.

SECTION 104 STATES THE OBJECTS AND PURPOSES OF THE USOC. THESE PURPOSES INCLUDE THE COORDINATION AND DEVELOPMENT OF AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES WHICH ARE DIRECTLY RELATED TO INTERNATIONAL AMATEUR ATHLETIC COMPETITION. FURTHER, THE USOC IS TO **\*14** EXERCISE EXCLUSIVE JURISDICTION OVER MATTERS RELATING TO THE PARTICIPATION OF THE UNITED STATES IN THE OLYMPIC GAMES AND THE PAN-AMERICAN GAMES AND OVER THE ORGANIZATION OF THOSE GAMES WHEN HELD IN THE UNITED STATES. OTHER IMPORTANT PURPOSES LISTED IN THIS SECTION ARE TO PROVIDE FOR THE SWIFT RESOLUTION OF CONFLICTS INVOLVING AMATEUR ATHLETES, NATIONAL GOVERNING BODIES AND SPORTS ORGANIZATIONS, AND TO PROTECT THE OPPORTUNITY OF RELEVANT PERSONS TO PARTICIPATE IN AMATEUR ATHLETIC COMPETITION. ALSO, THE CHARTER PROSCRIBES FOR THE USOC THE PURPOSE TO ENCOURAGE AND PROVIDE ASSISTANCE TO THE HANDICAPPED, AND THOSE OF RACIAL AND ETHNIC MINORITIES REGARDING THEIR PARTICIPATION IN AMATEUR ATHLETIC COMPETITION. IT WAS DISCUSSED DURING THE COMMITTEE'S CONSIDERATION OF THIS BILL, THAT ALL SEGMENTS OF SOCIETY, INCLUDING WOMEN, THE HANDICAPPED, AND THOSE OF RACIAL AND ETHNIC MINORITIES, SHOULD BE ALLOWED TO PLAY AN ACTIVE ROLE IN THE USOC AND THE GOVERNANCE OF ITS AFFAIRS, AND THAT THE USOC EXECUTIVE BOARD SHOULD REFLECT THIS BALANCE OF REPRESENTATION.

SECTION 105(A) DETAILS THE POWERS OF THE USOC. AN IMPORTANT NEW POWER GRANTED TO THE USOC IS FOR IT TO SERVE AS COORDINATING BODY FOR AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES DIRECTLY RELATING TO INTERNATIONAL AMATEUR ATHLETIC COMPETITION. THIS WILL ALLOW THE USOC TO RECOGNIZE THE NATIONAL GOVERNING BODY IN THE UNITED STATES FOR SPORTS ON THE PROGRAM OF THE OLYMPIC GAMES OR THE PAN-AMERICAN GAMES AS PROSCRIBED IN TITLE II OF THE CHARTER WHICH IS A NEW PROVISION ADDED BY THIS LEGISLATION.

**\*\*7488** ANOTHER IMPORTANT POWER LISTED IN THIS SECTION IS, IN CONJUNCTION WITH THE PURPOSES DESCRIBED IN SECTION 104, TO FACILITATE THE RESOLUTION OF CONFLICTS INVOLVING ITS MEMBERS AND ANY AMATEUR ATHLETE, COACH, TRAINER, MANAGER, ADMINISTRATOR, OFFICIAL, NATIONAL GOVERNING BODY OR AMATEUR SPORTS ORGANIZATION WITH RESPECT TO THE ELIGIBILITY OR PARTICIPATION IN CERTAIN PROTECTED COMPETITIONS AS DEFINED IN ITS CONSTITUTION AND BYLAWS. THIS ALLOWS FOR THE INCLUSION IN ITS CONSTITUTION AND BYLAWS THE DISPUTES RESOLVING MECHANISM ESTABLISHED IN SECTION 114.

THIS SECTION ALSO GRANTS TO THE USOC THE NORMAL CORPORATE POWERS TO SUE AND BE SUED; BORROW MONEY AND ISSUE BONDS; ACQUIRE, HOLD AND DISPOSE OF REAL AND PERSONAL PROPERTY; MAKE CONTRACTS; AND ACCEPT GIFTS, LEGACIES, AND DEVISES.

SUBSECTION (B) ALLOWS THE USOC TO AMEND ITS CONSTITUTION AND BYLAWS SO LONG AS IT IS NOT INCONSISTENT WITH THE LAWS OF THE UNITED STATES OR THE LAWS OF ANY STATE. HOWEVER, FOR ANY AMENDMENT TO ITS CONSTITUTION, THE USOC MUST PUBLISH A NOTICE OF THE PROPOSED CHANGE AND GIVE INTERESTED PERSONS SIXTY DAYS IN WHICH TO RESPOND.

THIS SECTION IS INTENDED TO GIVE THE USOC BROAD POWERS TO ENABLE IT TO CONDUCT ITS BUSINESS. IT IS, HOWEVER, THE INTENT OF THE COMMITTEE TO LIMIT THE PARAMETERS OF THOSE POWERS TO CONCERNS WHICH DIRECTLY INVOLVE INTERNATIONAL (RATHER THAN DOMESTIC) AMATEUR ATHLETIC COMPETITION.

SECTION 106(A) STATES THAT ELIGIBILITY FOR MEMBERSHIP IN THE USOC SHALL BE DETERMINED IN ACCORDANCE WITH ITS CONSTITUTION AND BYLAWS. THIS IS A RESTATEMENT OF A PROVISION CURRENTLY CONTAINED IN THE CHARTER OF THE USOC.

SUBSECTION (B) STATES THAT THE USOC CONSTITUTION MUST CONTAIN A PROVISION WHICH REQUIRES REASONABLE REPRESENTATION OF NATIONAL GOVERNING BODIES, AMATEUR ATHLETES WHO ARE OR HAVE WITHIN THE PRECEDING **\*15** 10 YEARS ENGAGED IN INTERNATIONAL AMATEUR ATHLETIC COMPETITION, AMATEUR SPORTS ORGANIZATIONS WHICH CONDUCT A NATIONAL PROGRAM OR REGULAR NATIONAL AMATEUR ATHLETIC COMPETITION, AND INTERESTED INDIVIDUALS IN THE CONDUCT OF THE GOVERNANCE OF THE USOC.

SECTION 107 REQUIRES THAT THE USOC BE NONPOLITICAL AND THAT IT SHOULD NOT PROMOTE THE CANDIDACY OF ANY INDIVIDUAL SEEKING PUBLIC OFFICE. THIS SAME PROVISION IS IN THE CURRENT USOC CHARTER.

SECTION 108 PROHIBITS THE USOC FROM OPERATING FOR PECUNIARY GAIN. THIS PROVISION IS ALSO IN THE CURRENT USOC CHARTER.

SECTION 109 ALLOWS THE USOC TO ACQUIRE ALL THE ASSEST OF ITS PREDECESSOR ORGANIZATION, THE U.S. OLYMPIC ASSOCIATION. THIS, TOO, IS A PROVISION CURRENTLY CONTAINED IN THE USOC CHARTER.

SECTION 110 ALLOWS THE USOC TO PROTECT (1) THE SYMBOL OF THE INTERNATIONAL OLYMPIC COMMITTEE; (2) THE EMBLEM OF THE USOC; (3) ANY TRADEMARK, TRADE NAME, SIGN, SYMBOL, OR INSIGNIA FALSELY REPRESENTING ASSOCIATION WITH OR AUTHORIZATION BY, THE INTERNATIONAL OLYMPIC COMMITTEE OR THE USOC; (4) THE WORDS ‘OLYMPIC‘, ‘OLYMPIAD‘, ‘CITIUS ALTIUS FORTIUS‘, OR ANY COMBINATION OR SIMULATION THEREOF FALSELY SUGGESTING A CONNECTION WITH THE USOC BY CIVIL ACTION PURSUANT TO THE TRADEMARK ACT OF 1946. THE CURRENT CHARTER CONTAINS A SIMILAR PROVISION WHICH PROVIDES FOR A CRIMINAL PENALTY IN THE CASE OF AN UNAUTHORIZED USE. HOWEVER, THIS CRIMINAL PENALTY HAS BEEN FOUND TO BE UNWORKABLE AS IT REQUIRES THE PROOF OF A CRIMINAL INTENT. THESE CHANGES WERE MADE IN RESPONSE TO A LETTER FROM THE PATENT AND TRADEMARK**\*\*7489** OFFICE OF THE DEPARTMENT OF COMMERCE TO SUBCOMMITTEE CHAIRMAN GEORGE DANIELSON WHICH HAS BEEN APPENDED AT THE END OF THIS REPORT.

SECTION 111 REQUIRES THE USOC TO NOTIFY EACH STATE THE NAME AND ADDRESS UPON WHOM LOCAL PROCESS OR DEMANDS AGAINST THE USOC MAY BE SERVED. THIS PROVISION IS CONTAINED IN THE CURRENT USOC CHARTER.

SECTION 112 RESERVES THE RIGHT TO CONGRESS TO ALTER, AMEND, OR REPEAL THE CHARTER AT ANY TIME.

