

#### **COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS**

**Eloy S. Inos** Governor

Jude U. Hofschneider Lieutenant Governor

0.7 MAY 2014

Honorable Joseph P. Deleon Guerrero Speaker, House of Representatives Eighteenth Northern Marianas Commonwealth Legislature Saipan, MP 96950

Honorable Ralph DLG. Torres Senate President, The Senate Eighteenth Northern Marianas Commonwealth Legislature Saipan, MP 96950

Dear Mr. Speaker and Mr. President:

This is to inform you that I have signed into law House Bill No. 18-111, HD2, entitled, "To establish the Northern Marianas Sports Association as a private not for profit corporation and provide for its powers and duties," which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

This bill becomes **Public Law No. 18-49**. Copies bearing my signature are forwarded for your reference.

Sincerely,

ELOY S. INOS

cc: Lt. Governor; Lt. Governor's Legal Counsel; Attorney General's Office; Press Secretary; Northern Marianas Sports Association; Public Auditor; Special Assistant for Administration; Special Assistant for Programs and Legislative Review

Caller Box 10007 Saipan, MP 96950 Telephone: (670) 237-2200 Facsimile: (670) 664-2211/2311



## House of Representatives

18<sup>th</sup> NORTHERN MARIANAS COMMONWEALTH LEGISLATURE P.O. BOX 500586 SAIPAN, MP 96950

April 2, 2014

The Honorable Eloy S. Inos Governor Commonwealth of the Northern Mariana Islands Capitol Hill Saipan, MP 96950

Dear Governor Inos:

I have the honor of transmitting herewith for your action H. B. No. 18-111, HD2, entitled: "To establish the Northern Marianas Sports Association as a private not for profit corporation and provide for its powers and duties.", which was passed by the House of Representatives and the Senate of the Eighteenth Northern Marianas Commonwealth Legislature.

Sincerely yours,

Linda B. Muña House Clerk

Attachment



### Eighteenth Legislature of the Commonwealth of the Northern Mariana Islands

#### IN THE HOUSE OF REPRESENTATIVES

**Second Regular Session** 

August 27, 2013

Representative Antonio P. Sablan, of Saipan, Precinct 1 (for himself.) in an open and public meeting with an opportunity for the public to comment, introduced the following Bill:

H. B. No. 18-111, HD2

AN ACT

TO ESTABLISH THE NORTHERN MARIANAS SPORTS ASSOCIATION AS A PRIVATE NOT FOR PROFIT CORPORATION AND PROVIDE FOR ITS POWERS AND DUTIES.

The Bill was referred to the House Committee on Judiciary and Governmental Operations, which submitted Standing Committee Report 18-56; adopted October 10, 2013.

THE BILL WAS PASSED BY THE HOUSE OF REPRESENTATIVES ON FIRST AND FINAL READING, OCTOBER 10, 2013;

with amendments in the form of H. B. 18-111, HD2 and transmitted to the THE SENATE.

The Bill was referred to the Senate Committee on Resources, Economic, Development and Programs.

THE BILL WAS PASSED BY THE SENATE ON FIRST AND FINAL READING, MARCH 21, 2014;

without amendments and returned to

THE HOUSE OF REPRESENTATIVES.

THE BILL WAS FINALLY PASSED ON OCTOBER 10, 2013.

Linda B. Muña, House Clerk

# Eighteenth Legislature of the

### Commonwealth of the Northern Mariana Islands

#### IN THE HOUSE OF REPRESENTATIVES

Seventh Day, Second Regular Session
October 10, 2013

#### H. B. 18-111, HD2

#### **AN ACT**

TO ESTABLISH THE NORTHERN MARIANAS SPORTS ASSOCIATION AS A PRIVATE NOT FOR PROFIT CORPORATION AND PROVIDE FOR ITS POWERS AND DUTIES.

## Be it enacted by the Eighteenth Northern Marianas Commonwealth Legislature:

Section 1. Short title. This act may be cited as the "Northern Marianas Sports Act of 2013."

