

United States Amateur Sports 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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Amateur Sports Act of 1978".

OLYMPIC COMMITTEE REORGANIZATION

Section 1. (a) the Act entitled "An Act to incorporate the United States Olympic Association", approved September 21, 1959 (36 U.S.C. 371 et seq.), hereinafter in this Act referred to as "the Act", is amended in the first section.--

(1) by striking out "That the following persons, to wit:" and inserting in lieu thereof the following:

TITLE I - CORPORATION

"Sec. 101. The following persons, to wit:";

(2) in the first sentence by striking out "corporation" before the period and inserting in lieu thereof "Corporation"; and

(3) by amending the last sentence thereof to read as follows:

"The Corporation shall maintain its principal officer and national headquarters in such place in the United States as is determined by the Corporation, and may hold its annual and special meetings in such places as the Corporation shall determine".

(b) The Act is further amended by striking out sections 2 through 12 and inserting in lieu thereof the following:

"Sec.102. A majority of the persons named in section 101 of this Act, or their successors, are hereby authorized to meet to complete the organizations of the Corporation by the adoptions of a constitution and bylaws, the election of officers, and by doing all things necessary to carry into effect the provisions of this Act.

"Sec.103. As used in this Act, the term-

"(1) 'amateur athlete' means any athlete who meets the eligibility standards established by the national governing body for the sport in which the athlete competes;

"(2) 'amateur athletic competition' means a contest, game, meet, match, tournament, regatta, or other event in which amateur athletes compete;

"(3) 'amateur sports organization' means a not-for-profit corporation, club, federation, union, association, or other group organized in the United States which sponsors or arranges any

amateur athletic competition;

"(4) 'Corporation' means the United States Olympic Committee;

"(5) 'international amateur athletic competition' means any amateur athletic competition between any athlete or athletes representing the United States, either individually or as part of a team, and any athletic or athletes representing any foreign country;

"(6) 'national governing body' means an amateur sports organization which is recognized the Corporation in accordance with section 201 of this Act; and

"(7) 'sanction' means a certificate of approval issued by the national governing body.

"Sec.104. The objects and purposes of the Corporation shall be to--

(1) establish national goals for amateur athletic activities and encourage the attainment of those goals;

(2) coordinate and develop amateur athletic activity in the United States directly relating to international amateur athletic competition, so as to foster productive working relationships among sports-related organizations;

(3) exercise exclusive jurisdiction, either directly or through its constituent members of committees, over all matters pertaining to the participation of the United States in the Olympic Games and in the Pan-American Games, including the representation of the United States in such games, and over the organization of the Olympic Games and the Pan-American Games when held in the United States;

(4) obtain for the United States, either directly or by delegation to the appropriate national body, the most competent amateur representation possible in each competition and event of the Olympic Games and the Pan-American Games when held in the United States;

(5) promote and support amateur athletic activities involving the United States and foreign nations;

(6) promote and encourage physical fitness and public participation in amateur athletic activities;

(7) assist organizations and persons concerned with sports in the development of amateur athletic programs for amateur athletes;

(8) provide for swift resolutions of conflicts and disputes involving amateur athletes, national governing bodies, and amateur sports organizations, and protect the opportunity of any amateur athlete, coach, trainer, manager, administrator, or official to participate in amateur athletic competition;

(9) foster the development of amateur athletic facilities for use by amateur athletes and assist in making existing amateur athletic facilities available for use by amateur athletes;

(10) provide and coordinate technical information on physical training, equipment design,

coaching, and performance analysis;

(11) encourage and support research, development, and dissemination of information in the areas of sports medicine and sports safety;

(12) encourage and provide assistance to amateur athletic activities for women;

(13) encourage and provide assistance to amateur athletic programs and competition for handicapped individuals, including, where feasible, the expansion of opportunities for meaningful participation by handicapped individuals in programs of athletic competition for able-bodied individuals; and

(14) encourage and provide assistance to amateur athletes of racial and ethnic minorities in amateur athletic activities in which they are underrepresented.