SECTION 113 REQUIRES THE USOC TO PUBLISH AN ANNUAL REPORT. THE REPORT MUST DETAIL THE OPERATIONS OF THE USOC FOR THE PRECEDING YEAR INCLUDING A COMPLETE STATEMENT OF ITS RECEIPTS AND EXPENDITURES. IT ALSO REQUIRES THE USOC TO MAKE COPIES OF THIS REPORT AVAILABLE TO INTERESTED PERSONS AT A REASONABLE COST. THE REPORT MUST BE SUBMITTED TO THE PRESIDENT AND CONGRESS EACH YEAR.

SECTION 114 REQUIRES THE USOC TO INCLUDE IN ITS CONSTITUTION AND BYLAWS PROVISIONS FOR THE RESOLUTION OF DISPUTES INVOLVING ANY OF ITS BYLAWS PROVISIONS FOR THE RESOLUTION OF DISPUTES INVOLVING ANY OF ITS MEMBERS AND RELATING TO THE OPPORTUNITY OF AN AMATEUR ATHLETE, COACH, TRAINEE, MANAGER, ADMINISTRATOR, OR OFFICIAL TO PARTICIPATE IN THE OLYMPIC GAMES AND OTHER PROTECTED COMPETITIONS. THIS SECTION IS INTENDED TO PRESERVE IN THE CONSTITUTION AND BYLAWS OF THE USOC THE OPPORTUNITY FOR ANY ATHLETE OR OTHER PARTICIPANT TO COMPETE, AND TO ENSURE THAT ANY SUCH DISPUTES WILL BE RESOLVED IN A SWIFT AND EQUITABLE MANNER. THIS SECTION ALSO MAKES IT CLEAR THAT ONLY MEMBERS OF THE USOC ARE SUBJECT TO PROVISIONS IN THE USOC'S CONSTITUTION AND BYLAWS WHICH GOVERN THE DISPUTES CONTEMPLATED BY THIS SECTION. THE USOC IS NOT GRANTED AUTHORITY TO SUBJECT NON-MEMBERS TO ARBITRATION OR ITS INTERNAL PROCEDURES FOR RESOLVING DISPUTES. THIS SECTION, HOWEVER, IS NOT INTENDED TO PROHIBIT THE USOC FROM ASSISTING AND ADVISING DENIED AN OPPORTUNITY TO COMPETE BY NONMEMBERS OF THE USOC.

**\*16** SECTION 2 OF THE BILL ADDS AN ENTIRELY NEW TITLE TO THE USOC CHARTER. THIS NEW TITLE PLACES WITH THE USOC THE RESPONSIBILITY OF RECOGNIZING THE NATIONAL GOVERNING BODIES IN THE UNITED STATES FOR EACH SPORT ON THE PROGRAM OF THE OLYMPIC AND PAN-AMERICAN GAMES. THE NEW SECTIONS WHICH ARE ADDED TO THE CHARTER BY THIS TITLE STATE THE REQUIREMENTS FOR RECOGNITION OF, THE DUTIES AND AUTHORITIES OF, AND THE MECHANISMS BY WHICH FORMAL COMPLAINTS MAY BE MADE AGAINST OR CHALLENGES MADE TO THE AUTHORITY OF, NATIONAL GOVERNING BODIES. THE SECTIONS IN TITLE II OF THE CHARTER AS PROPOSED IN THIS LEGISLATION ARE AS FOLLOWS:

SECTION 201 AUTHORIZES THE USOC TO RECOGNIZE AN NATIONAL GOVERNING BODY IN THE UNITED STATES FOR THOSE SPORTS WHICH ARE INCLUDED ON THE PROGRAM OF THE PAN-AMERICAN AND OLYMPIC GAMES AN AMATEUR SPORTS ORGANIZATION WHICH FILES AN APPLICATION AND IS ELIGIBLE FOR SUCH RECOGNITION UNDER THIS TITLE. THE USOC IS DIRECTED TO RECOGNIZE ONLY ONE NATIONAL GOVERNING BODY IN THE UNITED STATES FOR EACH SPORT FOR WHICH AN APPLICATION IS MADE AND APPROVED. FURTHER, AN AMATEUR SPORTS ORGANIZATION CAN BE THE NATIONAL GOVERNING BODY IN THE UNITED STATES FOR ONLY ONE SPORT.

AN AMATEUR SPORTS ORGANIZATION IS ELIGIBLE TO BE RECOGNIZED AS A NATIONAL GOVERNING BODY IN THE UNITED STATES PROVIDED IT, AMONG OTHER THINGS, IS INCORPORATED UNDER THE LAWS OF ANY OF THE SEVERAL STATES OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA AS A NOT-FOR-PROFIT CORPORATION; DEMONSTRATES THAT IT INDEPENDENTLY DETERMINES AND CONTROLS ALL MATTERS CENTRAL TO THE GOVERNANCE OF ITS SPORT; DEMONSTRATES **\*\*7490** THAT ITS MEMBERSHIP IS DETERMINED ON A NONDISCRIMINATORY BASIS AND THAT ITS BOARD OF DIRECTORS PROVIDES FOR REASONABLE REPRESENTATION OF CERTAIN AMATEUR SPORTS ORGANIZATIONS, PROVIDES AND EQUAL OPPORTUNITY TO PARTICIPATE IN AMATEUR ATHLETIC COMPETITION TO INDIVIDUALS WITHOUT DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, AGE, SEX, OR NATIONAL ORIGIN; AND PROVIDES FOR REASONABLE REPRESENTATION ON ITS BOARD OF DIRECTORS OR OTHER GOVERNING BOARD FOR CERTAIN AMATEUR SPORTS ORGANIZATIONS WHICH CONDUCT NATIONAL PROGRAMS AND ENSURES THAT THE REPRESENTATION SHALL REFLECT THE NATURE, SCOPE, QUALITY AND STRENGTH OF THE ORGANIZATION'S PROGRAMS AND COMPETITIONS.

ON THE DATE OF ENACTMENT OF THIS TITLE, ALL EXISTING NATIONAL GOVERNING BODIES ARE GIVEN A 2-YEAR PERIOD IN WHICH TO MEET THE REQUIREMENTS OF THIS SECTION. ALTHOUGH THIS 2-YEAR PERIOD HAS BEEN INCLUDED IN THE BILL TO GIVE THE EXISTING NATIONAL GOVERNING BODIES SUFFICIENT TIME TO COMPLY WITH THIS ACT, IT IS THE COMMITTEE'S INTENT THAT SUCH COMPLIANCE SHOULD BE DONE IN LESS THAN THE 2 YEARS ALLOWED, IF POSSIBLE.

SECTION 202 STATES THAT A NATIONAL GOVERNING BODY IS UNDER A DUTY TO DEVELOP INTEREST IN PARTICIPATION IN ITS SPORT, MINIMIZE CONFLICTS IN THE SCHEDULING OF ALL PRACTICES AND COMPETITIONS; GRANT TO ANY AMATEUR SPORTS ORGANIZATION OR PERSON A SANCTION EITHER TO HOLD AN INTERNATIONAL AMATEUR ATHLETIC COMPETITION IN THE UNITED STATES OR TO SPONSOR U.S. ATHLETES TO COMPETE IN INTERNATIONAL AMATEUR ATHLETIC COMPETITION HELD OUTSIDE THE UNITED STATES, UNLESS IT DEMONSTRATES BY CLEAR AND CONVINCING EVIDENCE THAT HOLDING THE COMPETITION WOULD BE DETRIMENTAL TO THE BEST INTEREST OF THE SPORT. A NATIONAL GOVERNING BODY MUST ALLOW AN AMATEUR ATHLETE TO COMPETE IN ANY INTERNATIONAL ATHLETIC COMPETITION CONDUCTED UNDER ITS AUSPICES, AND PROVIDE ENCOURAGEMENT FOR PARTICIPATION BY WOMEN AND HANDICAPPED INDIVIDUALS IN ITS SPORT.

**\*17** SECTION 203 AUTHORIZES AMATEUR SPORTS ORGANIZATION, RECOGNIZED BY THE USOC AS THE NATIONAL GOVERNING BODY IN THE UNITED STATES FOR A GIVEN SPORT, TO REPRESENT THE UNITED STATES IN THE APPROPRIATE INTERNATIONAL SPORTS FEDERATION, ESTABLISH NATIONAL GOALS, SERVE AS THE COORDINATING BODY FOR AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES, SANCTION BOTH INTERNATIONAL AMATEUR ATHLETIC COMPETITION HELD OUTSIDE THE UNITED STATES, RECOMMEND TO THE USOC INDIVIDUALS AND TEAMS TO REPRESENT THE UNITED STATES IN THE OLYMPIC AND PAN-AMERICAN GAMES, AND CONDUCT AMATEUR ATHLETIC COMPETITION, INCLUDING NATIONAL CHAMPIONSHIPS AND INTERNATIONAL AMATEUR ATHLETIC COMPETITION IN THE UNITED STATES, WITH THE EXCEPTION THAT THOSE AMATEUR SPORTS ORGANIZATIONS THAT CONDUCT ‘CLOSED ‘ COMPETITIONS (SUCH AS HIGH SCHOOLS, COLLEGES, THE ARMED FORCES, OR SIMILAR GROUPS OR CATEGORIES) SHALL HAVE EXCLUSIVE JURISDICTION OVER SUCH COMPETITIONS (SEE SECTION 206).