Section 2. Statement of Purpose. The Legislature finds that a strong and independent national sports organization is essential to the promotion and development of sports in the Commonwealth. The existing legislation establishing the Northern Marianas Amateur Sports Association, 1 CMC §9501 et seq., was enacted in 1985, and no longer meets the needs of the sporting community in the Commonwealth. This act repeals the existing law, and re-establishes our national sporting organization as the Northern Marianas Sports Association, NMSA, a private non-profit corporation. The act is modeled on United States law establishing the United States Olympic Committee.

3

5

6

7 8

9

10

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
12 13	
14	
15	
16	1
17	
18	
19	
20	
21	

22

23

24

#### **Section 3. Enactment.** The following is hereby enacted:

"Section 101. Establishment of the Northern Marianas Sports Association.

- (a) The Northern Marianas Sports Association is hereby established and chartered as a private not for profit corporation. If and when the corporation is recognized by and affiliated to the International Olympic Committee, the corporation may change its name to the Northern Marianas Sports Association and National Olympic Committee.
- (b) The corporation is not a government corporation or an agency or instrumentality of the Government Commonwealth.
- (c) The corporation shall be managed by a board of directors consisting of eight members. The method of selecting directors and change in the number of directors shall be established by the bylaws of the corporation.
  - (d) The corporation shall have perpetual existence.

Section 102. Definitions. For purposes of this act:

- (a) "Athlete" means an athlete who meets the eligibility standards established by the national federation or paralympic sports organization for the sport in which the athlete competes.
- (b) "Athletic Competition" means a contest, game, meet, match, tournament, regatta, or other event in which athletes compete, other than one not organized by a sports association, as defined in paragraph 3 of this subsection (b).
- (c) "Sports organization" means a not-for-profit corporation, association, or other group organized in the Commonwealth that sponsors or arranges an athletic competition.
  - (d) "Corporation" means the Northern Marianas Sports Association.

	2
	3
	4
	5
	6
	7
	8
	9
1	0
1	1
1	2
1	3
1	4
1	5
1	6
1	7
1	8
1	9
2	0
2	1
2	2

- (e) "International Athletic Competition" means an athletic competition between one or more athletes representing the Commonwealth, individually or as a team, and one or more athletes representing a foreign country, territory, or political subdivision thereof.
- (f) "National Federation" means a sports organization that is recognized by the corporation under section 13 of this act.
- (g) "Paralympic Sports Organization" means a sports organization which is recognized by the corporation under section 13 of this act.
  - (h) "Sanction" means a certificate of approval issued by a national federation.
  - (i) "Commonwealth" means Commonwealth of the Northern Mariana Islands.

    Section 103. <u>Purposes.</u> The purposes of the corporation are:
- (a) To establish Commonwealth-wide goals for athletic activities and encourage the attainment of those goals;
- (b) To coordinate and develop athletic activity in the Commonwealth, directly related to international athletic competition, to foster productive working relationships among sports-related organizations;
- (c) To exercise exclusive jurisdiction, directly or through constituent members or committees, over:
  - (1) All matters pertaining to Commonwealth participation in the Olympic Games, the Paralympic Games, the Universiades, the Pacific Games (including the Pacific Mini-Games), and the Micronesian Games, including representation of the Commonwealth in such games; and

(2	2) The	e organization	of the Pac	ific G	ames (	including the P	acific Mini-
Games),	the	Micronesian	Games,	and	other	international	multi-sport
competiti	ions v	when held in th	e Commo	nweal	th;		
(d) T <sub>a</sub>		for the Con		ال الما	:41	h d.l	4a 4b

- (d) To obtain for the Commonwealth, directly or by delegation to the appropriate national federation, the most competent representation possible in each event of the Olympic Games, the Paralympic Games, the Universiades, the Pacific Games (including the Pacific Mini-Games), the Micronesian Games, and other international multi-sport competitions;
- (e) To promote and support athletic activities involving the Northern Mariana Islands and foreign nations, territories, and political subdivisions thereof;
- (f) To promote and encourage physical fitness and public participation in athletic activities;
- (g) To assist organizations and persons concerned with sports in the development of athletic programs for athletes;
- (h) To provide swift resolution of conflicts and disputes involving athletes, national federations, and sports organizations, and protect the opportunity of any athlete, coach, trainer, manager, administrator, or official to participate in athletic competition;
- (i) To foster the development of athletic facilities for use by athletes and assist in making existing athletic facilities available for use by athletes;
- (j) To provide and coordinate technical information on physical training, equipment design, coaching, and performance analysis;
- (k) To encourage and support research, development, and dissemination of information in the areas of sports medicine and sports safety;

