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VIA MAIL AND ELECTRONIC TRANSMISSION

Sarah Hirshland
Chief Executive Officer
United States Olympic Committee
One Olympic Plaza
Colorado Springs, Colorado 80909

January 22, 2019

Dear Ms. Hirshland:

A recently released investigative report found that the U.S. Olympic Committee (USOC) fostered a culture that prioritized Olympic medals and revenue over the safety and well-being of athletes under the organization's supervision, creating the environment that allowed Larry Nassar to sexually abuse over 150 young athletes during the span of a decade.¹ In my discussions with multiple gymnasts who reported being victimized by Mr. Nassar, a common theme that emerged was the general lack of oversight performed by the USOC. This hands-off approach allowed Olympic Training Sites such as the Karolyi Ranch, where much of the sexual abuse occurred, to operate with no appropriate oversight to protect athletes from sexual abuse.

The USOC's culture of prioritizing Olympic success at the expense of due diligence can be summed up in the words of former USOC CEO Scott Blackmun, who stated in regard to the USOC, "[w]e are in the medal business."² Indeed, the USOC's focus on winning medals paid off as they have presided over unparalleled success at the previous four Olympic Games, winning a cumulative 100 medals more than the next closest country.³ Regrettably, during roughly the same time, the USOC also presided over the largest sexual abuse scandal in amateur sports history.

Realizing the need to change the culture, Congress expanded the purpose area of the USOC to require "a safe environment in sports that is free from abuse, including emotional, physical, and sexual abuse, of any amateur athlete."⁴ The recent enactment of this statutory

¹ Joan McPhee and James P. Dowden, *Report of the Independent Investigation, The Constellation of Factors Underlying Larry Nassar's Abuse of Athletes*, Ropes & Gray LLP (Dec. 10, 2018), available at <https://www.ropesgray.com/-/media/Files/USOC/ropes-gray-full-report.pdf>.

² *Id.* at 136.

³ *Id.* at 144.

⁴ Protecting Young Victims from Sexual Abuse and Safe Sport Authorization Act, Pub. L. No. 115-126, 132 Stat. 318 (2018).

language confirms that the USOC has a responsibility to prevent the abuse of athletes under their care or in their facilities. As a 501(c)(3) not-for-profit corporation, the USOC is required to comply with its stated purpose in order to maintain its tax-exempt status.⁵ This Committee which concerns itself with matters of taxation, among many other things, has an interest in ensuring proper compliance.

To best determine what structural and cultural changes the USOC has made to comply with its new purpose area, please respond to the following questions by February 4, 2019:

1. Does the USOC have a comprehensive list of all banned or suspended personnel and, if so, is such information available on its website? If not, why not?
2. Has the USOC instituted protocols to physically inspect all Olympic Training Sites, and National Team Training Centers to ensure a safer environment for athletes under its supervision? If not, why not?
3. Is the USOC requiring a background investigation as a prerequisite for employment for all individuals who work at USOC, each National Governing Body (NGB), Olympic Training Centers, or National Team Training Centers? If not, why not? If so, please explain the nature of such investigation, including whether a fingerprint check is required and whether volunteers as well as salaried employees are subject to such a background investigation.
4. A few months ago, the USOC began the process to decertify USA Gymnastics as a National Governing Body. Do you plan to continue with the decertification process despite USA Gymnastics filing for bankruptcy? If not, why not?
5. What is the USOC doing to assist the survivors of Nassar's abuse?
6. Following allegations of Nassar's abuse, it was revealed that former USOC CEO Scott Blackman and Chief of Sport Performance Alan Ashley were told of abuse allegations approximately 14 months prior to Nassar's arrest and they failed to act. Mr. Blackman resigned approximately one year ago, meanwhile, Mr. Ashley was terminated by the USOC less than two months ago.⁶ In light of this, what structural changes has the USOC made to restore integrity to its leadership structure?
 - a. Is the USOC actively investigating whether or not other individuals within USOC were made aware of the abuse allegations?

⁵ United States Olympic Committee, Colorado Springs, Colorado, EIN: 13-1548339, available at https://apps.irs.gov/pub/epostcard/cor/131548339_201712_990_2018103115855238.pdf.

⁶ Sarah Fitzpatrick and Corky Siemaszko, *Top USOC official fired after independent report details Nassar cover-up*, ABC NEWS (Dec. 10, 2018), available at <https://www.nbcnews.com/news/us-news/top-usoc-official-fired-after-independent-report-details-nassar-cover-n946251>.

- b. Has the USOC instituted training for its board members and other personnel, including NGB personnel, on how to identify warning signs of sexual abuse?⁷

7. The U.S. Center for SafeSport was created as an independent non-profit organization to investigate claims of abuse by amateur athletes at the NGB's. Unlike the USOC, which was granted authority by Congress to raise revenue by licensing the iconic "five rings" Olympic logo, the U.S. Center for SafeSport does not have a revenue stream. Instead it relies on donations, mostly from the USOC and NGBs. Last year, the USOC doubled its monetary commitment to SafeSport, increasing its annual donation to \$3.1 million,⁸ which amounts to less than 2% of the USOC's gross revenue.⁹
 - a. Do you believe \$3.1 million is adequate funding? Why or why not?
 - b. What is the current funding mechanism used by USOC to determine funding allocation levels for SafeSport? Please include any variables or controls implicated in coming to that final number.
 - c. Are you planning to increase funding for SafeSport? If so, by how much?

Should you have any questions, please contact Dario Camacho or Evelyn Fortier of my Committee staff at 202-224-4515. Thank you for your attention to this important matter.

Sincerely,



Charles E. Grassley
Chairman
Senate Committee on Finance

cc: Ron Wyden
Ranking Member
Senate Committee on Finance

⁷ See McPhee and Dowden, *supra* note 1, at 2 (stating that "[USOC] ignored red flags, failed to recognize textbook grooming behaviors, or in some egregious instances, dismissed clear calls for help from girls and young women who were being abused by Nassar.").

⁸ Ben Fischer, "NGBs may be tapped for funding as SafeSport's case load increases," *SPORTS BUSINESS JOURNAL* (July 16, 2018), available at <https://www.sportsbusinessdaily.com/Journal/Issues/2018/07/16/Olympics/USOC-NGB.aspx>.

⁹ United States Olympic Committee, *2017 Annual Report*, at 31 (2017), available at <https://www.teamusa.org/footer/finance>.