SECTION 204 AUTHORIZES THE USOC TO REVIEW ALL MATTERS RELATING TO THE CONTINUED RECOGNITION OF A NATIONAL GOVERNING BODY AND MAY TAKE SUCH ACTION AS IT CONSIDERS APPROPRIATE, INCLUDING PLACING CONDITIONS UPON THE CONTINUED RECOGNITION OF THE NATIONAL GOVERNING BODY.

SECTION 205 PROVIDES A MECHANISM BY WHICH (1) AN INDIVIDUAL OR OTHER AMATEUR SPORTS ORGANIZATION MAY SEEK TO COMPEL THE NATIONAL GOVERNING BODY TO COMPLY WITH THE DUTIES AND AUTHORITIES AS SET FORTH IN SECTIONS 202 AND 203, OR (2) ANY AMATEUR SPORTS ORGANIZATION MAY SEEK TO REPLACE AN INCUMBENT AS THE NATIONAL GOVERNING BODY. WITH REGARD TO COMPLIANCE BY AN INCUMBENT, THE USOC SHALL ESTABLISH PROCEDURES FOR THE FILING AND DISPOSITION OF COMPLAINTS AND SHALL HOLD A **\*\*7491** HEARING ON THE MATTER IF IT DETERMINES THAT THE ORGANIZATION OR INDIVIDUAL HAS EXHAUSTED ALL REASONABLE REMEDIES WITHIN THE NATIONAL GOVERNING BODY. IF THE USOC DETERMINES THAT SUCH NATIONAL GOVERNING BODY IS NOT IN COMPLIANCE, IT SHALL PLACE SUCH NATIONAL GOVERNING BODY ON PROBATION FOR A SPECIFIED PERIOD OF TIME OR REVOKE THE RECOGNITION OF SUCH NATIONAL GOVERNING BODY. WITH REGARD TO REPLACING AN INCUMBENT NATIONAL GOVERNING BODY, THE USOC SHALL AGAIN ESTABLISH PROCEDURES FOR THE FILING AND DISPOSITION OF APPLICATIONS AND SHALL CONDUCT A FORMAL HEARING TO DETERMINE THE MERITS OF THE APPLICATION. AS A RESULT OF THE FORMAL HEARING, THE USOC MAY (1) UPHOLD THE RIGHT OF A NATIONAL GOVERNING BODY TO CONTINUE, (2) REVOKE THE RECOGNITION OF A NATIONAL GOVERNING BODY AND DECLARE A VACANCY, (3) REVOKE THE RECOGNITION OF THE NATIONAL GOVERNING BODY AND RECOGNIZE THE APPLICANT AS THE NATIONAL GOVERNING BODY, OR (4) DECIDE TO PLACE THE NATIONAL GOVERNING BODY ON PROBATIONS.

THE RIGHT TO REVIEW BY ANY PARTY AGGRIEVED BY A DETERMINATION OF THE USOC SHALL BE TO ANY REGIONAL OFFICE OF THE AMERICAN ARBITRATION ASSOCIATION AND SUCH ARBITRATION SHALL PROCEED ACCORDING TO THE COMMERCIAL RULES OF THE ASSOCIATION IN EFFECT AT THE TIME OF THE FILING OF THE REVIEW. FINAL DECISIONS OF THE ARBITRATORS SHALL BE BINDING UPON THE INVOLVED PARTIES, IF SUCH DECISION IS NOT INCONSISTENT WITH THE CONSTITUTION AND BYLAWS OF THE USOC.

SECTION 206 GRANTS EXCLUSIVE JURISDICTION TO AMATEUR SPORTS ORGANIZATIONS THAT CONDUCT AMATEUR ATHLETIC COMPETITION FOR A RESTRICTED CLASS OF AMATEUR ATHLETES. EXAMPLES OF SUCH COMPETITION ARE THOSE RESTRICTED TO HIGH SCHOOL STUDENTS, OR TO COLLEGE STUDENTS OR TO MEMBERS OF THE ARMED FORCES. THE PURPOSE OF THIS SECTION REFLECTS THE INTENT OF THE COMMITTEE THAT SUCH COMPETITIONS SHOULD BE CONDUCTED OUTSIDE OF THE PURVIEW OF THE USOC.

**\*18** SECTION 3 OF THE BILL AUTHORIZES THE SECRETARY OF THE TREASURY TO GRANT TO THE USOC $30 MILLION IN FISCAL YEAR 1980 TO FINANCE THE DEVELOPMENT AND OPERATION OF ANY PROGRAMS APPROVED BY THE USOC CONSISTENT WITH ITS PURPOSES, AND TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES. THE USOC IS TO APPLY TO THE SECRETARY OF THE TREASURY FOR THE FUNDS AVAILABLE UNDER THIS SECTION. THIS IS TO BE A ONE-TIME AUTHORIZATION AND NO FUTURE REQUESTS FOR FUNDS OF A SIMILAR NATURE WILL BE APPROVED BY THE COMMITTEE.

CONCLUSION

THE COMMITTEE FINDS THAT IT IS IN THE BEST INTEREST OF AMATEUR SPORTS IN THE UNITED STATES THAT THE U.S. OLYMPIC COMMITTEE BE REORGANIZED PURSUANT TO THE PROVISIONS OF THIS BILL. THIS REORGANIZATION SHOULD PROVIDE THE NEEDED COORDINATION OF EFFORT WITH ALL THE INTERESTED SPORTS ORGANIZATIONS WHICH BEST PROMOTES AMATEUR ATHLETIC ACTIVITY RELATING TO INTERNATIONAL ATHLETIC COMPETITION. THE COMMITTEE HAS CONCLUDED THAT THE $30 MILLION AUTHORIZATION IS NEEDED TO HELP ACCOMPLISH THESE GOALS. THEREFORE, THE COMMITTEE RECOMMENDS THAT THE BILL BE FAVORABLY REPORTED.

**\*\*7492** COMMITTEE VOTE

(RULE XI 2(1)(2)(B))

ON SEPTEMBER 21, 1978, THE FULL COMMITTEE ON THE JUDICIARY APPROVED THE BILL S. 2727, AS AMENDED BY A ROLLCALL VOTE, 24 VOTING IN FAVOR OF OF THE MEASURE, 7 VOTING AGAINST THE MEASURE.

COST

(RULE SIII 7(A)(1))

AS DESCRIBED IN THE COST ESTIMATE REQUESTED FROM THE CONGRESSIONAL BUDGET OFFICE, THE ENACTMENT OF THIS BILL WILL PROVIDE AN AUTHORIZATION FOR AN APPROPRIATION BY THE SECRETARY OF THE TREASURY TO MAKE GRANTS TO THE U.S. OLYMPIC COMMITTEE NOT TO EXCEED $30 MILLION TO FINANCE ITS PROGRAMS AND TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES.

OVERSIGHT AND FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS

(RULE X12(1)(3)(D))

NO FINDINGS OR RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT OPERATIONS WERE RECEIVED AS REFERRED TO IN SUBDIVISION (D) OF CLAUSE 2(1)(3) ON HOUSE RULE XI.

INFLATIONARY IMPACT

(RULE X12(1)(4))

IN COMPLIANCE WITH CLAUSE 2(1)(4) OF HOUSE RULE CI, IT IS STATED THAT THIS LEGISLATION WILL HAVE NO INFLATIONARY IMPACT ON PRICES AND COSTS IN THE OPERATION OF THE NATIONAL ECONOMY.

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**\*34** OVERSIGHT STATEMENT

(RULE XI 2(1)(3)(A))

THE SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS OF THIS COMMITTEE EXERCISES THE COMMITTEE'S OVERSIGHT RESPONSIBILITY IN ACCORDANCE WITH RULE VIB) OF THE RULES OF THE COMMITTEE ON THE JUDICIARY WITH REFERENCE TO THE INCORPORATION OF PRIVATE CORPORATIONS ESTABLISHED UNDER FEDERAL LAW INCLUDING THOSE LISTED IN SECTION 1101 OF TITLE 36, UNITED STATES CODE. THAT SUBCOMMITTEE **\*\*7493** **\*35** RECOMMENDED THAT THIS BILL BE CONSIDERED FAVORABLY BY THE COMMITTEE WHICH, IN TURN, HAS CONCLUDED THAT SUCH LEGISLATION IS NECESSARY AND PROPER AND SHOULD BE ENACTED AS SET FORTH IN THIS BILL.

BUDGET STATEMENT

(RULE XI 8(1)(3)(B))

AS HAS BEEN INDICATED IN THE COMMITTEE STATEMENT AS TO COST MADE PURSUANT TO RULE XIII 7(A)(1), THE BILL AUTHORIZES AN APPROPRIATION OF NOT TO EXCEED $30 MILLION FOR THE FISCAL YEAR ENDING ON SEPTEMBER 30, 1981.

ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

(RULE XI 2(1)(3)(C))

THE ESTIMATE RECEIVED FROM THE DIRECTOR OF THE CONGRESSIONAL BUDGET OFFICE IS AS FOLLOWS:

U.S. CONGRESS,

CONGRESSIONAL BUDGET OFFICE,

WASHINGTON, D.C., SEPTEMBER 25, 1978.

HON. PETER W. RODINO, JR.,

CHAIRMAN, COMMITTEE ON THE JUDICIARY, U.S. HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

DEAR MR. CHAIRMAN: PURSUANT TO SECTION 403 OF THE CONGRESSIONAL BUDGET ACT OF 1974, THE CONGRESSIONAL BUDGET OFFICE HAS PREPARED THE ATTACHED COST ESTIMATE FOR S. 2727, THE AMATEUR SPORTS ACT OF 1978.