1	
2	
3	
4	444
5	
6	
7 8	
8	
9	
0	
11	
2	
13 14 15	
14	
5	
7	
8	
19	
20	
21	

22

- (1) To encourage and provide assistance to athletic activities for women;
- (m) To encourage and provide assistance to athletic programs and competition for athletes with disabilities, including, where feasible, the expansion of opportunities for meaningful participation by such athletes in programs of athletic competition for able-bodied athletes:
- (n) To encourage and provide assistance to athletes of racial and ethnic minorities for the purpose of eliciting the participation of those minorities in athletic activities in which they are underrepresented; and
- (o) To operate and manage the Gilbert C. Ada Gymnasium and adjoining sports facilities (collectively known as the Oleai Sports Complex), and such other sports facilities as the corporation may be designated to manage.

#### Section 104. Membership.

- (a) Eligibility. Eligibility for membership in the corporation is to be provided in the bylaws of the corporation.
- (b) Required provisions for representation. In its bylaws, the corporation shall establish and maintain provisions with respect to its governance and the conduct of its affairs for reasonable representation of:
  - (1) Sports organizations recognized as national federations and paralympic sports organizations in accordance with section 111 of this act;
  - (2) athletes who are actively engaged in athletic competition or who have represented the Commonwealth in international athletic competition within the preceding 10 years; and

I	П
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
13 14 15	
15	
16	
17	
18	
19	
20	
21	
22	

(3) Individuals not affiliated •r associated with any sports organization who, in the corporation's judgment, represent the interests of the public in the activities of the corporation.

#### Section 105. Powers.

- (a) Bylaws. The board of directors of the corporation shall adopt such bylaws as are deemed necessary for the corporation to exercise its powers and purpose.
  - (b) General corporate powers. The corporation may:
    - (1) Adopt and alter a corporate seal;
  - (2) Establish and maintain offices to conduct the affairs of the corporation;
    - (3) Make contracts:
  - (4) Accept gifts, legacies, devises, and government appropriations, in furtherance of its corporate purposes;
  - (5) Acquire, own, lease, encumber, and transfer property as necessary to carry out the purposes of the corporation, except to the extent prohibited by the Commonwealth Constitution;
  - (6) Borrow money, issue instruments of indebtedness, and secure its obligations by granting security interests in its property;
  - (7) Publish a magazine, newspaper, and other publications consistent with its corporate purposes;
    - (8) Approve and revoke membership in the corporation;
  - (9) Sue and be sued, except that neither this paragraph nor any other provision of this act shall create a private right of action under this act;

	ł	
	2	
	3	
	4	
	5	
	6	
	7	
	8	
	9	
1	0	
1	1	
	2	
	3	
1	4	
1	5	
	6	
	7	
	8	
	9	
2	0	
2	1	
2	2	
1	2	

- (10) exercise any and all other powers which corporations organized not for profit may have and exercise, and which are not expressly prohibited to it; and
- (11) Do any other act necessary and proper to carry out the purposes of the corporation.
- (c) Powers related to athletics and international competition. The corporation may:
  - (1) Serve as the coordinating body for athletic activity in the Commonwealth directly related to international athletic competition;
  - (2) Represent the Commonwealth in relations with the International Olympic Committee, the International University Sports Federation (FISU), the Pacific Games Council, the Micronesian Games Council, and other bodies which organize and conduct international multi-sport athletic competitions, and as its national Paralympic committee in relations with the International Paralympic Committee. If and when the Commonwealth is recognized by the International Olympic Committee, the corporation shall be the National Olympic Committee of the Commonwealth;
  - (3) Organize, finance, and control the representation of the Commonwealth in the competitions and events of the Olympic Games, the Paralympic Games, the Universiades, the Pacific Games (including the Pacific Mini-Games), the Micronesian Games, and other international multi-sport competitions, and obtain, directly or by delegation to the appropriate national federation, representation for those games;

