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Sports Legislation in the 108th Congress

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Summary

As a result of increasing conflict within the sports industry over the past few decades, Congress and federal agencies have given greater attention to public policy issues associated with amateur and professional sports in the United States. Congress has focused on sports in the context of the following public policy areas: antitrust, labor relations, immigration, player and fan violence, broadcasting and cable issues, taxation, drug abuse and testing, federal spending related to the conduct of U.S.-held Olympic Games, sports franchise relocations, legal and illegal gambling, oversight of the boxing industry, youth sports activities, and equal access for women to sports programs at educational institutions.

This report identifies legislation introduced during the 108th Congress that would directly affect amateur, professional, or youth sports in the United States. This legislation (S. 275, S.Res. 40, H.R. 189, H.R. 361) is grouped by policy issue. Additional issue categories and legislation will be added to the report as appropriate during the 108th Congress. For related reading, see CRS Report RS20201, *Sports Legislation in the 106th Congress;* CRS Report RS20880, *Sports Legislation in the 107th Congress*; CRS Report RS20710, *Title IX and Sex Discrimination in Education: An Overview*; CRS Report RS20460, *Title IX and Gender Bias in Sports: Frequently Asked Questions*; and CRS Report RL31709, *Title IX, Sex Discrimination and Intercollegiate Athletics: A Legal Overview*.

Background

The history of professional, amateur, and youth sports in the United States is replete with legal battles, congressional investigations, and regulatory and legislative actions. The perception that sports are a "public trust," and must be protected, has resulted in Congress's implementing public policy with the underlying objective of guaranteeing the public fair access to sports. Congressional and other government action over the last few decades has had several public policy objectives. It has promoted parity in competition, attempted to reduce racial and gender discrimination, facilitated spectator access through television, and diminished athlete exploitation.

In general, it could be said that Congress, prior to 1960, assumed the role of sports facilitator, rather than the more modern role of sports regulator, and was often content to let amateur and professional sports regulatory bodies monitor and correct problems within their sports.

After 1960, dramatic sports industry growth, both in finances and in popularity, and conflicts within the industry served to draw congressional attention, often at the request of the sports industry itself. The advent of televised broadcasting of sports events and the ever greater economic returns on sports activities combined to make sports, and related problems (such as player strikes and team relocations), more visible to the public and government officials. The ability or willingness of major sports organizations to regulate and manage their own affairs properly was also coming into question. The public perception of sports as recreation and diversion was giving way to one of sports as big business.

The House Select Committee on Professional Sports, established in 1976, was charged with conducting an investigation into all aspects of professional sports for the express purpose of determining whether legislation, or other forms of government intervention, might be required to reduce the detrimental impact of money on the intrinsic value of athletic competition. During this same period, amateur athletics also came under increased scrutiny. President Gerald R. Ford, with Executive Order 11868 of June 19, 1975, created the President's Commission on Olympic Sports, and contributed to the development of the Amateur Sports Act of 1978 (now the Ted Stevens Olympic and Amateur Sports Act, 36 U.S.C. 220501 et seq.). This act restructured the United States Olympic Committee to lessen the ongoing conflict among various U.S. amateur sports organizations. An investigation was considered necessary because the conflict within the amateur sports industry was detrimental to American Olympic efforts.

Congress had passed Title IX of the Education Amendments of 1972 to prohibit discrimination on the basis of gender in educational programs or activities receiving federal funding. Although Title IX was not aimed specifically at sports, it became instrumental in promoting sports equality for female athletes at high schools and colleges around the nation. It continues to be a controversial and highly debated law. On June 27, 2002, Rod Paige, Secretary of Education, established the Commission on Opportunity in Athletics. The commission was tasked with collecting information and analyzing issues pertaining to the application of current federal standards for measuring equal opportunity for male and female participation in athletics at high schools and colleges under Title IX. The commission forwarded its 23 recommendations to the Secretary at the end of February 2003. The Secretary did not act on any of the recommendations of the commission.

The executive branch has been active in making sports policy. The Federal Communications Commission, the National Labor Relations Board, the Department of Labor, the Justice Department, the Department of Education, and other federal agencies have all played key roles in amateur and professional sports issues over the last 30 years.

The intervention of Congress, the executive branch, or the courts in the problems of amateur and professional sports has been primarily to protect the public interest. In no small way, the tremendous growth in the monetary value of professional sports (to owners and local communities), rising player salaries and more effective player unions, escalating

television and cable revenues and increasing competition for limited sports programing, demands for gender and racial equity, and taxpayer investments in stadiums and U.S.-held Olympic Games have raised the level of, and potential for, conflict in the sports world. Congress and other government institutions now find themselves playing the roles of regulators, arbiters, facilitators, sports reformers, and guardians of the public trust. Because of the ongoing popularity of sports events, the potential for great monetary rewards, and conflict and tension among the many competing actors in the sports industry, congressional interest, oversight, and intervention in matters concerning this industry seem unlikely to diminish.

Sports-related legislation introduced during the 108th Congress is identified and will be tracked in the following pages.