SHOULD THE COMMITTEE SO DESIRE, WE WOULD BE PLEASED TO PROVIDE FURTHER DETAILS ON THE ATTACHED COST ESTIMATE.

SINCERELY,

ROBERT A. LEVINE

(FOR ALICE M. RIVLIN, DIRECTOR).

CONGRESSIONAL BUDGET OFFICE-- COST ESTIMATE

SEPTEMBER 25, 1978.

1. BILL NUMBER: S. 2727.

2. BILL TITLE: AMATEUR SPORTS ACT OF 1978.

3. BILL STATUS: AS ORDERED REPORTED BY THE HOUSE COMMITTEE ON THE JUDICIARY, SEPTEMBER 21, 1978.

4. BILL PURPOSE: THE PURPOSE OF THIS BILL IS TO ENCOURAGE PARTICIPATION IN AMATEUR ATHLETIC ACTIVITIES BY CITIZENS OF THE UNITED STATES. TO ACCOMPLISH THIS GOAL, THIS BILL WOULD EXPAND THE AUTHORITY OF THE U.S. OLYMPIC COMMITTEE (USOC) TO SERVE AS THE COORDINATING BODY FOR ALL UNITED STATES AMATEUR ATHLETIC ACTIVITIES. THE COMMITTEE WOULD BE ORGANIZED AS A CORPORATION, WITH THE EXCLUSIVE POWER TO ORGANIZE, FINANCE, AND TO CONTROL THE REPRESENTATION OF THE UNITED STATES IN THE OLYMPICS AND PAN-AMERICAN GAMES, AND TO OBTAIN AND SELECT AMATEUR REPRESENTATION FOR SUCH GAMES. THE COMMITTEE WOULD ALSO HAVE POWER TO RECOGNIZE ELIGIBLE AMATEUR SPORTS ORGANIZATIONS AS NATIONAL GOVERNING BODIES FOR ANY SPORT WHICH IS INCLUDED IN THESE GAMES, AND TO DEVELOP AND IMPLEMENT PROCEDURES FOR RESOLUTION OF DISPUTES INVOLVING **\*\*7494** **\*36** AMATEUR ATHLETIC PERSONNEL, EVENTS, OR ORGANIZATIONS. THE BILL ALSO AUTHORIZES THE APPROPRIATION OF UP TO $30 MILLION TO BE USED BY THE SECRETARY OF THE TREASURY FOR GRANTS TO THE COMMITTEE TO ASSIST IN THE DEVELOPMENT OF AMATEUR ATHLETICS IN THE UNITED STATES

5. COST ESTIMATE:

FISCAL YEAR 1979: . . . . . MILLIONS

AUTHORIZATION LEVEL . . . . . --

ESTIMATED COST . . . . . --

FISCAL YEAR 1980:

AUTHORIZATION LEVEL . . . . . $30.0

ESTIMATED COST . . . . . 10.5

FISCAL YEAR 1981:

AUTHORIZATION LEVEL . . . . . --

ESTIMATED COST . . . . . 7.5

FISCAL YEAR 1982:

AUTHORIZATION LEVEL . . . . . --

ESTIMATED COST . . . . . 7.5

FISCAL YEAR 1983:

AUTHORIZATION LEVEL . . . . . --

ESTIMATED COST . . . . . 4.5

THE COSTS OF THIS BILL FALL WITHIN BUDGET SUBFUNCTION 376.

6. BASIS OF ESTIMATE: THE AUTHORIZATION LEVEL IS THAT SPECIFIED IN THE BILL, AND IT IS ASSUMED THAT THE FULL AMOUNT AUTHORIZED WILL BE APPROPRIATED.

BASED ON INFORMATION PROVIDED BY THE USOC, IT IS PROJECTED THAT APPROXIMATELY $10.5 MILLION WILL BE SPENT IN FISCAL YEAR 1980, $7.5 MILLION IN FISCAL YEAR 1981, $7.5 MILLION IN FISCAL YEAR 1982, AND $4.5 MILLION IN FISCAL YEAR 1983. THE COMMITTEE PLANS TO USE THESE FUNDS FOR PROGRAM DEVELOPMENT AND OPERATIONS, REVIEW AND OPERATION OF TRAINING CENTERS, AND THE DEVELOPMENT OF A MEDICAL INFORMATION SYSTEM.

7. ESTIMATE COMPARISON: NONE.

8. PREVIOUS CB ESTIMATE: ON APRIL 8, 1978, CB PREPARED A COST ESTIMATE FOR S. 2727, AS ORDERED REPORTED BY THE SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION, MARCH 21, 1978. IN THE HOUSE COMMITTEE VERSION OF S. 2727, FUNDS ARE AUTHORIZED FOR FISCAL YEAR 1980, INSTEAD OF FISCAL YEAR 1979, AS IN THE SENATE COMMITTEE VERSION. THEREFORE, THERE ARE NO COSTS ARISING IN FISCAL YEAR 1979 AS A RESULT OF THIS VERSION OF THE BILL.

9. ESTIMATE PREPARED BY TOMMY ELZEY.

10. ESTIMATE APPROVED BY JAMES L. BLUM, ASSISTANT DIRECTOR FOR BUDGET ANALYSIS.

U.S. DEPARTMENT OF COMMERCE,

PATENT AND TRADEMARK OFFICE,

WASHINGTON, D.C., SEPTEMBER 12, 1978.

HON. GEORGE E. DANIELSON,

CHAIRMAN, ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS SUBCOMMITTEE, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

DEAR CHAIRMAN DANIELSON: THIS IS IN RESPONSE TO YESTERDAY'S REQUEST FROM MR. JAMES LAUER OF THE HOUSE JUDICIARY COMMITTEE STAFF, THAT THE PATENT AND TRADEMARK OFFICE RENDER DRAFTING ASSISTANCE ON SECTION 110 OF S. 2727 (COMMITTEE PRINT), A BILL ENTITLED, ‘AMATEUR SPORTS ACT OF 1978.‘

SECTION 110 OF S. 2727 WOULD AMEND SECTION 379 OF TITLE 36, U.S.C. WHICH PROVIDES PENALTIES FOR UNAUTHORIZED USE OF OLYMPIC **\*\*7495** **\*37** DESIGNATIONS. PRESENTLY 36 U.S.C. 379 PROHIBITS UNAUTHORIZED USE OF THE EMBLEM OF THE UNITED STATES OLYMPIC COMMITTEE, AS DESCRIBED, OR ANY OTHER SIGN OR INSIGNIA MADE OR COLORED IN IMITATION THEREOF, AND THE WORDS ‘OLYMPIC‘, ‘OLYMPIAD‘, OR ‘CITIUS ALTIUS FORTIUS‘. VIOLATION OF THIS SECTION IS A MISDEMEANOR LIABLE TO FINES OF $100-$500 AND/OR IMPRISONMENT FOR LESS THAN ONE YEAR. THE SECTION PROVIDES THAT ANY LAWFUL USE OF SAID EMBLEM, SIGN, INSIGNIA, OR WORD WHICH COMMENCED PRIOR TO SEPTEMBER 21, 1950, MAY BE CONTINUED.

THE AMENDMENTS MADE BY SECTION 110 OF S. 2727, TO WHICH OUT COMMENTS ARE DIRECTED, WOULD ADD TO THE LIST OF DESIGNATIONS WHOSE UNAUTHORIZED USE IS PROHIBITED: (1) THE EMBLEM OF THE INTERNATIONAL OLYMPIC COMMITTEE, CONSISTING OF FIVE INTERLOCKING RINGS; (2) ANY OTHER OLYMPIC TRADEMARK, TRADE NAME, SIGN, SYMBOL, OR INSIGNIA MADE OR COLORED IN IMITATION OF, OR CONFUSINGLY SIMILAR TO, THE EMBLEM, TRADE NAME, OR ANY TRADEMARK OF EITHER IN INTERNATIONAL OLYMPIC COMMITTEE OR OF THE UNITED STATES OLYMPIC COMMITTEE (THE LATTER IS REFERRED TO IN THE BILL AS ‘THE CORPORATION‘); AND (3) A COMBINATION, SIMULATION, OR CONFUSINGLY SIMILAR DERIVATION OF THE WORDS ‘OLYMPIC‘, ‘OLYMPIAD‘, OR ‘CITIUS ALTIUS FORTIUS‘ WHICH WOULD FALSELY SUGGEST A CONNECTION WITH THE CORPORATION OR ANY OLYMPIC ACTIVITY.

IN LIEU OF CRIMINAL PENALTIES, SECTION 110 PROVIDES THAT VIOLATORS SHALL BE SUBJECT TO A SUIT IN A CIVIL ACTION BY THE CORPORATION FOR THE REMEDIES PROVIDED IN THE ACT OF JULY 5, 1946 (60 STAT. 427, 15 U.S.C. 1051 ET.SEQ., KNOWN AS THE TRADEMARK ACT OF 1946). THE AMENDMENT RETAINS THE EXISTING GRANDFATHER CLAUSE WHICH PERMITS CONTINUED USE OF DESIGNATIONS LAWFULLY USED PRIOR TO SEPTEMBER 21, 1950.