- (4) Recognize eligible sports organizations as national federations for any sport that is included on the program of any international athletic competition in which the Commonwealth participates or may participate, or as paralympic sports organizations for any sport that is included on the program of the Paralympic Games;
- (5) facilitate, through orderly and effective administrative procedures, the resolution of conflicts or disputes that involve any of its members and any athlete, coach, trainer, manager, administrator, official, national federation, or sports organization and that arise in connection with their eligibility for and participation in any international athletic competition; and
- (6) Provide financial assistance to any organization or association, except a corporation organized for profit, in furtherance of the purposes of the corporation.
- (d) Specific powers and responsibilities. The corporation:
- (1) Shall operate, maintain, and regulate the usage of the sports facilities and fields within the Oleai Sports Complex;
- (2) May levy reasonable fees for the use of sports facilities and fields within the Oleai Sports Complex and other facilities under its operation and control;
- (3) Shall have exclusive rights to award vending and advertising rights at the Oleai Sports Complex, subject to any restrictions on such rights as may be set forth in the memorandum described in paragraph (1) of this subsection (d);

	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	AAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAA
	9	
1	0	
1	1	
1	2	
1	3	
1	4	
1	5	
1	6	
1	7	
	8	
1	9	
	0	
2	1	
2	2	

23

- (4) Shall receive, hold, and expend funds and property necessary or appropriate to accomplish the purposes of the corporation; and
- (5) May operate a public lottery, as defined in Section 9301 of Title 1 of the Commonwealth Code.
- Section 106. Exclusive right to name, seals, emblems, and badges.
- (a) Exclusive right of corporation. Except as provided in subsection (d) of this section, the corporation has the exclusive right to use:
  - (1) The name "Northern Marianas Sports Association";
  - (2) if and when recognized by the International Olympic Committee, the symbol of the International Olympic Committee, consisting of 5 interlocking rings, and the words "Olympic", "Olympiad", and "Citius Altius Fortius", or any combination of those words; provided, that use of the word "Olympic" to identify a business or goods or services is permitted by this section where such use is not combined with any of the intellectual properties referenced in this section;
  - (3) The symbol of the International Paralympic Committee, consisting of 3 TaiGeuks, and the words "Paralympic", "Paralympiad", or any combination of those words:
  - (4) The symbol of the International University Sports Federation (FISU);
    - (5) The symbol of the Pacific Games Council;
    - (6) The symbol of the Micronesian Games Council; and
    - (7) Any emblem of the corporation.

(b) Contributors and suppliers. The corporation may authorize contributors and suppliers of goods or services to use names, symbols, words, and/or emblems, or any combination thereof, to advertise that the contributions, goods, or services were donated or supplied to, or approved, selected, or used by, the corporation, any team representing the Northern Mariana Islands in international athletic competitions, or team members.

(c) Civil action for unauthorized use. The corporation shall have the right to enforce the rights provided for in subsection (a) by an appropriate civil action against any person, seeking injunctive, monetary, or other relief, if the person, without the consent of the corporation, 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, the names, symbols, words, and/or emblems, or any combination thereof.

#### Section 107. Restrictions.

- (a) Profit and stock. The corporation may not engage in business for profit or issue stock. Members of the corporation shall not have an ownership interest in the corporation.
- (b) Political activities. The corporation shall be nonpolitical and may not promote the candidacy of an individual seeking public office.

Section 108. <u>Headquarters, principal office, and meetings.</u> The corporation shall maintain its principal office and national headquarters in a place in the Commonwealth decided by the corporation. The corporation may hold its annual and special meetings in the places decided by the corporation.

Section 109. Resolution of disputes. The corporation shall establish and maintain provisions in its bylaws for the swift and equitable resolution of disputes involving any of its members and relating to the opportunity of an athlete, coach, trainer, manager, administrator, or official to participate in any international athletic competition. In any lawsuit relating to the resolution of a dispute involving the opportunity of an athlete to participate in such competitions, a court shall not grant injunctive relief against the corporation within 21 days before the beginning of such competition if the corporation has provided a sworn statement in writing executed hy an officer of the corporation to such court that its bylaws cannot provide for the resolution of such dispute prior to the beginning of such games.

