## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 632

Session of 2021

INTRODUCED BY GAINEY, D. MILLER, HILL-EVANS, LEE, A. DAVIS, SANCHEZ, KINKEAD, MADDEN, SCHLOSSBERG, INNAMORATO, DELLOSO AND HOWARD, MARCH 4, 2021

REFERRED TO COMMITTEE ON EDUCATION, MARCH 4, 2021

- AN ACT Amending Title 24 (Education) of the Pennsylvania Consolidated 1 Statutes, in higher education, providing for intercollegiate 2 athletics. 3 4 The General Assembly of the Commonwealth of Pennsylvania 5 hereby enacts as follows: 6 Section 1. Title 24 of the Pennsylvania Consolidated 7 Statutes is amended by adding a chapter to read: 8 CHAPTER 67 9 INTERCOLLEGIATE ATHLETICS 10 Sec. 11 6701. Scope of chapter. 6702. Legislative intent. 12 13 6703. Definitions.
- 14 6704. Compensation regarding college athlete's name, image or
- 15 <u>likeness rights or athletic reputation.</u>
- 16 <u>6705</u>. <u>Professional representation</u>.
- 17 <u>6706</u>. Scholarships.
- 18 6707. Contracts.

- 1 6708. Violations and claims.
- 2 <u>6709</u>. Settlements.
- 3 6710. Conflicts.
- 4 <u>6711. Severability.</u>
- 5 § 6701. Scope of chapter.
- 6 This chapter relates to college athlete compensation and
- 7 professional representation.
- 8 § 6702. Legislative intent.
- 9 The General Assembly finds and declares as follows:
- 10 (1) The Commonwealth seeks to help ensure that college
- 11 <u>athletes have equal rights and economic freedoms afforded to</u>
- 12 <u>all students and residents in this Commonwealth.</u>
- 13 (2) The Commonwealth recognizes the disproportionate
- 14 <u>negative impact that economic and legal restrictions have on</u>
- female college athletes and athletes of color.
- 16 (3) The commercial exploitation of college athletes'
- 17 name, image or likeness rights is not required for school-
- 18 based athletics. It is an optional, lucrative activity for
- 19 which college athletes should be fairly compensated by third
- 20 parties.
- 21 (4) College athletics are a \$15 billion industry with
- highly compensated coaches and lucrative apparel deals, which
- 23 <u>in turn require college athletes to involuntarily advertise</u>
- their talents to support their schools' commercial interests.
- 25 (5) Rules prohibiting college athlete compensation for
- the use of name, image or likeness rights or athletic
- 27 <u>reputation do not bring forth competitive equity and cannot</u>
- 28 justify denying college athletes equal rights and economic
- 29 <u>freedom</u>.
- 30 (6) College athletes' representation should be

- 1 <u>independent from athletic associations</u>, athletic conferences
- 2 and colleges to avoid a conflict of interest.
- 3 § 6703. Definitions.
- 4 The following words and phrases when used in this chapter
- 5 shall have the meanings given to them in this section unless the
- 6 <u>context clearly indicates otherwise:</u>
- 7 <u>"Athlete agent." As defined in 5 Pa.C.S. § 3102 (relating to</u>
- 8 definitions).
- 9 <u>"College athlete." An individual who participates or</u>
- 10 participated in intercollegiate athletics for an institution of
- 11 <u>higher education located in this Commonwealth. The term does not</u>
- 12 apply to an individual whose participation is or was in a
- 13 <u>college intramural sport or in a professional sport outside of</u>
- 14 <u>intercollegiate athletics</u>.
- 15 <u>"Institution of higher education." As follows:</u>
- 16 <u>(1) Any of the following:</u>
- (i) A university within the State System of Higher
- 18 Education.
- 19 <u>(ii) The Pennsylvania State University, the</u>
- 20 University of Pittsburgh, Temple University, Lincoln
- 21 <u>University or any other institution designated as State-</u>
- related by the Commonwealth.
- 23 <u>(iii) The Thaddeus Stevens College of Technology.</u>
- 24 (iv) A college established under Article XIX-G of
- 25 <u>the act of March 10, 1949 (P.L.30, No.14), known as the</u>
- 26 Public School Code of 1949.
- 27 (v) An institution of higher education located in
- and incorporated or chartered by the Commonwealth and
- 29 <u>entitled to confer degrees as specified in section 6505</u>
- (relating to power to confer degrees) and as provided for