SECTION 110(A)(1) DEFINES THE ‘EMBLEM‘ OF THE INTERNATIONAL OLYMPIC COMMITTEE AS ‘CONSISTING OF FIVE INTERLOCKING RINGS‘. HOWEVER, THE OLYMPIC CHARTER OF 1978, PROVISIONAL EDITION, STATES THAT THE OLYMPIC ‘SYMBOL‘ CONSISTS OF THE OLYMPIC RINGS ALONE, WHETHER DELINEATED IN A SINGLE COLOR OR IN DIFFERENT COLORS. IT STATES THAT THE OLYMPIC ‘EMBLEM‘ IS DEFINED AS THE COMBINATION OF THE OLYMPIC RINGS WITH ANOTHER DISTINCTIVE SIGN. THUS, FOR CLARITY AND CONSISTENCY, THE WORD ‘EMBLEM‘ IN SECTION 110(A)(1) SHOULD BE CHANGED TO ‘SYMBOL‘.

SECTION 110(A)(3) PROHIBITS THE USE OF ANY OTHER OLYMPIC TRADEMARK, TRADE NAME, SIGN, SYMBOL, OR INSIGNIA MADE OR COLORED IN IMITATION OF, OR CONFUSINGLY SIMILAR TO, THE EMBLEM, TRADE NAME, OR ANY TRADEMARK OF THE INTERNATIONAL OLYMPIC COMMITTEE OR OF THE CORPORATION WHICH HAD NOT BEEN IN LAWFUL USE PRIOR TO SEPTEMBER 21, 1950. THE SUBSECTION DOES NOT REFER TO SPECIFIC OLYMPIC TRADEMARKS, TRADE NAMES, ETC., AND THEREFORE DOES NOT INDICATE WHAT IS PROHIBITED. SUCH AN INDEFINITE PROVISION COULD ENDANGER TRADEMARKS WHOSE LAWFUL USE COMMENCED AFTER SEPTEMBER 21, 1950, BUT PRIOR TO ENACTMENT OF THIS LEGISLATION.

IT IS OUR UNDERSTANDING THAT THIS SUBSECTION IS INTENDED TO MAKE ACTIONABLE THOSE MARKS WHICH FALSELY REPRESENT AN ASSOCIATION WITH THE OLYMPICS. THEREFORE, WE BELIEVE THAT SECTION 110(A)(3) SHOULD BE REDRAFTED TO READ:

(3) ANY TRADEMARK, TRADE NAME, SIGN, SYMBOL, OR INSIGNIA FALSELY REPRESENTING ASSOCIATION WITH, OR AUTHORIZATION BY, THE INTERNATIONAL OLYMPIC COMMITTEE OR THE CORPORATION.

**\*\*7496** **\*38** SECTION 110(A)(4) MAKES ACTIONABLE NOT ONLY USE OF THE WORDS ‘OLYMPIC‘, ‘OLYMPIAD‘, ‘CITIUS ALTIUS FORTIUS‘, AND ANY COMBINATION THEREOF, BUT ALSO ANY SIMULATION OR CONFUSINGLY SIMILAR DERIVATION THEREOF TENDING TO CAUSE CONFUSION, TO CAUSE MISTAKE, TO DECEIVE, OR TO FALSELY SUGGEST A CONNECTION WITH THE CORPORATION OR ANY OLYMPIC ACTIVITY. WE BELIEVE THAT THE PHRASE ‘OR CONFUSINGLY SIMILAR DERIVATION‘ IS TOO BROAD IN SCOPE AND COULD ENCOMPASS ANY DESIGNATION WITH THE ROOT ‘OLYMP‘. WE THEREFORE BELIEVE THAT THE PHRASE SHOULD BE DELETED. IN SUCH CASE THE WORD ‘OR‘ SHOULD BE INSERTED BEFORE THE WORD ‘SIMULATION‘.

SECTION 110 CARRIES FORWARD SOME PROHIBITIONS FROM THE EXISTING STATUTE ENACTED IN 1950 AND ADDS SOME NEW PROHIBITIONS, E.G. WORDS DESCRIBED IN SECTION (A)(4) TENDING TO CAUSE CONFUSION, TO CAUSE MISTAKE, OR TO DECEIVE WITH RESPECT TO THE CORPORATION OR ANY OLYMPIC ACTIVITY. ACCORDINGLY, THE GRANDFATHER CLAUSE SHOULD REFLECT THE PERMISSIBLE CONTINUED USE OF TERMS UNDER THE EXISTING STATUTE WHICH WERE LAWFULLY USED PRIOR TO SEPTEMBER 21, 1950, AND ALSO THE PERMISSIBLE CONTINUED USE OF TERMS UNDER THIS BILL WHOSE LAWFUL USE COMMENCED PRIOR TO THE ENACTMENT OF THIS LEGISLATION. THIS WILL AVOID THE PREEMPTION OF EXISTING LAWFUL USES IN BOTH CASES.

THEREFORE, WE RECOMMEND THAT SECTION 110(A), COMMENCING ON PAGE 16, LINE 25, BE CHANGED TO READ:

\* \* \* THE EMBLEM IN SUBSECTION (A)(2), OR THE WORDS, OR ANY COMBINATION THEREOF, IN SUBSECTION (A)(4) FOR ANY LAWFUL PURPOSE PRIOR TO SEPTEMBER 21, 1950, SHALL NOT BE PROHIBITED BY THIS SECTION FROM CONTINUING SUCH LAWFUL USE FOR THE SAME PURPOSE AND FOR THE SAME GOODS OR SERVICES. IN ADDITION, ANY PERSON WHO ACTUALLY USED, OR WHOSE ASSIGNOR ACTUALLY USED, ANY OTHER TRADEMARK, TRADE NAME, SIGN, SYMBOL, OR INSIGNIA DESCRIBED IN SUBSECTIONS (A)(3) AND (4) FOR ANY LAWFUL PURPOSE PRIOR TO ENACTMENT OF THIS ACT SHALL NOT BE PROHIBITED BY THIS SECTION FROM CONTINUING SUCH LAWFUL USE FOR THE SAME PURPOSE AND FOR THE SAME GOODS OR SERVICES.

UNDER PRESENT LAW (36 U.S.C. 739), USE OF THE ESCUTCHEON (DESCRIBED IN SECTION 110(A)(3) OF THE BILL) AND THE WORDS ‘OLYMPIC‘, ‘OLYMPIAD‘, OR ‘CITIUS ALTIUS FORTIUS‘ WAS MADE UNLAWFUL AFTER SEPTEMBER 21, 1950. SINCE THAT TIME, THE PATENT AND TRADEMARK OFFICE HAS BEEN REFUSING TO REGISTER SUCH MARKS ON THE GROUND THAT UNLAWFUL USE IS NOT USE FROM WHICH TRADEMARK RIGHTS CAN BE ACQUIRED.

THE TERM ‘OLYMPIC‘ SHOULD BE DELETED FROM THIS SUBSECTION IN LINE 3, PAGE 18, AS IT IS UNCLEAR WHEN USED IN CONTEXT WITH THE TERMS ‘TRADEMARK‘, ETC.

THE PRESENT BILL DOES NOT MAKE THE USE OF THE VARIOUS DESIGNATIONS IN SECTION 110(A) UNLAWFUL. IT MERELY SUBJECTS THE USER OF SUCH DESIGNATION TO A CIVIL SUIT WHEN THE DESIGNATION IS USED IN CONNECTION WITH THE SALE OF ANY GOODS OR SERVICES, OR FOR PROMOTIONAL ACTIVITIES. THUS, THE PATENT AND TRADEMARK OFFICE COULD ONLY REFUSE REGISTRATION OF A DESIGNATION LISTED IN SECTION 110(A) ON THE BASIS OF CONFUSION SIMILARITY WITH AN EXISTING TRADEMARK, DECEPTION, OR FALSE SUGGESTION OF A CONNECTION WITH AN INSTITUTION. ALL OF THESE GROUNDS REQUIRE A CONSIDERATION OF THE GOODS OR SERVICES INVOLVED WHICH THE PRESENT BILL DOES NOT CONTEMPLATE.

**\*\*7497** **\*39** IN ORDER TO MAKE IT CLEAR THAT THE CORPORATION HAS EXCLUSIVE RIGHT TO USE CERTAIN DESIGNATIONS, WE PROPOSE THAT A NEW SUBSECTION (C) BE INSERTED TO READ:

THE CORPORATION SHALL HAVE EXCLUSIVE RIGHT TO USE THE NAME ‘UNITED STATES OLYMPIC COMMITTEE‘; THE SYMBOL DESCRIBED IN SUBSECTION (A)(1); AND THE EMBLEM DESCRIBED IN SUBSECTION (A)(2); AND THE WORDS ‘OLYMPIC‘, ‘OLYMPIAD‘, ‘CITIUS ALTIUS FORTIUS‘ OR ANY COMBINATION THEREOF SUBJECT TO THE PRE-EXISTING RIGHTS DESCRIBED IN SUBSECTION (A).

AS THIS LETTER PROVIDES DRAFTING ASSISTANCE ONLY AND DOES NOT EXPRESS ANY SUBSTANTIVE POSITION REGARDING THE BILL AS STATED EARLIER BY THE ADMINISTRATION, IT HAS NOT BEEN REVIEWED BY THE OFFICE OF MANAGEMENT AND BUDGET FOR CONSISTENCY WITH THE PROGRAM OF THE PRESIDENT.