#### Section 110. Report.

- (a) Submission to Governor and Legislature. The corporation shall, on or before the first day of June, 2014, and annually thereafter, transmit simultaneously to the Governor and to each House of the Legislature a detailed report of its operations, including:
  - (1) A complete statement of its receipts and expenditures:
  - (2) A comprehensive description of the activities and accomplishments of the corporation during such period;
  - (3) Data concerning the participation of women, disabled individuals, and racial and ethnic minorities in the amateur athletic activities and administration of the corporation and national governing bodies; and
  - (4) A description of the steps taken to encourage the participation of women, disabled individuals, and racial minorities in amateur athletic activities.

(b) Availability to public. The corporation shall make copies of the report available to interested persons at a reasonable cost.

Section 111. Recognition of amateur sports organizations as national federations.

- (a) General authority. For any sport which is included on the program of any international athletic competition in which the Commonwealth participates, the corporation is authorized to recognize as a national federation or as a paralympic sports organization (in the case of a sport on the program of the Paralympic Games for which a national governing body has not been designated) a sports organization which files an application and is eligible for such recognition in accordance with the provisions of subsection (a) or (b) of section 112. The corporation may recognize only one national governing body for each sport for which an application is made and approved, except as provided in section 112(b) with respect to a Paralympics sports organization.
- (b) Recommendation to international sports federation. Following the recognition of an organization as a national federation, the corporation shall recommend and support in any appropriate manner the national federation to the appropriate international sports federation as the representative of the Commonwealth for that sport.
- (c) Review of recognition. The corporation may review all matters related to the continued recognition of an organization as a national federation and may take action it considers appropriate, including placing conditions on the continued recognition.

#### Section 112. Eligibility requirements.

#### **HOUSE BILL 18-111, HD2**

(a) General. A sports organization is eligible to be reeognized, or to continu	ue
to be recognized, as a national federation only if it:	

- (1) Is incorporated under the laws of the Commonwealth as a not-forprofit corporation having as its purpose the advancement of athletic competition;
- (2) Has the managerial and financial capability to plan and execute its obligations;

#### (3) Submits:

- (A) An application, in the form required by the corporation, for recognition as a national federation;
  - (B) A copy of its corporate charter, articles, and bylaws; and
- (C) Any additional information considered necessary or appropriate by the corporation;
- (4) Demonstrates that it is autonomous in the governance of its sport, in that it:
  - (A) Independently decides and controls all matters central to governance;
  - (B) Does not delegate decision-making and control of matters central to governance; and
    - (C) Is free from outside restraint;
- (5) Demonstrates that it is a member of no more than one international sports federation that governs a sport included on the program of an international athletic competition in which the Commonwealth participates;

- (6) Demonstrates that its membership is open to any individual who is an athlete, coach, trainer, manager, administrator, or official active in the sport for which recognition is sought, or any sports organization that conducts programs in the sport for which recognition is sought, or both;
- (7) Provides an equal opportunity to athletes, coaches, trainers, managers, administrators, and officials to participate in athletic competition, without discrimination on the basis of race, color, religion, sex, age, or national origin, and with fair notice and opportunity for a hearing to any athlete, coach, trainer, manager, administrator, or official before declaring the individual ineligible to participate;
- (8) Is governed by a board of directors or other 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 the board of directors or other governing board;
- (9) Provides for reasonable direct representation on its board of directors or other governing board for any sports organization that:
  - (A) Conducts a national program or regular national athletic competition in the applicable sport on a level of proficiency appropriate for the selection of athletes to represent the Commonwealth in international athletic competition; and
  - (B) Ensures that the representation reflects the nature, scope, quality, and strength of the programs and competitions of the sports

organization in relation to all other programs and competitions in the sport in the Commonwealth;

- (10) Provides procedures for the prompt and equitable resolution of grievances of its members;
- (11) Demonstrates, if the organization is seeking to be recognized as a national federation, that it is prepared to meet the obligations imposed on a national governing body under sections 114 and 115 of this act.
- (b) Recognition of Paralympics sports organizations. For any sport which is included on the program of the Paralympic Games, the corporation is authorized to designate, where feasible and when such designation would serve the best interest of the sport, and with the approval of the affected national federation, a national governing body recognized under subsection (a) to govern such sport. Where such designation is not feasible or would not serve the best interest of the sport, the corporation is authorized to recognize another amateur sports organization as a paralympic sports organization to govern such sport, except that, notwithstanding the other requirements of this act, any such paralympic sports organization:
  - (1) Shall comply only with those requirements, perform those duties, and have those powers that the corporation, in its sole discretion, determines are appropriate to meet the objects and purposes of this act; and
  - (2) May, with the approval of the corporation, govern more than one sport included on the program of the Paralympic Games.
  - Section 113. Authority of national federations.
  - (a) Authority. For the sport that it governs, a national federation may:

