

# TRANSITION QUESTIONS AND ANSWERS

## **1. Are state/local associations required to merge?**

No. Merging at the state/local level is optional.

For a merger to occur a BA and WBA in a given jurisdictional area must both agree to merge; however, the youth association can remain separate. There cannot be a combination of merged and non-merged associations in the same jurisdictional area (same bowling center) with the exception of youth.

Those associations choosing to remain non-merged will remain with its current constituency base, i.e.: •BA: men and women; •WBA: women only •YABA: youth only.

All associations whether they merge or remain separate must incorporate, adopt USBC bylaws, adhere to performance standards and renew their charters.

## **2. Now that the merger has been approved nationally, can we remain the same at the local and state level?**

State and local associations have the choice to either charter as a merged or non-merged association. However, all associations must sign and submit the Letter of Intent by May 31, 2005 and comply with the bylaws and adhere to the USBC Performance Standards no later than May 31, 2006.

## **3. Why does it make sense to merge at the state/local levels?**

Time and Expense. By combining common areas, there are savings in time and cost. In many cases across the country there are at least three separate offices in a common area that separately serve the men and women (ABC), women (WIBC) and the youth (YABA). These office costs could include: rent, utilities, telephone and any of the other normal operating expenses. Combining the offices alone would reduce operational expenses. In other areas, the savings would be in reducing the volunteer time to operate the three associations versus one organization and redirecting that time to the member.

Single service to members, league secretaries and proprietors. Members would pay dues to one association. Members, leagues secretaries and proprietors would have one office to call for questions or information about events and benefits. Many league secretaries/proprietors provide secretarial service for several leagues: ABC, WIBC, mixed, and youth. In a merged association a league secretary would only have to make one call for obtaining materials, sending information, filling out forms, having questions answered, etc.

Number of bowling organizations. There are many organizations in bowling and our current structure continues to further fragment our sport. We firmly believe this is also true on the state/local level with the duplication of service, governance and administrative duties. Uniting at the state/local level to represent men, women and youth would bring us all together, to build on our strengths as well as our differences to make bowling better for the member in each area. We can still focus on separate programs for men, women and youth, but the duplication of governance and operations in the same area just does not make sense.

**4. What if a state or local association decides not to be affiliated (charter) with USBC and later decides it wants to charter, will that be an option?**

If all associations within a given area choose not to charter with USBC, USBC would then form an association in that area to provide programs and services to men, women and youth.

If a BA or WBA within a given area chooses not to charter with USBC, USBC would then work with the other association's to form a merged association or to form an association in that area to provide programs and services for that membership constituency.

By not participating from the start, the non-affiliated/non-chartering association has relinquished its opportunity to be an equal partner in the organization. In addition, it would not be guaranteed a role in the organization if in the future it decided to join. The non-chartering association will lose the opportunity to contribute, influence or be part of any and all decisions of the USBC.

**5. Who votes to determine if the state/local associations merge or remain separate?**

The following outlines who votes for each local association:

The BAs -- Council of Delegates

The WBAs -- membership

The YABAs -- Board

The following outlines who votes for each state association:

The BAs -- State Delegates

The WBAs -- State Delegates

The YABAs -- State Delegates\

**6. What is the effective date of the USBC dues?**

When an association adopts the USBC bylaws and its charter application is approved by USBC, the effective date of the dues amount, and the new maximums, will be effective August 1 following approval; unless the association chooses a different date, which shall be no later than Aug. 1, 2006, whichever comes first.

Members who join USBC summer leagues after March 15 of the current season shall at the time of application pay only those annual USBC, state and local dues that are then known to be or to become effective for the next season. Upon payment of such dues, they shall be granted membership in USBC and applicable state/local association for the balance of the current season and the next current season.