SINCERELY,

DONALD W. BANNER,

COMMISSIONER OF PATENTS AND TRADEMARKS.

. . .

GENERAL COUNSEL OF THE

U.S. DEPARTMENT OF COMMERCE,

WASHINGTON, D.C., JUNE 20, 1978.

HON. PETER W. RODINO, JR.,

CHAIRMAN, COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C.

DEAR MR. CHAIRMAN: THIS IS WITH REFERENCE TO S. 2727, AN ACT TO PROMOTE AND COORDINATE AMATEUR ATHLETIC ACTIVITY IN THE UNITED STATES, TO RECOGNIZE CERTAIN RIGHTS FOR UNITED STATES AMATEUR ATHLETES, TO PROVIDE FOR THE RESOLUTION OF DISPUTES INVOLVING NATIONAL GOVERNING BODIES, AND FOR OTHER PURPOSES, WHICH IS PENDING BEFORE YOUR COMMITTEE.

ALTHOUGH THIS DEPARTMENT HAS NO DIRECT INVOLVEMENT IN, OR PARTICULAR EXPERTISE WITH RESPECT TO, SPORTS AND AMATEUR ATHLETICS WE ARE SYMPATHETIC TO THE GENERAL OBJECTIVES OF THIS LEGISLATION.

HOWEVER, WE DO HAVE A SERIOUS CONCERN WITH SECTION 211 OF S. 2727 WHICH WOULD AUTHORIZE THE SECRETARY OF COMMERCE TO PROVIDE GRANTS TO THE CORPORATION OF UP TO $18 MILLION TO FINANCE DEVELOPMENT AND OPERATION OF CORPORATION PROGRAMS AND UP TO $12 MILLION TO FINANCE TRAINING CENTERS AND RELATED ACTIVITIES.

WE ASSUME THAT THIS FUNCTION IS ASSIGNED TO THE SECRETARY OF COMMERCE BY ANALOGY WITH THE OLYMPIC WINTER GAMES AUTHORIZATION ACT, (PUBLIC LAW 94-427) UNDER WHICH THE SECRETARY IS AUTHORIZED TO MAKE GRANTS IN SUPPORT OF THE 1980 WINTER OLYMPICS AT LAKE PLACID, N.Y. HOWEVER, WE FEEL THAT THE PURPOSES OF THE TWO BILLS ARE TOTALLY DIFFERENT.

THE OLYMPIC WINTER GAMES AUTHORIZATION ACT PROVIDES FOR FINANCIAL ASSISTANCE IN LINE WITH THE PURPOSES OF THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965, ADMINISTERED BY THE ECONOMIC DEVELOPMENT ADMINISTRATION; THAT IS, TO FUND THE CONSTRUCTION OF FACILITIES WHICH WILL ASSIST THE ECONOMIC DEVELOPMENT OF AN AREA WHICH NEEDS SUCH DEVELOPMENT. AS THE CONGRESS POINTED OUT IN CONNECTION WITH THAT ACT, ‘THE HOLDING OF THE WINTER OLYMPIC GAMES AT LAKE PLACID, N.Y. WILL RESULT IN SUBSTANTIAL ECONOMIC BENEFIT TO THE NORTHERN NEW YORK REGION, ONE OF THE MOST CHRONICALLY DEPRESSED AREAS IN THE NORTHEAST UNITED STATES.‘

**\*\*7498** **\*40** NO SUCH CONSIDERATION IS INVOLVED IN THE AMATEUR SPORTS ACT OF 1978. IT HAS NO DIRECT RELATIONSHIP TO ECONOMIC DEVELOPMENT OR ANY OLYMPIC GAMES. THE U.S. OLYMPIC COMMITTEE IS MERELY SELECTED AS THE GOVERNING BODY FOR AMATEUR ATHLETICS IN THIS COUNTRY, WITH GRANTS TO BE PROVIDED FOR THE OPERATION OF THE COMMITTEE AND FOR THE OPERATION OF TRAINING CENTERS.

THE ADMINISTRATION'S PRIMARY CONCERN WITH SECTION 211 IS THAT IT WOULD SET A SIGNIFICANT PRECEDENT ON THE ISSUE OF FEDERAL FINANCIAL ASSISTANCE FOR AMATEUR ATHLETIC ACTIVITIES AND EVENTS. IN CONSIDERING THIS SECTION THE ADMINISTRATION ASKS THAT YOUR COMMITTEE CAREFULLY REVIEW THIS ISSUE. IF THE COMMITTEE DECIDES THAT SUCH FEDERAL INVOLVEMENT IS APPROPRIATE AND APPROVES SECTION 211, THE $18 MILLION TO FINANCE THE DEVELOPMENT AND OPERATION OF PROGRAMS TO ASSIST IN THE RESTRUCTURING OF AMATEUR SPORTS IN THE U.S. COULD BE JUSTIFIED AS A ONE-TIME FEDERAL EFFORT THAT WOULD NOT SET A PRECEDENT. HOWEVER, THE PROPOSAL TO AUTHORIZE GRANTS OF UP TO $12 MILLION TO FINANCE TRAINING CENTER OPERATINGS AND RELATED ACTIVITIES IS MORE OBJECTIONABLE DUE TO ITS PRECEDENT-SETTING NATURE.

FINALLY, IF SUCH A PROGRAM IS APPROVED BY THE CONGRESS, WE DO NOT BELIEVE IT SHOULD BE LOCATED IN THE DEPARTMENT OF COMMERCE.

THE BILL WOULD BE UNRELATED TO ANY SUCH PROGRAMS NOW ADMINISTERED BY THIS DEPARTMENT, AND WOULD REQUIRE THE ESTABLISHMENT OF A NEW AND UNRELATED ORGANIZATION AND PROGRAM SOLELY FOR THE PURPOSE OF ADMINISTERING THE ACT.

WE HAVE BEEN ADVISED BY THE OFFICE OF MANAGEMENT AND BUDGET THAT THERE WOULD BE NO OBJECTION TO THE SUBMISSION OF THIS REPORT TO YOUR COMMITTEE FROM THE STANDPOINT OF THE ADMINISTRATION'S PROGRAM.

SINCERELY,

C. L. HASLAM,

GENERAL COUNSEL.

EXECUTIVE OFFICE OF THE PRESIDENT,

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C., AUGUST 8, 1978.

HON. GEORGE E. DANIELSON,

CHAIRMAN, SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS, JUDICIARY COMMITTEE, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C. 20515

DEAR CONGRESSMAN DANIELSON: STAFF OF YOUR SUBCOMMITTEE HAVE INFORMALLY REQUESTED THE VIEWS OF THE ADMINISTRATION ON TWO ISSUES BEING REVIEWED BY THE SUBCOMMITTEE WITH RESPECT TO H.R. 12626 WHICH WOULD-- AMONG OTHER THINGS-- PROVIDE FEDERAL SUPPORT FOR THE U.S. OLYMPIC COMMITTEE (USOC).

IN TESTIMONY BEFORE YOUR SUBCOMMITTEE, AND EXECUTIVE BRANCH WITNESS INDICATED THAT THE ADMINISTRATION REGARDS FEDERAL SUPPORT FOR THE USOC AND FOR TRAINING CENTERS AND OTHER ACTIVITIES AS CONTAINED IN H.R. 12626 AS INAPPROPRIATE. IF FEDERAL FUNDING WERE TO BE PROVIDED, HOWEVER, A ONE-TIME PAYMENT FOR COSTS ASSOCIATED WITH THE RESTRUCTURING OF AMATEUR ATHLETICS WOULD NOT ESTABLISH AN UNWISE PRECEDENT. WE HAVE BEEN UNABLE TO DETERMINE WHAT THE APPROPRIATE LEVEL OF FUNDING WOULD BE FOR SUCH RESTRUCTURING COSTS. ACCORDINGLY, IF FEDERAL FUNDING IS PROVIDED IN THE BILL, WE RECOMMEND A SINGLE APPROPRIATION **\*\*7499** **\*41** AUTHORIZATION OF ‘SUCH SUMS AS MAY BE NECESSARY‘ TO ASSIST THE U.S. OLYMPIC COMMITTEE IN COSTS ASSOCIATED WITH THE IMMEDIATE ‘RESTRUCTURING OF AMATEUR ATHLETICS.‘ THIS WOULD ALLOW THE ADMINISTRATION TO CONSULT WITH THE UNITED STATES OLYMPIC COMMITTEE AND OTHERS TO IDENTIFY ANY AMOUNTS NEEDED FOR INCLUSION IN THE PRESIDENT'S 1980 BUDGET.