Sec.105. (a) The Corporation shall have perpetual succession and power to--

(1) serve as the coordinating body for amateur athletic activity in the United States directly relating to international amateur athletic competition;

(2) represent the United States as its national Olympic committee in relations with the International Olympic Committee and the Pan-American Sports Organization;

(3) organize, finance, and control the representation of the United States in the competitions and events of the Olympic Games and the Pan-American Games, and obtain, either directly or by delegation to the appropriate national governing body, amateur representation for such games;

(4) recognize eligible amateur sports organizations as national governing bodies for any sport which is included on the program of the Olympic Games or the Pan-American Games;

(5) facilitate, through orderly and effective administrative procedures, the resolution of conflicts or disputes which involve any of its members and any amateur athlete, coach, trainer, manager, administrator, official, national governing body, or amateur sports organization and which arise in connection with their eligibility for and participation in the Olympic Games, the Pan-American world championship competition, or other protected competition as defined in the constitution and bylaws of the Corporation;

(6) sue and be sued;

(7) make contracts;

(8) acquire, hold, and dispose of real and personal property as may be necessary for its corporate purpose;

(9) accept gifts, legacies, and devises in furtherance of its corporate purposes;

(10) borrow money to carry out its corporate purposes, issue notes, bonds, or other evidences of indebtedness therefor, and secure the same by mortgage, subject in each case to the laws of the United States or of any State;

- (11) provide financial assistance to any organization or association, other than a corporation organized for profit, in furtherance of the purposes of the Corporation;
- (12) approve and revoke membership in the Corporation;
- (13) adopt and alter a corporate seal;
- (14) establish and maintain offices for the conduct of the affairs of the Corporation;
- (15) publish a newspaper, magazine, or other publication consistent with its corporate purposes, and
- (16) do any and all acts and things necessary and proper to carry out the purposes of the Corporation.

(b) The Corporation shall adopt and may amend a constitution and bylaws not inconsistent with the laws of the United States or of any State, except that the Corporation may amend its constitution only if it--

- (1) publishes in its principal publication a general notice of the proposed alteration of the constitution, including the substantive terms of the alteration, the time and place of the Corporation's regular meeting at which the alteration is to be decided, and a provision informing interested persons that they may submit materials as authorized in paragraph (2); and
- (2) gives to all interested persons, prior to the adoption of any amendments, an opportunity to submit written data, views, or arguments concerning the proposed amendments for a period of at least 60 days after the date of publication of the notice.

Sec.106. (a) Eligibility for membership in the Corporation shall be determined in accordance with the constitution and bylaws of the Corporation.

(b) In its constitution and bylaws, the Corporation shall establish and maintain provisions with respect to its governance and the conduct of its affairs for reasonable representation of--

- (1) amateur sports organizations recognized as national governing bodies in accordance with section 201 of this Act;
- (2) amateur athletes who are actively engaged in amateur athletic competition or who have represented the United States in international amateur athletic competition within the preceding 10 years;
- (3) amateur sports organizations which conduct a national program or regular national amateur athletic competition in two or more sports which are included on the program of the Olympic Games or the Pan-American Games on a level of proficiency appropriate for the selection of amateur athletes to represent the United States in international amateur athletic competition; and
- (4) individuals not affiliated or associated with any amateur sports organization who in the Corporation's judgement represent the interests of the American public in the activities of the

Corporation.

Sec.107. The Corporation shall be nonpolitical and, as an organization, shall not promote the candidacy of any person seeking public office.

Sec.108. The Corporation shall have no power to issue capital stock or to engage in business for pecuniary profit or gain.

Sec.109. The Corporation may acquire any or all of the assets of the existing unincorporated association, known as The United States Olympic Association, upon discharging or satisfactorily providing for the payment and discharge of all the liabilities of such unincorporated associations.