1	by the standards and qualifications prescribed by the
2	State Board of Education under Chapter 65 (relating to
3	private colleges, universities and seminaries).
4	(vi) A private school licensed under the act of
5	December 15, 1986 (P.L.1585, No.174), known as the
6	Private Licensed Schools Act.
7	(vii) A foreign corporation approved to operate an
8	educational enterprise under 22 Pa. Code Ch. 36 (relating
9	to foreign corporation standards).
10	(2) The term does not include a community college
11	operating under Article XIX-A of the Public School Code of
12	<u>1949.</u>
13	"NCAA." The National Collegiate Athletic Association.
14	§ 6704. Compensation regarding college athlete's name, image or
15	likeness rights or athletic reputation.
16	(a) Prohibition regarding institutions of higher
17	education An institution of higher education may not uphold a
18	rule, requirement, standard or other limitation that discourages
19	or prevents a college athlete of the institution of higher
20	education from receiving food, shelter, medical expenses or
21	insurance from a third party or from fully participating in
22	intercollegiate athletics and earning compensation as a result
23	of the use of the college athlete's name, image or likeness
24	rights or athletic reputation. The following apply:
25	(1) An institution of higher education may not arrange
26	third party compensation for a college athlete relating to
27	the use of the college athlete's name, image or likeness
28	rights or athletic reputation or use any similar type of
29	arrangement as an inducement to recruit a prospective college
30	athlete.

1	(2) An institution of higher education may not
2	discourage or prohibit a college athlete from wearing
3	footwear of the college athlete's choice during official and
4	mandatory team activities, so long as the footwear does not
5	have reflective fabric or lights or pose a health risk to any
6	<pre>college athlete.</pre>
7	(3) A person that produces a college team jersey, a
8	college team video game or college team trading cards for the
9	purpose of making a profit shall make a royalty payment to
10	each college athlete whose name, image, likeness, jersey
11	number or other individually identifiable feature is used.
12	(b) Prohibitions regarding intercollegiate athletic
13	entities An athletic association, conference or other group or
14	organization with authority over intercollegiate athletics,
15	including the NCAA, may not:
16	(1) Prevent a college athlete from fully participating
17	in intercollegiate athletics and earning compensation through
18	the use or license of the college athlete's name, image or
19	likeness rights or athletic reputation.
20	(2) Prevent an institution of higher education from
21	fully participating in intercollegiate athletics as a result
22	of a college athlete's use of the college athlete's name,
23	image or likeness rights or athletic reputation to seek
24	compensation.
25	§ 6705. Professional representation.
26	(a) Prohibitions
27	(1) An institution of higher education, athletic
28	association, conference or other group or organization with
29	
	authority over intercollegiate athletics, including the NCAA,

- 1 <u>fully participating in intercollegiate athletics for</u>
- 2 <u>obtaining professional representation in relation to</u>
- 3 <u>contracts or legal matters, including representation provided</u>
- 4 <u>by athlete agents or financial advisors or legal</u>
- 5 <u>representation provided by attorneys.</u>
- 6 (2) An athletic association, conference or other group
- 7 <u>or organization with authority over intercollegiate</u>
- 8 <u>athletics</u>, including the NCAA, may not prevent an institution
- 9 <u>of higher education from fully participating in</u>
- 10 intercollegiate athletics without penalty as a result of a
- 11 <u>college athlete obtaining professional representation in</u>
- 12 <u>relation to contracts or legal matters, including</u>
- 13 <u>representation provided by athlete agents or financial</u>
- 14 <u>advisors or legal representation provided by attorneys.</u>
- 15 (b) Qualifications. -- Professional representation obtained by
- 16 <u>a college athlete shall be from a person:</u>
- 17 (1) acting as an athlete agent in accordance with 5
- Pa.C.S. Ch. 33 (relating to registration);
- 19 (2) acting as a financial advisor in accordance with the
- laws of this Commonwealth; or
- 21 (3) admitted to practice law by a court of record of
- this Commonwealth.
- 23 (c) Limitation. -- A person that represents an institution of
- 24 <u>higher education or has represented an institution of higher</u>
- 25 education in the previous four years may not represent a college
- 26 <u>athlete in any business agreement.</u>
- 27 § 6706. Scholarships.
- 28 (a) Eligibility.--Earning compensation from the use of a
- 29 <u>college athlete's name, image or likeness rights or athletic</u>
- 30 reputation shall not affect the college athlete's scholarship

