

**NCAA GOVERNMENT RELATIONS REPORT  
(September 2007)**

**1. Congressional Overview.**

The 110<sup>th</sup> Congress returned from its month long recess on September 4, 2007. In one of its first major actions following the August recess, Congress passed the College Cost Reduction Act of 2007. This sweeping legislation will cut subsidies to student-loan lenders, cut the student-loan interest rate in half, and increase funds for Pell Grants. Despite movement on this measure, many other matters have seen minimal movement.

With the current congressional schedule pointing toward a mid-November adjournment, Congress has a limited amount of time to address several other significant areas. During the remainder of the session Congress is expected to examine a number of Iraq-related measures, the administration's warrantless surveillance program, important energy legislation, policy to expand health insurance for lower-income children, and solutions to problems plaguing the subprime mortgage industry. In addition, with the fiscal year ending on October 1, 2007, the Senate has yet to consider all 12 appropriations bills that were passed by the House of Representatives. It is likely that a continuing resolution will be passed by Congress to maintain funding to keep the government running for the next several months.

With the 2008 general elections being nearly a year away, increased attention has been given to the upcoming congressional and Presidential races. Following several nationally televised debates and the announcement by approximately 16 candidates, the run for the White House is in full swing. Also, the decision by Senator Chuck Hagel (R-NE) and Senator John Warner (R-VA) not to seek reelection has drawn additional attention to the 2008 congressional elections.

**2. Federal Legislative Issues.**

**a. Internet Gambling.**

The Internet Gambling Regulation and Enforcement Act of 2007 (HR 2046) was introduced on April 26, 2007, by Representative Barney Frank (D-MA), chairman of the House Financial Services Committee. Under this bill the current ban on online gambling would be lifted allowing properly licensed operators to provide lawful online wagering opportunities. Passage of this measure would override existing federal and state laws that either regulate or limit online gambling, including the Unlawful Internet Gambling Enforcement Act that was passed by Congress last year. HR 2046 has not had any additional movement and is currently referred to the House Subcommittee on Commerce, Trade and Consumer Protection. However, the legislation has gained some support and currently has 37 cosponsors.

The NCAA continues to work with professional sports organizations to ensure that efforts to weaken current laws that effectively limit wagering on sporting events are not successful. Recently, a letter was sent from the NCAA and its coalition partners to all 435 members of the House of Representatives outlining our opposition to this bill and the possible ramifications of its passage. All efforts will be made to maintain and even strengthen current federal and state laws prohibiting online wagering.

**b. White Spaces.**

NCAA staff has continued to work with our broadcast partners and representatives from the professional sports leagues to educate members of Congress on the potentially negative consequences of allowing unlicensed devices into “white spaces” within the broadcast spectrum. Allowing unlicensed devices into the spectrum could result in the interferences of wireless microphones and disrupt headsets, which would not only impact the viewing experience of fans but also have an affect on the games. A press conference and several media ads have been utilized by a coalition of interested parties to highlight the importance of this issue. It is expected that the Federal Communications Commission will make a final decision on this matter before the end of the year.

**c. Tax Exempt Organizations.**

As a continuation of its examination of tax exempt organizations, the Senate Finance Committee held a hearing titled “Offshore Tax Issues: Reinsurance and Hedge Funds” on September 26, 2007. The hearing focused primarily on investments by nonprofit organizations in offshore hedge funds, however, information regarding university endowments and rising tuition rates was also discussed. Witnesses included Senator Byron Dorgan (D-ND); William Berkley, chairman, president, CEO and COO., W.R. Berkley Corp.; Donald Kramer, chairman and CEO, Ariel Reinsurance Ltd; Suzanne Ross McDowell, partner, Steptoe & Johnson, LLP; Daniel Shapiro, Partner, Shulte, Roth & Zabel; Jane Gravelle, senior specialist in Economic Policy, Government Finance Division, Congressional Research Serve; and Lynne Munson, adjunct fellow, Center for College Affordability and Productivity.

**3. State Legislative Issues.**

**a. Uniform Athlete Agent Act.**

The Uniform Athlete Agent Act (UAAA) is a state model act, which establishes uniform athlete-agent registration procedures and provides safeguards for student-

athletes and membership institutions. Under the Act, a violation by an athlete-agent could result in criminal, civil and/or administrative penalties. On July 3, 2007, Hawaii Governor Linda Lingle signed the UAAA into law. With the adoption of the UAAA in Hawaii, the Act has now been passed in 36 states, the U.S. Virgin Islands and the District of Columbia. Despite the adjournment by most state legislatures, the UAAA is still being considered in Michigan and New Jersey.

The NCAA government relations staff will continue to work with the National Conference of Commissioners on Uniform State Laws to seek passage of the UAAA in all remaining states.

**b. Sports Wagering – Delaware.**

During the 2007 legislative session, the Delaware General Assembly continued to discuss the reintroduction of a sports lottery scheme. Due to an exemption under the Professional and Amateur Sports Protection Act, Delaware may be allowed to lawfully conduct sports betting activities within the State. A proposed measure, which would have allowed wagering on both professional and collegiate sporting events, failed to gain significant traction before the legislature adjourned for the year. However, prior to adjournment a resolution was passed and signed by Governor Ruth Ann Minner, seeking a comprehensive study on the impact of sports wagering in the state. The study is scheduled to be completed prior to the end of the year.

The NCAA will continue to work with other parties who also oppose the expansion of sports wagering, to educate members of the Delaware General Assembly about the negative consequences of allowing sports wagering activities in the state.

**4. Higher Education Associations.**

NCAA government relations staff continues to build strong relationships with various Higher Education Associations. The American Council on Education (ACE), the Association of American Universities (AAU), the National Association of State Universities and Land Grant Colleges (NASULGC), and the National Association of College and University Business Officers (NACUBO) among others, continue to provide guidance and support on issues of common interest. In addition, the NCAA government relations staff has continued to strengthen relationships with Washington DC based college and university government relations representatives and other groups that focus on higher education related issues. The NCAA government relations staff looks forward to continuing these mutually beneficial relationships to better formulate and further the NCAA's educational efforts.