Sec.110. (a) Without the consent of the Corporation, any person who uses for the purpose of trade, to induce the sale of any goods or services, or to promote any theatrical exhibition, athletic performance, or competition--

- (1) the symbol of the International Olympic Committee, consisting of 5 interlocking rings;
- (2) the emblem of the Corporation, consisting of an escutcheon having a blue chief and vertically extending red and white bars on the base with 5 interlocking rings displayed on the chief;
- (3) any trademark, trade name, sign, symbol, or insignia falsely representing association with, or authorization by, the International Olympic Committee or the Corporation; or
- (4) the words "Olympic", "Olympiad", "Citius Altius Fortius, or any combination or simulation thereof tending to cause confusion, to cause mistake, to deceive, or to falsely suggest a connection with the Corporation or any Olympic activity;

shall be subject to suit in a civil action by the Corporation for the remedies provided in the Act of July 5, 1946 (60 Stat. 427; popularly known as the Trademark Act of 1946). However, any person who actually used 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, 1959, 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.

(b) The Corporation may authorize contributors and suppliers of goods or services to use the trade name of the Corporation as well as any trademark, symbol, or emblem of the International Olympic Committee or of the Corporation in advertising that the contributions, goods, or services were donated, supplied, or furnished to or for the use of, approved, selected, or used by the Corporation or United States Olympic Committee or of the Corporation in advertising that the contributions, goods, or services were donated, supplied, or furnished to or for the use of, approved, selected, or used by the Corporation or United States Olympic or Pan-American team or team members.

(c) The Corporation shall have exclusive right to use the name "United States Olympic Committee"; the symbol described in subsection (a)(1); the emblem described in subsection (a)(2); and the words "Olympic", "Citius Altius Fortius" or any combination thereof subject to the preexisting rights described in subsection (a).

Sec.111. As a condition precedent to the exercise of any power or privilege granted or conferred under this Act, the Corporation shall file in the office of the secretary of state, or similar office, in each State the name and post-office address of an authorized agent of the Corporation in such State upon whom local process or demands against the Corporation may be served.

Sec.112. The right to alter, amend, or repeal this Act at any time is hereby expressly reserved.

Sec.113. (a) The Corporation shall, on or before the first day of June in each year, transmit simultaneously to the President and to each House of Congress a detailed report of its operations for the preceding calendar year, including a full and complete statement of its receipts and expenditures and a comprehensive description of its activities and accomplishments of the Corporation during the preceding year. Copies of the report shall be made available by the Corporation to interested persons at a reasonable cost.

(b) The Corporation shall, on or before the first day of June in each year, transmit simultaneously to the Speaker of the House of Representatives and to the President of the Senate a detailed report of those grants authorized to the Corporation pursuant to the provisions of section 211 of the Act and a full and complete statement of the expenditures of such funds made available. The report shall be referred to the Committee on Appropriations of each House and shall include a detailed and comprehensive description of those programs which the Corporation anticipate it will finance during the next fiscal year out of such funds made available pursuant to the provision of section 211 of the Act. The Corporation shall continue to transmit the report required under this subsection (b) until the total sums made available under section 211 of the Act have been expended.

Sec.114. In its constitution and bylaws, the Corporation shall establish and maintain provisions for the swift and equitable resolution of disputes involving any of its members and relating to the opportunity of an amateur athlete, coach, trainer, manager, administrator, or official to participate in the Olympic Games, the Pan-American Games, world championship competition, or other such protected competition as defined in such constitution and bylaws.

AMATEUR SPORTS ACT 95-606 - AN ACT

TITLE II - NATIONAL GOVERNING BODIES:

Sec.201. (a) For any sport which is included on the program of the Olympic Games or the Pan-American Games, the Corporation is authorized to recognize as a national governing body an amateur sports organization which files an application and is eligible for such recognition, in accordance with the provision of subsection (b) of this section. The Corporation shall recognize only one national governing body for each sport for which an application is made and approved. Prior to the recognition of a national governing body under the authority granted under this title

and in accordance with the procedures and requirements of this section, the Corporation shall hold a hearing open to the public on the application for such recognition. The Corporation shall publish notice of the time, place, and nature of the hearing. Publication shall be made in a regular issue of the Corporation's principal publication at least 30 days, but not more than 60 days, prior to the date of the hearing.