	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	
	9	
1	0	
1	1	
1	2	
1	3	
1	4	
1	5	
1	6	
1	7	
1	8	
1	9	
2	0	
2	1	
2	2	
2	3	

- (1) Represent the Commonwealth in the appropriate international sports federation;
- (2) Establish national goals and encourage the attainment of those goals;
- (3) Serve as the coordinating body for athletic activity in the Commonwealth;
- (4) Exercise jurisdiction over international athletic activities and sanction international athletic competition held in the Commonwealth and sanction the sponsorship of international athletic competitions held outside the Northern Mariana Islands;
- (5) Conduct athletic competition, including national championships, and international athletic competition in the Commonwealth, and establish procedures for determining eligibility standards for participation in competition;
- (6) Recommend to the corporation individuals and teams to represent the Commonwealth in the Olympic Games, the Paralympic Games, the Universiades, the Pacific Games (including the Pacific Mini-Games), the Micronesian Games, and other international multi-sport competitions; and
- (7) Designate individuals and teams to represent the Commonwealth in international athletic competition (other than the Olympic Games, the Paralympic Games, the Universiades, the Pacific Games (including the Pacific Mini-Games) and the Micronesian Games) and certify, in accordance with applicable international rules, the eligibility of those individuals and teams.

(b) Replacement of national federation. A national governing body may not exercise any authority under subsection (a) of this section for a particular sport after another sports organization has been declared entitled to replace that national federation as the member of the corporation for that sport.

#### Section 114. General duties of national federations.

- (a) Develop interest and participation throughout the Commonwealth and be responsible to the persons and sports organizations it represents;
- (b) Minimize, through coordination with other sports organizations, conflicts in the scheduling of all practices and competitions;
- (c) Keep athletes informed of policy matters and reasonably reflect the views of the athletes in its policy decisions;
- (d) Disseminate and distribute to athletes, coaches, trainers, managers, administrators, and officials in a timely manner the applicable rules and any changes to such rules of the national federation, the corporation, the appropriate international sports federation, the International Dympic Committee, the International Paralympic Committee, the International University Sports Federation, the Pacific Games Council, the Micronesian Games Council, and any other international multi-sport organization with which it is affiliated or in whose competitions the Northern Mariana Islands participates;
- (e) Allow an athlete to compete in any international athletic competition conducted by any sports organization or person, unless the national governing body establishes that its denial is based on evidence that the organization or person conducting the competition does not meet the requirements stated in section 17 of this act;

	1
	2
	3
	4
	5
	6
	7
	8
	9
1	0
1	1
1	2
1	3
1	4
1	5
1	6
1	7
1	8
	9
2	0
2	1
2	2
2	3
2	4

- (f) Provide equitable support and encouragement for participation by women where separate programs for male and female athletes are conducted;
- (g) Encourage and support sports programs for individuals with disabilities and the participation of individuals with disabilities in athletic activity, including, where feasible, the expansion of opportunities for meaningful participation by individuals with disabilities in programs of athletic competition for able-bodied individuals;
- (h) Provide and coordinate technical information on physical training, equipment design, coaching, and performance analysis; and
- (i) Encourage and support research, development, and dissemination of information in the areas of sports medicine and sports safety.

#### Section 115. Granting sanctions for amateur athletic competitions.

- (a) Prompt review and decision. For the sport that it governs, a national federation promptly shall:
  - (1) Review a request by a sports organization or person for a sanction to hold an international athletic competition in the Commonwealth or to sponsor Commonwealth athletes to compete in international athletic competition outside the Commonwealth; and

#### (2) Grant the sanction if:

- (A) The national federation does not decide by clear and convincing evidence that holding or sponsoring an international amateur athletic competition would be detrimental to the best interest of the sport; and
  - (B) The requirements of subsection (b) of this section are met.