IN ADDITION, THERE IS THE QUESTION OF WHICH FEDERAL AGENCY SHOULD MAKE THE ONE-TIME PAYMENT TO THE U.S. OLYMPIC COMMITTEE. WE HAVE REVIEWED A NUMBER OF OPTIONS AND CONCLUDED THAT VESTING THE PAYMENT RESPONSIBILITY IN THE SECRETARY OF THE TREASURY WOULD BE MOST CONSISTENT WITH THE ADMINISTRATION'S POSITION THAT THE PAYMENT BE A ONE-TIME FEDERAL GRANT AND NOT A PRECEDENT FOR CONTINUING FEDERAL SUPPORT FOR THE COMMITTEE. THIS WILL AVOID THE CREATION OF AN ONGOING FEDERAL BUREAUCRACY WHICH WOULD, IN ANY EVENT, BE UNNECESSARY SINCE THE U.S. OLYMPIC COMMITTEE ALREADY POSSESSES THE EXPERTISE NEEDED TO DISCHARGE ITS RESPONSIBILITIES FOR AMATEUR ATHLETICS.

ACCORDINGLY, WE STRONGLY RECOMMEND THAT YOUR COMMITTEE MODIFY H.R. 12626 TO REFLECT THE PRECEDING RECOMMENDATIONS.

SINCERELY,

JAMES M. FREY,

ASSISTANT DIRECTOR FOR

LEGISLATIVE REFERENCE. U.S. OLYMPIC COMMITTEE MEMBERSHIP AND VOTING REPRESENTATION AS PRINTED IN THE APR. 15, 1978, EDITION OF ITS CONSTITUTION, BYLAWS, AND GENERAL RULES

TABULAR OR GRAPHIC MATERIAL SET FORTH AT THIS POINT IS NOT DISPLAYABLE

**\*\*7500** **\*42** GROUP B

GROUP C

GROUP D

TABULAR OR GRAPHIC MATERIAL SET FORTH AT THIS POINT IS NOT DISPLAYABLE

**\*44** **\*\*7501** DISSENTING VIEWS OF REPRESENTATIVE JOHN F. SEIBERLING

BECAUSE OF MY OPPOSITION TO THE SPENDING OF FEDERAL TAX DOLLARS ON AMATEUR SPORTS, I WILL SUPPORT AN AMENDMENT ON THE HOUSE FLOOR TO DELETE THE BILLS AUTHORIZATION OF $30 MILLION FOR AMATEUR ATHLETICS.

ALTHOUGH SOME PEOPLE MAY VIEW THE $30 MILLION AS A DROP IN THE BUCKET, I VIEW IT AS A FOOT IN THE DOOR. ADVOCATES OF THE AUTHORIZATION SAY IT WILL BE A ONE-TIME-ONLY PROGRAM, BUT WE KNOW BY NOW HOW HARD IT IS TO SHUT OFF FEDERAL DOLLARS ONCE THEY START FLOWING.

THE MONEY AUTHORIZED BY THIS BILL IS NOT NECESSARY FOR THE UNITED STATES TO PARTICIPATE EFFECTIVELY IN THE 1980 OLYMPICS. INSTEAD, THE MONEY IS INTENDED TO PROVIDE FEDERAL GRANTS OF AN UNSPECIFIED NATURE AND WITHOUT CLEAR STANDARDS.

AMATEUR SPORTS ARE IMPORTANT TO THE HEALTH, WELL-BEING, AND ENJOYMENT OF AMERICANS. AMERICA'S AMATEUR ATHLETICS HAVE FLOURISHED WITH OUR GOVERNMENT FUNDING. INDEED, THE VERY VITALITY OF AMATEUR ATHLETICS IS DUE IN GREAT MEASURE TO THE FACT THAT THEY HAVE VIGOROUSLY DEFENDED THEIR INDEPENDENCE AND RESISTED ANY INVOLVEMENT OF INTERFERENCE BY THE FEDERAL GOVERNMENT. THE ENACTMENT OF SECTION 3 OR S. 2727 WOULD JEOPARDIZE THE INDEPENDENCE AND INTEGRITY OF AMATEUR SPORTS, AND IT WOULD LEAD TO THE POLITICIZATION AND BUREAUCRATIZATION OF AMATEUR SPORTS. THE ATHLETES AND THE SPORTS THEMSELVES WOULD BECOME THE UNFORTUNATE VICTIMS OF THIS BILL.

THE HOUSE SHOULD REJECT THE BILL'S $30 MILLION AUTHORIZATION, WHICH WOULD BE AN UNPRECEDENTED INTRUSION OF THE FEDERAL GOVERNMENT INTO AMATEUR SPORTS, AN AREA IN WHICH THE GOVERNMENT DOES NOT BELONG.

JOHN SEIBERLING.

**\*\*7502** **\*45** DISSENTING VIEWS OF CONGRESSMAN ROBERT F. DRINAN TO S. 2727, THE AMATEUR SPORTS ACT OF 1978

IN MY VIEW THE COMMITTEE HAS MADE A SERIOUS AND PRECEDENT-SETTING MISTAKE IN APPROVING IN AMATEUR SPORTS ACT OF 1978, A BILL WHICH CONTAINS A $30 MILLION AUTHORIZATION FOR THE PROMOTION OF AMATEUR ATHLETIC ACTIVITY.

IN THE FIRST PLACE, I FIND IT CURIOUS THAT MANY OF THE PEOPLE WHO HAVE LONG RAILED AGAINST AN EXPANSION OF FEDERAL GOVERNMENT ACTIVITY HAVE NOW EMBRACED INTRUSION INTO AMATEUR SPORTS. NO PERSUASIVE CASE HAS BEEN MADE AS TO WHY THE FEDERAL GOVERNMENT MUST ENTER INTO THIS AREA. I BELIEVE THE AMERICAN PEOPLE, ATHLETE AND SPECTATOR ALIKE, WOULD BE BETTER SERVED BY OUR CONTINUED RELIANCE ON VOLUNTEERISM AND THE PRIVATE SECTOR, AND BY THE AVOIDANCE OF GOVERNMENTAL INTERVENTION WHICH COULD LEAD TO SOME FORM OF GOVERNMENT CONTROL OF AMATEUR ATHLETICS.

SECONDLY, THE EXPENDITURE OF $30 MILLION OF THE TAXPAYERS' MONEY, ESPECIALLY AT A TIME WHEN MANY WORTHY PROGRAMS ARE UNDER ATTACK, IS WHOLLY INAPPROPRIATE. SOME ADVOCATES OF THIS MEASURE HAVE NOTED THAT THE FUNDING LEVEL IS AN INSIGNIFICANT FRACTION OF THE FEDERAL BUDGET. AN YET A COMPARABLE EXPENDITURE COULD, FOR EXAMPLE, SUSTAIN THE CRISIS INTERVENTION PROGRAM UNDER WHICH OLDER AMERICANS ARE PROVIDED ASSISTANCE IN MEETING UTILITY BILLS; OR EXPAND OUR EFFORTS IN EARLY CHILDHOOD SCREENING AND DETECTION FOR VARIOUS DISEASES; OR HELP US TO ASSIST THOUSANDS OF REFUGEES FLEEING REPRESSIVE REGIMES.

WE SEEM TO HAVE LOST SIGHT OF WHAT THE ORIGINAL OLYMPICS SYMBOLIZED-- THE PURSUIT OF INDIVIDUAL ATHLETIC EXCELLENCE. WHILE I WOULD NOT BEGRUDGE ANYONE THE RIGHT TO HOPE FOR AMERICAN DOMINATION OF OLYMPIC EVENTS, I DO TAKE ISSUE WITH THE NOTION THAT IS IS SOMEHOW IN THE FEDERAL TAXPAYERS' INTEREST TO SUBSIDIZE A BETTER SHOWING BY OUR NATIONS'S ATHLETES. I AM CONVINCED THAT AMATEUR SPORTS CAN CONTINUE TO FLOURISH IN AMERICA, AND DEDICATED AND TALENTED ATHLETES CAN STILL SPRING FORTH IN OUT MIDST EVEN WITHOUT THE HELPING HAND OF THE FEDERAL GOVERNMENT.

FINALLY, IF WE ARE TO INVOLVE THE FEDERAL GOVERNMENT IN THIS AREA AND USE PUBLIC FUNDS TO SUBSIDIZE OLYMPIC-RELATED ACTIONS, I FEEL IT IS INCUMBENT UPON US TO TAKE POSITIONS CONSISTENT WITH THE HUMAN RIGHTS POLICIES WE HAVE ADOPTED IN OTHER INTERNATIONAL PROGRAMS. THE LEGISLATION APPROVED BY THE COMMITTEE IS DEFICIENT IN FAILING TO INCLUDE ANY PROHIBITION OF FUNDING U.S. PARTICIPATION IN AMATEUR ATHLETIC EVENTS IN NATIONS WHICH CONSISTENTLY ENGAGE IN GROSS VIOLATIONS OF HUMAN RIGHTS.

THE SOVIET UNION, WHICH HAS SYSTEMATICALLY REPRESSED ITS PEOPLE AND RENEGED ON THE HUMAN RIGHTS AGREEMENTS IT CONSENTED TO 3 YEARS AGO IN HELSINKI, HAS BEEN ACCORDED THE HONOR OF HOSTING THE 1980 SUMMER OLYMPICS. SOVIET CITIZENS, INCLUDING MRS. AVITAL SHCHARANSKY HAVE MADE IT PAINFULLY CLEAR TO ME THAT PART OF THE SOVIET REPRESSION **\*46** IS LINKED TO THAT NATION'S ROLE AS OLYMPIC HOST. IT IS APPARENT THAT THE U.S.S.R. WILL GO TO GREAT LENGTHS TO CLEAN UP WHAT IT PERCEIVES AS DISSIDENT ACTIVITY BEFORE AND DURING THE TIME NBC BRINGS ITS CAMERAS TO MOSCOW TO COVER THE 1980 SUMMER OLYMPICS.