(b) No amateur sports organization is eligible to be recognized or is eligible to continue to be recognized as a national governing body unless it--

(1) 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 having as its purpose the advancement of amateur athletic competition, and has the managerial and financial capability to plan and execute its obligations;

(2) submits an application for recognition, in such form as the Corporation shall require, as a national governing body and, upon application, submits a copy of its corporate charter and bylaws and any additional information as is considered necessary or appropriate by the Corporation;

(3) agrees to submit, upon demand of the Corporation, to binding arbitration conducted in accordance with the commercial rules of the American Arbitration Association in any controversy involving its recognition as a national governing body, as provided for in section 205 of this title, or involving the opportunity of any amateur athlete, coach, trainer, manager, administrator or official to participate in amateur athletic competition, as provided for in the Corporation's constitution and bylaws;

(4) demonstrates that it is autonomous in the governance of its sport, in that it independently determines and controls all matters central to such governance, does not delegate such determination and control, and is free from outside restraint, and demonstrates that it is a member of no more than one international sports federation which governs a sport included on the program of the Olympic Games or the Pan-American Games;

(5) demonstrates that its membership is open to any individual who is an amateur athlete, coach, trainer, manager, administrator, or official active in the sport for which recognition is sought, or to any amateur sports organization which conducts programs in the sport for which recognition is sought, or to both;

(6) provides an equal opportunity to amateur athletes, coaches, trainers, managers, administrators, and officials to participate in amateur athletic competition, without discrimination on the basis of race, color, religion, age, sex, or national origin, and with fair notice and opportunity for a hearing to any amateur athlete, coach, trainer, manager, administrator, or official before declaring such individual ineligible to participate;

(7) is governed by a board of directors or other such governing board whose members are selected without regard to race, color, religion, national origin or sex, except that, in sports where there are separate male and female programs, it provides for reasonable representation of both males and females on such board of directors or other such governing board;

(8) demonstrates that its board of directors or other such governing board includes among its voting members individuals who are actively engaged in amateur athletic competition in the sport for which recognition is sought of who have represented the United States in international amateur athletic competition in the sport for which recognition is sought within the preceding 10 years, and that the membership and voting power held by such individuals is not less than 20 percent of such membership and voting power held in that board of directors or other such governing board;

(9) provides for reasonable direct representation on its board of directors or other such governing board for any amateur sports organizations which, in the sport for which recognition is sought, conducts, on a level of proficiency appropriate for the selection of amateur athletes to represent the United States in international amateur athletic competition, a national program or regular national amateur athletic competition, and ensures that such representation shall reflect the nature, scope, quality, and strength of the programs and competitions of such amateur sports organizations in relation to all other such programs and competitions in such sport in the United States;

(10) demonstrates that none of its officers are also officers of any other amateur sports organization which is recognized as a national governing body;

(11) provides procedures for the prompt and equitable resolution of grievances of its members;

(12) does not have eligibility criteria relating to amateur status which are more restrictive than those of the appropriate international sports federation; and

(13) demonstrates, if it is an amateur sports organization seeking recognition as a national governing body, that it is prepared to meet the obligations imposed on a national governing body under section 202 of this Act.

(c) (1) Except as provided in paragraph (2), any amateur sports organization which on the date of enactment of this title is recognized by the Corporation to represent a particular sport shall be considered to be the national governing body for that sport. Such an organization is exempt for a period of 2 years from the date of enactment of this title for meeting the requirements of subsection (b) of this section and during the 2-year period shall take the necessary actions to meet such requirements if it desires to retain its recognition. After the expiration of the 2-year period, such an organization shall continue as the national governing body for that sport unless the Corporation determines that such organization is not in compliance with the requirements of subsection (b) of this section, in which event the Corporation shall--

(A) suspend the recognition of such national governing body;

(B) revoke the recognition of such national governing body;

(C) extend the 2-year period for not longer than 1 year, if the national governing body has proven by clear and convincing evidence that, through no fault of its own, it needs additional time to comply with such requirements. If at the end of the extension period referred to in subparagraph (C) of this paragraph, the national governing body has not complied with such

requirements, the Corporation shall revoke the recognition of such national governing body. Any such national governing body aggrieved by the Corporation's determination under this subsection may submit a demand for arbitration in accordance with section 205 (c) of this title.