**7. What will happen with WIBC permanent membership and/or ABC lifetime membership?**

The 2004-05 season will be an ABC and WIBC season. This type of WIBC permanent and ABC lifetime membership will continue as it does today throughout the 2004-05 season. However, it will cease to be offered after July 31, 2004. For the USBC 2005-06 season, former ABC lifetime and WIBC permanent members will be exempt from paying USBC dues at all levels. WinLABS will be revised for the state/local changes for the dues portion. The USBC Board of Directors will determine if this type of membership would be offered by USBC in the future.

**8. When this merger is final does this mean that there will be one membership for everyone?**

At the national level there will be one membership dues, for the 2004-05 season that will be \$8. If the local associations in your area decide to remain separate, and, if women wish to belong to both the BA and WBA, then they would pay dues at each local and state level as they do today.

**9. What if the BA and WBA voted to merge but wanted to stay adult?**

If both the BA and WBA approve to merge they would form an association servicing the men, women and youth and they would have youth representation. They would not be able to form only servicing the adult members. If the youth association decided to remain on its own, then it would be in competition with the merged association for youth bowlers.

**10. Was there a change from last year regarding the collection of state dues and the amount that a state association could charge?**

The original recommendation from last year did not change. Charging dues at the state level was optional. Last year the merger was mandatory and required all associations to merge within five-year transition period. Prior to that time, those associations that had not yet merged were able to charge up to the maximums charged during the 2003-04 season. If the state associations did not merge by end of the transition period, they would no longer be serviced by USBC.

Now, the merger is optional. All associations, whether merging or remaining separate, must comply with the Letter of Intent by May 31, 2006. By that time, all state associations would only be able to charge up to the maximum of \$1 for its adult members.

Aside from the information above, the only difference from last year is that the timeframe to comply changed.

Since the dues are under the authority of the delegates, a member could submit an amendment for consideration at the USBC Annual Meeting. Amendments will be considered beginning at the Spring 2007 USBC Annual Meeting.

**11. What would be the jurisdictional boundaries?**

In a merging situation, USBC would issue a charter to one association in common local areas representing men, women and youth. It will be up to the associations within the local areas to determine the areas it would cover, with the approval of the USBC. Some examples include: city limits, county boundaries, multiple counties, etc. Each merged association must include at least one bowling center and a center may not be service by more than one association.

In the event that associations in a given jurisdictional area remain separate, they probably would remain with their current boundaries. Because there are many jurisdictions with overlapping boundaries, non-merging associations must meet with all associations within that jurisdiction to ensure that there is not a combination of merged and non-merged associations serving the same bowling center.

## **12. What can state/local associations do with the assets in the association?**

Current state/local associations do not turn over their assets to the national USBC. Those funds were generated from members in that state or local association by the leadership structure in place today.

It is recommended that some or all of the assets be used for start-up funds in a merged association to be able to continue successful programs and services under the banner of the merged association. A non-merging association presumably would not elect to transfer its assets.

If the association is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code ("IRC") through its respective organization's group exemption then the Internal Revenue Service requires that the association, upon dissolution, distribute its assets to another organization with the same tax exemption (charitable, educational, scientific, religious, amateur athletics). In practice, this means distributing the dissolving exempt organization's assets to another tax exempt organization classified under Section 501(c)(3) of the IRC.

## **13. What will be the format of the national tournaments?**

The national tournament formats will continue as today (ABC- Open; WIBC- women only). Both are growing and profitable and thus it makes no business sense to change their makeup. It also makes sense from a practical standpoint to keep the events consistent each year. Because public accommodation laws vary among the states where we hold the national tournaments, it makes more sense and better serves our members to comply with the more restrictive states that do not allow men's only events.

## **14. Will there be an ABC Convention and WIBC Annual Meeting in 2005?**

Yes, but not in the traditional sense as both ABC and WIBC will be dissolved. ABC will hold an event in March in Baton Rouge, La., and the WIBC event will be held in April in Tulsa, Okla. There will not be any legislation or elections, however, as they will focus on celebrations that will honor the merging organizations while introducing USBC as the future of the sport.

### ***For more information:***

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