**\*\*7503** RATHER THAN ACT AS AN UNWITTING ACCOMPLICE TO VIOLATIONS OF BASIC HUMAN RIGHTS, I BELIEVE THE UNITED STATES MUST WORK TO SHIFT THE SITE OF THE 1980 OLYMPIC GAMES OUT OF MOSCOW. FOR THAT REASON I OFFERED AN AMENDMENT TO THE AMATEUR SPORTS ACT WHICH WOULD HAVE PROHIBITED THE USE OF ANY FUNDS IN SUPPORT OF AMERICAN INVOLVEMENT IN ANY ATHLETIC EVENT IN A NATION WHICH ENGAGES IN GROSS VIOLATIONS OF HUMAN RIGHTS.

THE DEFEAT OF THIS AMENDMENT MEANS THAT WE ARE COMPOUNDING OUT QUESTIONABLE EXPENDITURE OF $30 MILLION BY OUT SILENCE ON A CRITICAL QUESTION OF HUMAN RIGHTS. WHILE ANATOLY SHCHARANSKY, ALEXANDER GINZBURG, AND OTHER SOVIET CITIZENS REMAIN IN JAIL, WHILE THOUSANDS OF MEMBERS OF ETHNIC MINORITIES IN THE U.S.S.R. ARE DENIED THEIR BASIC LIBERTIES, WE MUST FACE UP TO THE IMPLICATIONS OF OUR PARTICIPATION IN THE MOSCOW OLYMPICS.

ROBERT F. DRINAN.

**\*47** DISSENTING VIEWS OF MESSRS. HAROLD L. VOLKMER AND ROMANO L. MAZZOLI

S. 2727, THE AMATEUR SPORTS ACT OF 1978, IS AN ILL-ADVISED PIECE OF LEGISLATION. THIS ACT BEGINS A PROCESS OF GOVERNMENT INVOLVEMENT IN THIS COUNTRY'S AMATEUR ATHLETIC PROGRAM. BY AUTHORIZING THE SUM OF $30 MILLION TO BE APPROPRIATED FROM GRANTS AND STUDIES BY THE OLYMPIC COMMITTEE, THIS CONGRESS WILL TAKE THE FIRST STEP IN POLITICIZING AMATEUR ATHLETICS.

DURING CONSIDERATION OF THE BILL BY THE JUDICIARY COMMITTEE TWO AMENDMENTS WERE OFFERED WHICH ILLUSTRATE THE POTENTIAL PROBLEMS OF INVOLVEMENT OF CONGRESS. AMENDMENTS WERE OFFERED WHICH WOULD PROHIBIT USE OF APPROPRIATED FUNDS IN COMPETITION WITH COUNTRIES WHICH VIOLATE INTERNATIONALLY RECOGNIZED HUMAN RIGHTS. THESE POINT OUT THE DANGERS CREATED BY THIS LEGISLATION. IF THESE AMENDMENTS WERE ENACTED IT WOULD HAVE EFFECTIVELY PREVENTED U.S. PARTICIPATION IN FUTURE AMATEUR ATHLETIC EVENTS WITH MANY NATIONS.

THESE ARE EXTREME EXAMPLES OF WHAT COULD HAPPEN. IT IS NOT DIFFICULT TO IMAGINE CONGRESS INVOLVED IN LESS EXTREME EXAMPLES OF REGULATION OF AMATEUR ATHLETICS.

THIS LEGISLATION IS ALSO UNWISE BECAUSE OF THE LACK OF JUSTIFICATION, BY THE OLYMPIC COMMITTEE, FOR THE $30 MILLION REQUESTED AND AUTHORIZED. THE OLYMPIC COMMITTEE COMMUNICATED NO SPECIFIC PLANS FOR THESE FUNDS TO THE MEMBERS OF THE JUDICIARY COMMITTEE, ALTHOUGH IT IS OUR UNDERSTANDING A GENERAL BREAKDOWN, BUT NOT A SPECIFIC BREAKDOWN, WAS SUPPLIED TO THE SUBCOMMITTEE. GENERAL STATEMENTS OF THE NEED TO DEVELOP AND COORDINATE AMATEUR ATHLETICS AND A POSSIBLE APPLICATION OF FUNDS TO SPORTS MEDICINE, AN UNDEFINED TERM, ARE THE ONLY JUSTIFICATION WE RECEIVED DURING FULL COMMITTEE CONSIDERATION OF THE BILL. THE SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS APPARENTLY FELT THE REQUEST WAS NOT SUFFICIENTLY JUSTIFIED WHEN THAY VOTED TO STRIKE THE FUNDS FROM THE BILL.

WE SHOULD NOT APPROVE AN AUTHORIZATION FOR A PROGRAM SIMPLY BECAUSE THE PROGRAM IS ATTRACTIVE. CONGRESS HAS A RESPONSIBILITY TO KNOW HOW MONEY IT CONTROLS IS TO BE SPENT. IF WE PASS THIS LEGISLATION WITH THE $30 MILLION AUTHORIZATION PROVISION WE ARE FAILING IN THIS RESPONSIBILITY.

**\*\*7504** PRIVATE FUNDING HAS TRADITIONALLY BEEN THE MEANS OF FINANCING THE OLYMPIC COMMITTEES' EFFORTS. THE CURRENT U.S. OLYMPIC COMMITTEE BUDGET, ATTACHED AS APPENDIX A, SHOWS THAT SUCH FUNDING IS SUFFICIENT TO MEET THEIR NEEDS. YOU WILL NOTE THAT INCOME EXCEEDS THE EXPENSES CREATING A SURPLUS. THIS BUDGET DOES NOT ILLUSTRATE A NEED FOR AN ADDITIONAL $30 MILLION.

FOR THESE REASONS WE URGE THE DEFEAT OF THE AMATEUR SPORTS ACT OF 1978 WHEN IT COMES BEFORE THE HOUSE FOR CONSIDERATION

HAROLD L. VOLKMER.

ROMANO L. MAZZOLI.

**\*48** ‘APPENDIX A‘

INCOME:

GENERAL CONTRIBUTIONS . . . . . $14,000,000

CORPORATE PARTICIPATION . . . . .9,000,000

IN-KIND . . . . . 1,225,000

FROM TRIALS AND EXHIBITIONS . . . . . 425,000

STUDENT LIFE INSURANCE PROGRAM . . . . . 275,000

MEMBERSHIP DUES . . . . . 60,000

INTEREST AND DIVIDENDS . . . . . 3 800,000

TOTAL . . . . . 25,785,000

OUTGO:

FOR DEVELOPMENT OF ATHLETES . . . . .9,200,000

FOR SPECIAL TRAINING PRIOR TO OLYMPIC GAMES AFTER TEAMS ARE SELECTED . . . . .2,500,000

EXPENSES OF ATHLETES TO PARTICIPATE IN FINAL SELECTION TRAILS . . . . .1,550,000

EXPENSES FOR VIII PAN AMERICAN GAMES SAN JUAN, P.R., 1979 . . . . . 1,550,000

EXPENSES FOR XIII OLYMPIC WINTER GAMES, LAKE PLACID, N.Y., 1980 . . . . .950,000

EXPENSES FOR GAMES OF XXII OLYMPIAD, MOSCOW, 1980 . . . . . 2,400,000

ADMINISTRATION EXPENSES . . . . . 4,050,000

FUND-RAISING EXPENSE . . . . . 3,500,000

TOTAL . . . . .25,750,000

1   A NATIONAL GOVERNING BODY IS A NON-PROFIT AMATEUR SPORTS ORGANIZATION WHICH ACTS AS THIS COUNTRY'S REPRESENTATIVE IN THE CORRESPONDING INTERNATIONAL SPORTS FEDERATION FOR THAT PARTICULAR SPORT.  IT SETS GOALS AND DIRECTS POLICY IN THE SPORT IT GOVERNS AND HAS THE POWER TO SANCTION INTERNATIONAL COMPETITIONS, HELD IN THE UNITED STATES, IN THEIR SPORT.

2   ARTICLE II, SECTIONS 6 AND 7 OF THE CONSTITUTION OF THE U.S. OLYMPIC COMMITTEE.

3   INCOME REQUIREMENTS FOR THE REGIONAL TRAINING CENTERS OPERATED BY THE USOC ARE OVER AND ABOVE THE BUDGET FIGURES.

                                                                                  (Note:  1.  PORTIONS OF THE SENATE, HOUSE AND CONFERENCE REPORTS, WHICH ARE     DUPLICATIVE OR ARE DEEMED TO BE UNNECESSARY TO THE INTERPRETATION OF THE LAWS, ARE OMITTED.  OMITTED MATERIAL IS INDICATED BY FIVE ASTERISKS:  \*\*\*\*\*.                  2.  TO RETRIEVE REPORTS ON A PUBLIC LAW, RUN A TOPIC FIELD SEARCH       USING THE PUBLIC LAW NUMBER, e.g., TO(99-495))

H.R. REP. 95-1627, H.R. Rep. No. 1627, 95TH Cong., 2ND Sess. 1978, 1978 U.S.C.C.A.N. 7478, 1978 WL 8517 (Leg.Hist.)

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