(2) Notwithstanding the provisions of paragraph (1), the Corporation may suspend or revoke the recognition of a national governing body during the 2-year period if such suspension or revocation is for the same reason as the Corporation could have revoked or suspended such national governing body prior to the date of the enactment of this title.

(d) Within 61 days after recognizing an amateur sports organization as a national governing body, in accordance with subsection (a) of this section, the Corporation shall recommend and support in any appropriate manner such national governing body to the appropriate international sports federation as the representative of the United States for that sport.

Sec.202. (a) For the sport which it governs, a national governing body is under duty to--

(1) develop interest and participation throughout the United States and be responsible to the persons and amateur sports organizations it represents;

(2) minimize, through coordination with other amateur sports organizations, conflicts in the scheduling of all practices and competitions;

(3) keep amateur athletes informed of policy matters and reasonably reflect the views of such athletes in its policy decisions;

(4) promptly review every request submitted by an amateur sports organization or person for a sanction (A) to hold an international amateur athletic competition in the United States; or (B) to sponsor United States amateur athletes to compete in international amateur athletic competition held outside the United States, and determine whether to grant such sanction, in accordance with the provisions of subsection (b) of this section;

(5) allow an amateur athlete to compete in any international amateur athletic competition conducted under its auspices or that of any other amateur sports organization or person, unless it establishes that its denial was based on evidence that the organization or person conducting the competition did not meet the requirements stated in subsection (b) of this section;

(6) provide equitable support and encouragement for participation by women where separate programs for male and female athletes are conducted on a national basis;

(7) encourage and support amateur athletic sports programs for handicapped individuals and the participation of handicapped individuals in amateur activity, including, where feasible, the expansion of opportunities for meaningful participation by handicapped individuals in programs of athletic competition for able-bodied individuals;

(8) provide and coordinate technical information on physical training, equipment design, coaching, and performance analysis; and

(9) encourage and support research, development, and dissemination of information in the areas

of sports medicine and sports safety.

(b) As a result of its review under subsection (a)(4) of this section, if a national governing body does not determine by clear and convincing evidence that holding or sponsoring an international amateur athletic competition would be detrimental to the best interest of the sport, the national governing body shall promptly grant to an amateur sports organization or person a sanction to--

(1) hold an international amateur sports competition in the United States, if such amateur sports organization or person--

(A) pays to the national governing body any required sanctioning fee, if such fee is reasonable and nondiscriminatory;

(B) demonstrates that-

(i) appropriate measures have been taken to protect the amateur status of athletes who will take part in the competition and to protect their eligibility to compete in amateur athletic competition,

(ii) appropriate provision has been made for validation of records which may be established during the competition,

(iii) due regard has been given to any international amateur athletic requirements specifically applicable to the competition,

(iv) the competition will be conducted by qualified officials,

(v) proper medical supervision will be provided for athletes who will participate in the competition, and

(vi) proper safety precautions have been taken to protect the personal welfare of the athletes and spectators at the competition, and

(C) submits to the national governing body an audited or notarized financial report of similar events, if any, conducted by the amateur sports organization or person; or

(2) sponsor United States amateur athletes to compete in international amateur athletic competition held outside the United States, if such amateur sports organization or person-

(A) pays to the national governing body any required sanctioning fee, if such fee is reasonable and nondiscriminatory;

(B) submits a letter from the appropriate entity which will hold the international amateur athletic competition certifying that--

(i) appropriate measures have been taken to protect the amateur status of athletes who will take part in the competition and to protect their eligibility to compete in amateur athletic competition,

(ii) appropriate provisions has been made for validation of records which may be established during the competition,

(iii) due regard has been given to any international amateur athletic requirements specifically applicable to the competition,

(iv) the competition will be conducted by qualified officials,

(v) proper medical supervision will be provided for athletes who will participate in the competition, and

(vi) proper safety precautions have been taken to protect the personal welfare of the athletes and spectators at the competition; and

(C) submits a report of the most recent trip, if any, to a foreign country which the amateur sports organization or person sponsored for the purpose of having United States amateur athletes compete in international amateur athletic competition.