Sports Legislation in the 108th Congress

Boxing

S. 275 — Professional Boxing Amendments Act of 2003. Introduced by Senator John McCain on February 4, 2003, this legislation would amend the Professional Boxing Safety Act of 1996 and would establish the United States Boxing Administration (USBA) within the Department of Labor. This legislation would further (1) require the USBA to establish a medical registry and medical record keeping of licensed professional boxers; (2) make safety standards uniform for all boxing commissions; (3) require promoters to post security with boxing commissions to ensure payment of purses to boxers; (4) include tribal organizations under the term "boxing commissions"; (5) require that sanctioning organizations adopt ratings guidelines and criteria developed by the USBA; (6) require judges and referees to be certified and appointed by boxing commissions for matches without interference from sanctioning organizations; (7) establish minimal contractual provisions between boxers and managers; and (8) require more stringent financial disclosure for promoters and sanctioning organizations. This legislation was referred to the Senate Committee on Commerce, Science, and Transportation. It was ordered to be reported with an amendment in the nature of a substitute.

H.R. 1281 — Professional Boxing Amendments Act of 2003. Introduced by Representative Peter T. King on March 13, 2003, this legislation would amend the Professional Boxing Safety Act of 1996 and establish the United States Boxing Administration (USBA). The bill establishes the USBA as part of the Department of Labor to protect the health, safety, and general interests of boxers, and to ensure uniformity, fairness, and integrity in professional boxing. It establishes standards for the issuance, suspension, and termination of boxing licenses, and maintains a national computerized registry for boxing personnel. This legislation was referred to the House Energy and Commerce Committee and the House Committee on Education and the Workforce.

Sports Agents

H.R. 361 — Sports Agents Responsibility and Trust Act. Introduced by Representative Bart Gordon on January 27, 2003, this legislation would prohibit an athlete agent from (1) recruiting or soliciting a student athlete to enter into an agency contract by giving false or misleading information, making a false promise or representation, or

providing anything of value to the athlete before entering into such contract; (2) entering into an agency contract with a student athlete without providing the required disclosure document; or (3) predating or postdating an agency contract. This legislation would treat as a violation an unfair or deceptive act or practice under the Federal Trade Commission Act and authorize civil actions by state attorneys general under specified circumstances. The agent and the athlete, within 72 hours after entering into an agency contract or before the next athletic event in which the athlete may participate, whichever occurs first, would be required to provide notice to the educational institution that the athlete has entered into an agency contract. Educational institutions would have the right of action against an agent for damages caused by such agent's failure to provide such notice. This bill was referred to the House Committee on Energy and Commerce and the House Committee on the Judiciary.

S. 1170 — Sports Agent Responsibility and Trust Act. Introduced by Senator Ron Wyden on June 3, 2003, this legislation designates certain conduct by sports agents relating to the signing of contracts with student athletes as unfair and deceptive acts or practices to be regulated by the Federal Trade Commission. This bill was referred to the Senate Committee on Commerce, Science, and Transportation.

Immigration

H.R. 189 — Baseball Diplomacy Act. Introduced by Representative José E. Serrano on January 27, 2003, this legislation would waive foreign assistance and trade prohibitions against Cuba under specified federal laws with regard to certain transactions, including (1) Cuban nationals who enter the United States on visas to play organized professional baseball; and (2) the return of their baseball earnings to Cuba. The bill would prevent the President from denying visas to such nationals based upon authority under the Immigration and Nationality Act to restrict any entry of aliens or class of alien that would be detrimental to the interests of the United States. It also would declare that the Act would not be affected by the economic embargo requirements against Cuba under the Cuban Liberty and Democratic Solidarity Act of 1996. This bill has been referred to the House Committee on International Relations and the House Committee on the Judiciary.

Gambling

H.R. 1451 — Student Athlete Protection Act. Introduced by Representative Tom Osborne on March 26, 2003, this legislation would amend the federal judicial code to prohibit high school and college sports gambling in all states, including states where such gambling was permitted prior to 1991. The bill makes it unlawful to gamble on sports in lotteries, sweepstakes, or other betting, gambling, or wagering schemes based, directly or indirectly, on high school or college sports events, or on the Summer or Winter Olympic Games. This legislation was referred to the House Committee on the Judiciary.

Broadcasting

H.R. 2745 — Baseball Fan Protection Act. Introduced by Representative Dennis Kucinich Jr. on July 15, 2003, this legislation would amend the Internal Revenue Code of 1986 to require a sports franchise to provide for all of the games played by a franchise to be available for local television broadcasting in order to be subject to the presumption

that 50 percent of the consideration in the sale or exchange of a sports franchise is allocated to player contracts. This legislation was referred to the House Committee on Ways and Means.

Olympics

H.R. 3144 — United States Olympic Committee Reform Act. Introduced by Representative Cliff Stearns on September 23, 2003, this legislation would amend the federal charter of the United States Olympic Committee to restructure that body. It was referred to the House Committee on the Judiciary.

H.R. 3330 — United States Olympic Committee Reform Act. Introduced by Representative Steve Buyer on October 17, 2003, this legislation would amend the federal charter of the United States Olympic Committee to restructure that body. It was referred to the House Committee on the Judiciary.

S. 1404 — United States Olympic Committee Reform Act. Introduced by Senator John McCain on July 15, 2003, this legislation would amend the federal charter of the United States Olympic Committee to restructure that body. The bill was reported from the Senate Committee on Commerce, Science, and Transportation on July 28, 2003, and passed the Senate on September 23, 2003. It was referred to the House Committee on the Judiciary.

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