	1	ļ
	2	
	3	
	4	
	5	
	6	
	7	
	7 8	
	9 0 1 2 3 4 5 6 7 8	
1	0	
1	1	
1	2	
]	3	
1	4	
1	5	
1	6	
1	7	
1	8	
1	9	
2	0	
2	1	
2	2	

23

- (b) Requirements. A sports organization or person may be granted a sanction under this section only if the organization or person meets the following requirements:
  - (1) The organization or person must pay the national federation any required sanctioning fee, if the fee is reasonable and nondiscriminatory.
  - (2) For a sanction to hold an international athletic competition in the Commonwealth, the organization or person must, on request of the national federation:
    - (A) Submit to the national federation an audited or notarized financial report of similar events, if any, conducted by the organization or person; and
    - (B) Demonstrate that the requirements of paragraph (4) of this subsection have been met.
  - (3) For a sanction to sponsor Commonwealth athletes to compete in international athletic competition outside the Commonwealth, the organization or person must:
    - (A) Submit a report of the most recent trip to a foreign country, if any, that the organization or person sponsored for the purpose of having Commonwealth amateur athletes compete in international athletic competition; and
    - (**B**) Submit a letter from the appropriate entity that will hold the international athletic competition certifying that the requirements of paragraph (4) of this subsection have been met.

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	######################################
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	

23

(4) 7	The	requirements	referred	to	in	paragraphs	(2)	and	(3)	of	this
subsection a	re th	nat:									

- (A) Appropriate measures have been taken to protect the amateur status of amateur athletes who will take part in the competition and to protect their eligibility to compete in amateur athletic competition;
- (B) Appropriate provision has been made for validation of any records established during the competition;
- (C) Due regard has been given to any international athletic requirements specifically applicable to the competition;
  - (D) The competition will be conducted by qualified officials;
- (E) Proper medical supervision will be provided for athletes who will participate in the competition; and
- (F) Proper safety precautions have been taken to protect the personal welfare of the athletes and spectators at the competition.

#### Section 116. Restricted athletic competitions.

- (a) Exclusive jurisdiction. A sports organization that conducts amateur athletic competition shall have exclusive jurisdiction over that competition if participation is restricted to a specific class of athletes, such as high school students, college students, or similar groups or categories.
- (b) Sanctions for international competition. A sports organization under subsection (a) of this section shall obtain a sanction from the appropriate national governing body if the organization wishes to:

1	١
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	

- (1) Conduct international athletic competition in the Commonwealth;
- (2) Sponsor international athletic competition to be held outside the Commonwealth.

Section 117. Complaints against national federations.

#### (a) General.

or

- (1) A sports organization or person that belongs to or is eligible to belong to a national federation may seek to compel the national federation to comply with sections 112, 114, and 115 of this act by filing a written complaint with the corporation. A copy of the complaint shall be served on the national governing body.
- (2) The corporation shall establish procedures for the filing and disposition of complaints under this section. Such procedures shall provide for notice to and the opportunity to be heard by all affected parties.

#### (b) Disposition of complaint.

- (1) If the corporation decides that the national federation is complying with sections 112, 114, and 115 of this act, it shall so notify the complainant and the national federation.
- (2) If the corporation decides that the national federation is not complying with sections 112, 114, and 115 of this act, it shall:
  - (A) Place the national federation on probation for a specified period of time, not to exceed 180 days, which the corporation considers necessary to enable the national federation to comply with those sections; or

1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	

23

(B) Revoke the recognition of the national federation.

(3) If the corporation places a national federation on probation under paragraph (2) of this subsection, it may extend the probationary period if the national federation has proven by clear and convincing evidence that, through no fault of its own, it needs additional time to comply with sections 112, 114, and 115 of this act. If, at the end of the period allowed by the corporation, the national federation has not complied with those sections, the corporation shall revoke the recognition of the national federation.

Section 118. Applications to replace an incumbent national federation.