Sec.203. For the sport which it governs, a national governing body is authorized to-

(1) represent the United States in the appropriate international sports federation;

(2) establish national goals and encourage the attainment of those goals;

(3) serve as the coordinating body for amateur athletic activity in the United States;

(4) exercise jurisdiction over international amateur athletic activities and sanction international amateur athletic competition held in the United States and sanction the sponsorship of international amateur athletic competition held outside the United States;

(5) conduct amateur athletic competition, including national championships, and international amateur athletic competition in the United States, and establish procedures for the determination of eligibility standards for participation in such competitions, except for that amateur athletic competition specified in section 206 of this title;

(6) recommend to the Corporation individuals and teams to represent the United States in the Olympic Games and the Pan-American Games; and

(7) designate individuals and teams to represent the United States in international amateur athletic competition (other than the Olympic Games and the Pan-American Games) and certify, in accordance with applicable international rules, the amateur eligibility of such individuals and teams.

Sec.204. The Corporation may review all matters relating to the continued recognition of a national governing body and may take such action as it considers appropriate, including but not limited to, placing conditions upon the continued recognition of the national government body.

Sec.205. (a) (1) Any amateur sports organization or person which belongs to or is eligible to belong to a national governing body may seek to compel such national governing body to comply with the requirements of section 201 (b) and 202 of this title by filing a written complaint with the Corporation. Such organizations or person may take such action only after having

exhausted all available remedies within such national governing body for correcting deficiencies, unless it can be shown by clear and convincing evidence that those remedies would have resulted in unnecessary delay. The Corporation shall establish procedures for the filing and disposition of complaints received under this subsection. A copy of the complaint shall also be served on the applicable national governing body.

(2) Within 30 days after the filing of the complaint, the Corporation shall determine whether the organization has exhausted its remedies within the applicable national governing body, as provided in paragraph (1) of this subsection. If the Corporation determines that any such remedies have not been exhausted, it may direct that such remedies be pursued before the Corporation will further consider the complaint.

(3) (A) Within 90 days after the filing of a complaint under paragraph (1) of this subsection, if the corporation determines that all such remedies have been exhausted, if the Corporation determines that all such remedies have been exhausted, it shall hold a hearing to receive testimony for the purpose of determining if such national governing body is in compliance with the requirements of sections 201 (b) and 202 of this title.

(B) If the Corporation determines, as a result of the hearings conducted pursuant to this subsection, that such national governing body is in compliance with the requirements of sections 201 (b) and 202 of this title, it shall so notify the complainant and such national governing body.

(C) If the Corporation determines, as a result of hearings conducted pursuant to this subsection, that such national governing body is not in compliance with the requirements of sections (201) (b) and 202 of this title, it shall-

(i) place such national governing body on probation for a specified period of time, not to exceed 180 days, which it considers necessary to enable such national governing body to comply with such requirements, or

(ii) revoke the recognition of such national governing body.

(D) If the Corporation places a national governing body on probation pursuant to this paragraph, it may extend the probationary period if the national governing body has proven by clear and convincing evidence that, through no fault of its own, it needs additional time to comply with such requirements. If, at the end of the period allowed by the Corporation, the national governing body has not complied with such requirements, the Corporation shall revoke the recognition of such national governing body.

(b) (1) Any amateur sports organization may seek to replace an incumbent as the national governing body for a particular sport by filing with the Corporation a written application for such recognition. Such application shall be filed (A) within the 1-year period after the final day of any Olympic Games, in the case of a sport for which competition is held in the Olympic games or in both the Olympic and Pan-American Games; or (B) within 1-year period after the final day of any Pan-American Games, in the case of a sport for which competition is held in the Pan-American Games and not in the Olympic Games. If two or more organizations file applications for the same spot, such applications shall be considered in a single proceeding.

(2) Any application filed under this subsection shall be filed with the Corporation by registered mail. The Corporation shall establish procedures for the filing and disposition of applications received under this subsection. A copy of any such application for recognition shall also be served on the applicable national governing body. The Corporation shall inform the applicant for recognition that its application has been received.