- 1 <u>eligibility</u>, <u>amount</u>, <u>duration or renewal</u>.
- 2 (b) Compensation. --
- 3 (1) For purposes of this chapter, an athletics grant-in-
- 4 <u>aid or stipend scholarship from an institution of higher</u>
- 5 <u>education in which a college athlete is enrolled is not</u>
- 6 compensation for use of a college athlete's name, image or
- 7 <u>likeness rights or athletic reputation.</u>
- 8 (2) An athletics grant-in-aid or stipend scholarship may
- 9 <u>not be revoked or reduced as a result of a college athlete</u>
- 10 <u>earning compensation under this chapter.</u>
- 11 <u>§ 6707</u>. Contracts.
- 12 (a) Conflict with team contract.--
- 13 (1) A college athlete may not enter into an apparel
- 14 contract providing compensation to the college athlete for
- 15 <u>use of the college athlete's name, image or likeness rights</u>
- that requires the college athlete to display a sponsor's
- apparel or otherwise advertise for the sponsor in person
- 18 during official team activities, if a provision of the
- 19 contract is in conflict with a provision of the college
- athlete's team contract.
- 21 (2) An institution of higher education asserting a
- 22 <u>conflict described in paragraph (1) shall disclose to the</u>
- 23 college athlete or the college athlete's professional
- 24 <u>representative or other agent, if applicable, the full</u>
- 25 <u>contract that the institution of higher education asserts to</u>
- 26 <u>be in conflict.</u>
- 27 (b) Disclosure. -- A college athlete who enters into a
- 28 contract providing compensation to the college athlete for use
- 29 of the college athlete's name, image or likeness rights shall
- 30 disclose the contract to an official of the institution of

- 1 <u>higher education</u>, to be designated by the institution of higher
- 2 <u>education</u>.
- 3 (c) Periods of official team activities.--
- 4 (1) Subject to paragraph (2), a team contract applicable
- 5 to an institution of higher education's athletic program
- 6 shall not prevent a college athlete from receiving
- 7 <u>compensation for using the college athlete's name, image or</u>
- 8 <u>likeness rights for a commercial purpose when the college</u>
- 9 <u>athlete is not engaged in official team activities.</u>
- 10 (2) Paragraph (1) shall apply only to contracts entered
- into, modified or renewed on or after the effective date of
- 12 <u>this subsection</u>.
- 13 § 6708. Violations and claims.
- 14 (a) Protections and right to adjudicate. -- A college athlete,
- 15 <u>institution of higher education</u>, conference or State or local
- 16 prosecutor seeking to prosecute a person violating this chapter
- 17 <u>shall not be deprived of any protections provided under State</u>
- 18 law with respect to a controversy that arises in this
- 19 Commonwealth and shall have the right to adjudication in this
- 20 Commonwealth a claim that arises in this Commonwealth.
- 21 (b) Private civil action. -- A college athlete shall have the
- 22 right to pursue a private civil action against any person that
- 23 <u>violates this chapter. The court shall award costs and</u>
- 24 reasonable attorney fees to a prevailing plaintiff in an action
- 25 brought against a person violating this chapter.
- 26 § 6709. Settlements.
- 27 <u>Legal settlements made on or after the effective date of this</u>
- 28 section shall not permit noncompliance with this chapter.
- 29 <u>§ 6710. Conflicts.</u>
- 30 Any provision of an existing statute that conflicts with a

- 1 provision of this chapter shall be void.
- 2 § 6711. Severability.
- 3 The provisions of this chapter shall be severable. If any
- 4 provision of this chapter or the application of any provision of
- 5 this chapter is held to be invalid, that invalidity shall not
- 6 affect any other provision or application of any other provision
- 7 that can be given effect without the invalid provision or
- 8 application.
- 9 Section 2. This act shall take effect in 60 days.