- (a) General. A sports organization may seek to replace an incumbent as the national federation for a particular sport by filing a written application for recognition with the corporation.
- (b) Establishment of procedures. The corporation shall establish procedures for the filing and disposition of applications under this section. If two or more organizations file applications for the same sport, the applications shall be considered Such procedures shall provide for notice to and the in a single proceeding. opportunity to be heard by all affected parties.
- (c) Standards for granting applications. The applicant must establish by a preponderance of the evidence that:
  - (1) It meets the criteria for recognition as a national governing body under section 112 of this act; and
    - (A) The national federation does not meet the criteria of section 112, 114, or 115 of this act; or

	2
	3
•	4
	5
	6
	7
	8
	9
1	0
1	1
1	2
1	3
1	4
1	5
1	6
1	7
1	8
1	9
2	0
2	1
2	2
2	3
2	1

(B) The applicant more adequately meets the criteria of section 112 of this act, is capable of more adequately meeting the criteria of sections 114 and 115 of this act, and provides or is capable of providing a more effective program of competition than the national federation in the sport for which it seeks recognition.

#### (d) Disposition of applications. The corporation shall:

- (1) Uphold the right of the national federation to continue as the national federation for its sport;
- (2) Revoke the recognition of the national federation and declare a vacancy in the national federation for that sport;
- (3) Revoke the recognition of the national federation and recognize the applicant as the national federation; or
- (4) Place the national federation on probation for a period not exceeding 180 days, pending the compliance of the national federation, if the national federation would have retained recognition except for a minor deficiency in one of the requirements of section 112, 114, or 115 of this act and notify such national federation of such probation and of the actions needed to comply with such requirements.
- (e) Revocation of recognition after probation. If the national federation does not comply with sections 112, 114, and 115 of this act within the probationary period prescribed under subsection (d) (4) of this section, the corporation shall revoke the recognition of the national federation and either:
  - (1) Recognize the applicant as the national federation; or
  - (2) Declare a vacancy in the national federation for that sport."

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

23

24

#### Section 4. Amendments and Repealers.

- (a) The authority of the Division of Sports and Recreation, established by Section 308(a) of Executive Order 94-3, is superseded to the extent that it conflicts with the authority granted to the corporation under this act.
  - (b) Section 308(b) of Executive Order 94-3 is repealed.
- (c) Chapter 5, comprising Sections 9501 through 9509, of Division 9 of Title 1 of the Commonwealth Code, is hereby repealed in its entirety.
- (d) There is hereby added a new Clause 8 to Section 1205 (c) of Title 4 of the Commonwealth Code, to read as follows:
  - "(8) The Northern Marianas Sports Association."
- (e) Chapter 13, Article 6, Sections 2702(f), of Division 2 of Title 1 of the Commonwealth Code, is hereby amended as follows:
  - "(f) Recreational facility means all public sports and recreational facilities and outdoor sports and recreational fields and areas except for the Gilbert C. Ada Gymnasium and adjoining sports facilities which shall be under the sole management and control of the Northern Marianas Sports Association, a private non-profit corporation."

#### Section 5. Transitional provisions.

- (a) The Secretary of the Department of Community and Cultural Affairs may transfer unobligated appropriations for the Division of Sports and Recreation to the corporation, for expenditure by the corporation. The corporation may expend such appropriations for its general purposes without restriction.
- (b) All property used by the Northern Marianas Amateur Sports Association shall be transferred to the Northern Marianas Sports Association.

(c) The initial board of directors of the Corporation shall be the members of the Board of Directors of the Northern Marianas Amateur Sports Association as they exist on the effective date of this Act.

**Section 6.** Severability. If any provisions of this Act or the application of any such provision to any person or circumstance should be held invalid by a court of competent jurisdiction, the remainder of this Act or the application of its provisions to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

Section 7. Savings Clause. This Act and any repealer contained herein shall not be construed as affecting any existing right acquired under contract or acquired under statutes repealed or under any rule, regulation, or order adopted under the statutes. Repealers contained in this Act shall not affect any proceeding instituted under or pursuant to prior law. The enactment of the Act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence on the date this Act becomes effective.

Section 8. Effective Date. This Act shall take effect upon its approval by the Governor, or its becoming law without such approval.

Attested to by:

1

2

Linda B. Muña, House Clerk

Certified by:

SPEAKER JOSEPH P. DELEON GUERRERO

House of Representatives
18th Northern Marianas Commonwealth Legislature

ELOY S. INOS

Governor

Commonwealth of the Northern Mariana Islands