(3) Within 180 days after receipt of an application filed under this subsection, the Corporation shall conduct a formal hearing to determine the merits of the application. The Corporation shall publish notice of the time and place of such hearing in a regular issue of its principal publication at least 30 days, but not more than 60 days, prior to the date of the hearing. In the course of such hearing, the applicant and the national governing body shall be given a reasonable opportunity to present evidence supporting their respective positions. During such hearing, the applicant amateur sports organization must establish by a preponderance of the evidence that it meets the criteria for recognition as a national governing body under section 201 (b) or this title, and that-

(A) the national governing body does not meet the criteria of section 201(b) or 202; or

(B) it more adequately meets the criteria of section 201(b), is capable of more adequately meeting the criteria of section 202, and provides or is capable of providing a more effective national program of competition, than the national governing body in the sport for which it seeks recognition.

(4) Within 30 days of the close of the hearing required under this subsection, the Corporation shall-

(A) uphold the right of the national governing body to continue as the national governing body for its sport;

(B) revoke the recognition of the national governing body and declare a vacancy in the national governing body for that sport;

(C) revoke the recognition of the national governing body and recognize the applicant as the national governing body; or

(D) decide to place the national governing body on probation or not to exceed 180 days, pending the compliance of the national governing body, if such national governing body would have retained recognition except for a minor deficiency in one of the requirements of section 201(b) or 202 of this title. If the national governing body does not comply within the prescribed time period, the Corporation shall revoke the recognition of the national governing body and either recognize the applicant as the national governing body, or declare a vacancy in the national governing body for that sport.

(5) Within 61 days after recognizing an amateur sports organization as a national governing body, in accordance with this subsection, the Corporation shall recommend and support in any appropriate manner such national governing body to the appropriate international sports federation as the representative of the United States for that sport.

(c) (1) The right to review by any party aggrieved by a determination of the Corporation under the requirements of this section or section 201 (c) shall be to any regional office of the American Arbitration Association. Such demand for arbitration shall be submitted within 30 days of the determination of the Corporation. Upon receipt of such a demand for arbitration, the Association shall serve notice on the parties to the arbitration and on the Corporation, and shall immediately proceed with arbitration according to the commercial rules of the Association in effect at the time of the filing of the demand, except that-

(A) the arbitration panel shall consist of not less than three arbitrators, unless the parties to the proceeding mutually agree to a lesser number;

(B) the arbitration hearing shall take place at a site selected by the Association, unless the parties to the proceeding mutually agree to the use of another site; and

(C) the arbitration hearing shall be open to the public.

(2) The arbitrators in any arbitration are empowered to settle any dispute arising under the provisions of this Act prior to making a final award, if mutually agreed to by the parties the the proceeding and achieved in a manner not inconsistent with the constitution and bylaws of the Corporation.

(3) Each contesting party may be represented by counsel or by any other duly authorized representative at the arbitration proceeding. The parties may offer any evidence which they desire and shall produce any additional evidence as the arbitrators believe necessary to an understanding and determination of the dispute. The arbitrators shall be the sole judges of the relevancy and materiality of the evidence offered. Conformity to legal rules of evidence shall not be necessary.

(4) All decisions by the arbitrators shall be by majority vote unless the concurrence of all is expressly required by the contesting parties.

(5) Final decision of the arbitrators shall be binding upon the involved parties; if such award is not inconsistent with the constitution and bylaws of the Corporation.

(6) The hearing may be reopened, by the arbitrators upon their own motion or upon the motion of any contesting party, at any time before a final decision is made, except that, if any contesting party makes such a motion, all parties to the decision must agree to reopen the hearings if such reopening would result in the arbitrators' decision being delayed beyond the specific period agreed upon at the beginning of the arbitration proceedings.

Sec.206. Any amateur sports organization which conducts amateur athletic competition, participation in which is restricted to a specific class of amateur athletes (such as high school students, college students, members of the Armed Forces, or similar groups or categories), shall have exclusive jurisdiction over such competition. If such an amateur sports organization wishes to conduct international amateur athletic competition to be held in the United States, or sponsor international amateur athletic competition to be held outside the United States, it shall obtain a sanction from the appropriate national governing body

Approved November 8, 1978