

Date of Hearing: January 5, 2016

ASSEMBLY COMMITTEE ON ARTS, ENTERTAINMENT, SPORTS, TOURISM, AND
INTERNET MEDIA

Ian Charles Calderon, Chair

AB 735 (Ridley-Thomas) – As Amended January 4, 2016

SUBJECT: Postsecondary education: Student Athlete Bill of Rights.

SUMMARY: This bill would strike the sunset date from the Student Athlete Bill of Rights (SABR), pursuant to which intercollegiate athletic programs at 4-year institutions of higher education in the state, as defined, are required to comply with prescribed requirements with regard to their student athletes. Specifically, **this bill**: removes the sunset date of January 1, 2021 from the SABR, thereby extending the operation of these rights for student athletes indefinitely.

EXISTING LAW:

- 1) Establishes the SABR, which applies all of the following requirements only to a higher education institution receiving income of more than \$10 million annually through media rights (contracts with television networks), and requires the institution to rely exclusively on this revenue to cover the costs of these requirements.
- 2) Requires the postsecondary education institution, if a student athlete's athletic scholarship is not renewed due to incapacitating injury or illness resulting from participation in the athletic program, to provide an equivalent scholarship, that when combined with the previous athletic scholarship, provides the student with up to five academic years or until the student completes his academic degree, whichever comes first. A student's temporary leave of absence shall not count against the five-year limit.
- 3) Requires an athletic program with a six-year graduation success rate, disaggregated by team, of less than 60%, to provide a student athlete in good standing who has exhausted their athletic scholarship with an equivalent scholarship for up to one year.
- 4) Requires each athletic program to conduct a financial and life skills workshop, as specified, for all first-year and third-year student athletes.
- 5) Requires an athletic program to respond within seven business days to a student athlete's written request to transfer.
- 6) Stipulates that an athletic program, unless the student athlete declines, is responsible for paying the health insurance premiums of a student athlete whose household income does not exceed the level of Cal Grant A recipients, for insurance covering claims resulting from the student's participation in the athletic program.
- 7) Stipulates that an athletic program is responsible for paying the insurance deductible amount applicable to a student who suffers injury resulting from participation in the athletic program, and if the student requires ongoing medical treatment, the program is to provide, for at least two years after the student's graduation or separation from the institution, either necessary medical treatment or health insurance covering the injury and resulting deductibles.

- 8) Requires the athletic program to adopt and implement guidelines to prevent, assess and treat sports-related concussions and dehydration.
- 9) Declares that these provisions will become inoperative on January 1, 2021.

FISCAL EFFECT: None known.

COMMENTS:

- 1) **Author's statement of need for legislation:** According to the author, this legislation is needed to ensure that student athletes continue to benefit from the SABR by force of law, rather than simply through voluntary compliance through their athletic conference or NCAA membership.
- 2) **Scope of SABR and neutral position of impacted California Institutions of Higher Education:** Based on their annual revenue from media rights, this bill will initially only apply to four schools-the University of California's Berkeley and Los Angeles campuses, Stanford University, and the University of Southern California. There will be no additional costs to UC, as the university indicates this bill's requirements are consistent with current policies and practices. The California State University indicates that its San Diego campus will meet the media revenue threshold for this bill sometime in the near future. They anticipate absorbable costs of compliance at that time coming from non-state sources.

Regarding the proposal to remove the sunset date on the SABR, the Committee has heard from Stanford University, the University of California, and the California State University system on AB 735, each of whom express neutrality so long as the bill only removes the sunset. The University of Southern California is also neutral, but questions the need for legislation six years prior to the expiration of the existing sunset date.

- 3) **SABR requirements were largely adopted by the NCAA and PAC 12 Conference:** According to information supplied by the University of California, the Pac-12 Conference rules adopted in 2014, which apply to all Pac-12 student-athletes across all sports, include:
 - Athletic scholarships are guaranteed for four years for student-athletes in all sports.
 - Student-athletes who leave school before graduating can use the remainder of their educational expenses later to earn their degrees.
 - 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.
 - Student-athletes who transfer between Pac-12 institutions are able to receive athletic scholarships immediately.
 - Student-athletes are represented in the Conference governance structure.

In addition to the above, the Pac-12 presidents and chancellors also reaffirmed their support for incorporating the full cost of attendance for Pac-12 scholarship student-athletes, which the NCAA subsequently adopted.

The PAC-12 includes the University of California-Berkeley, the University of California at Los Angeles (UCLA), Stanford University and the University of Southern California.

4) Prior related legislation:

- a) SB 1525 (Padilla), Chapter 625, Statutes of 2012, created the original SABR discussed as "Existing Law" above.
- b) AB 1743 (Campos), Chapter 16, Statutes of 2012, clarified that the online scholarship disclosures required of a California postsecondary educational institution only apply to institutions that offer athletic scholarships to "student athletes".
- c) AB 2079 (Torlakson-Davis), Chapter 592, Statutes of 2010 provided that all California postsecondary educational institutions that offer athletic scholarships are required to provide specified scholarship information on their websites.
- d) AB 95 (Torlakson), of 2008-09, would have required athletic recruiters to provide student athletes with specified information relating to the college athletic program within one week of initiating personal contact with the student athlete for purposes of athletic recruiting. Status: Filed with the Chief Clerk pursuant to Joint Rule 56. Died pursuant to Art. IV, Sec.10(c) of the Constitution.
- e) SB 193 (Murray), of 2002-03, would have prohibited California institutions of higher education from participating in any organizations that regulates student athletic scholarships, including the NCAA. Status: Held in the Assembly Higher Education Committee.

5) Double-referral: Should this bill pass out of this committee, it will be re-referred to the Assembly Committee on Higher Education.

REGISTERED SUPPORT / OPPOSITION:**Support**

There is no support on file.

Opposition

There is no opposition on file.

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