
SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair
2015 - 2016 Regular

Bill No: AB 735
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Version: January 4, 2016
Urgency: No
Consultant: Lynn Lorber
Hearing Date: June 29, 2016
Fiscal: Yes

Subject: Postsecondary education: Student Athlete Bill of Rights

SUMMARY

This bill eliminates the January 1, 2021, sunset on the Student Athlete Bill of Rights.

BACKGROUND

Existing law:

- 1) Prohibits any person from giving, offering, promising or attempting to give money or other item of value to a student athlete or member of the athlete's immediate family to induce, encourage or reward a student athlete's application, enrollment or attendance at a public or private institution of higher education (IHE) to participate in intercollegiate sporting activities. (Education Code § 67360)
- 2) Requires California postsecondary educational institutions that offer athletic scholarships to provide specific information on its Web site, such as the costs of attendance that are prohibited from inclusion in a full grant-in-aid athletic scholarship, National Collegiate Athletic Association policy on scholarship duration, the most recent cost of attendance, the institution's policy on athletically related medical expenses, and athletic release information. (EC § 67365)

Student Athlete Bill of Rights

- 3) Applies the following to an IHE that receives, as an average, at least \$10 million in annual income from media rights for intercollegiate athletics. (EC § 67452)
- 4) Requires an IHE, if an athletic program does not renew an athletic scholarship of a student athlete who suffers an incapacitating injury or illness resulting from participating in the athletic program and is determined to be medically ineligible, to provide an equivalent scholarship as specified. (EC § 67452)
- 5) Requires an athletic program to provide an equivalent scholarship to a student athlete who was on an athletic scholarship and is in good standing but has exhausted his or her athletic eligibility, for up to one year. (EC § 67452)
- 6) Requires each athletic program to be responsible for paying the premiums of each of its student athletes whose household has an income and asset level at or

below the level for Cal Grant A recipients for insurance covering claims resulting from their participation in the athletic program. (EC § 67453)

- 7) Requires an athletic program to be responsible for paying the insurance deductible for a claim of any student athlete who suffers an injury resulting from participation in the athletic program. (EC § 67453)
- 8) Requires an athletic program, if a student suffers an injury resulting from participation in the athletic program that requires ongoing medical treatment, to provide for at least two years following the student's graduation or separation from the institution of higher education (IHE) either the necessary medical treatment or health insurance that covers the injury and resulting deductibles. (EC § 67453)

ANALYSIS

This bill eliminates the January 1, 2021 sunset on the Student Athlete Bill of Rights, thereby extending these rights indefinitely.

STAFF COMMENTS

- 1) ***Need for the bill.*** According to the author, "The Student Athlete Bill of Rights will become inoperative on January 1, 2021. Any benefits provided pursuant to this act would cease on that date in the middle of the academic year. Thus, student athletes who enroll in school in 2017 and later will lack the certainties of the protections of the Student Athlete Bill of Rights being available to them throughout their entire collegiate experience. Because of the success of the Student Athlete Bill of Rights, it is unnecessary to wait any longer to repeal the sunset date and to place undue stress on our student athletes and to not extend common sense protections indefinitely."
- 2) ***Only affects four universities.*** Based on annual revenues from media rights, the Student Athlete Bill of Rights currently only applies to four institutions of higher education: the University of California at Berkeley and Los Angeles, Stanford University, and the University of Southern California. None of these institutions have expressed opposition to removing the sunset and making the Student Athlete Bill of Rights permanent.
- 3) ***National Collegiate Athletic Association and Pac-12 Conference rules.*** According to the National Collegiate Athletic Association's (NCAA) Web site, "NCAA full scholarships cover tuition and fees, room, board and course-related books. Most student-athletes who receive athletic scholarships receive an amount covering a portion of these costs. Division I schools may provide student-athletes with multiyear scholarships. Additionally, Division I schools may pay for student-athletes to finish their bachelor's or master's degrees after they finish playing NCAA sports. If a school plans to reduce or not renew a student-athlete's aid, the school must notify the student-athlete in writing by July 1 and provide an opportunity to appeal. In most cases, coaches decide who receives a scholarship, the scholarship amount and whether it will be renewed."

“NCAA bylaws require that member institutions verify student-athletes have insurance coverage for athletically related injuries, with limits up to the deductible of the National Collegiate Athletic Association (NCAA) Catastrophic Injury Insurance Program (currently \$90,000), before they can practice or play. Members are permitted to provide that coverage, but they are not required to do so. Coverage can be provided through the school, a parent/guardian policy or a policy student-athletes have on their own. If coverage by some source is not in place, the student-athlete cannot practice or play. The NCAA provides all student-athletes at all active member institutions coverage under the catastrophic program. This program provides \$20 million in lifetime benefits to student-athletes who become totally disabled while practicing or playing. These benefits include medical expenses as well as disability benefits. An injured student-athlete is eligible to receive medical benefits after the policy deductible (currently \$90,000) is met.”

According to the Pac-12 Conference’s Web site, rules adopted in 2014, which apply to all Pac-12 student-athletes across all sports, include:

- a) Athletic scholarships are guaranteed for four years for student-athletes in all sports.
 - b) Student-athletes who leave school before graduating can use the remainder of their educational expenses later to earn their degrees.
 - c) Medical expenses for student-athletes who are injured during their college athletic careers are covered for up to four years after a student-athlete leaves the institution.
 - d) Student-athletes who transfer between Pac-12 institutions are able to receive athletic scholarships immediately.
 - e) Student-athletes are represented in the Conference governance structure.
- 4) **Status.** There is no requirement for affected institutions to provide progress reports, data or an evaluation relating to implementation of the Student Athlete Bill of Rights. The Student Athlete Bill of Rights has been in place for three academic years, and is scheduled to sunset on January 1, 2021.

Should the Legislature have data relative to the implementation of the Student Athlete Bill of Rights before extending its provisions indefinitely?

Should the sunset be repealed four years before the scheduled inoperative date?

- 5) **Fiscal impact.** According to the Assembly Appropriations Committee, this bill has no state costs for the impacted public institutions to continue compliance with the Student Athlete Bill of Rights. The Student Athlete Bill of Rights requires institutions to rely exclusively on revenue from media rights to cover the costs of compliance.

SUPPORT

None received.

OPPOSITION

None received.

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