

114TH CONGRESS  
2D SESSION

# H. R. 5791

To amend the Higher Education Act of 1965 to require institutions of higher education to report revenue generated by each sports team, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2016

Mr. PRICE of North Carolina introduced the following bill; which was referred to the Committee on Education and the Workforce

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## A BILL

To amend the Higher Education Act of 1965 to require institutions of higher education to report revenue generated by each sports team, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Standardization of Col-  
5 legiate Oversight of Revenues and Expenditures Act” or  
6 the “SCORE Act”.

1 **SEC. 2. REPORTING BY INSTITUTIONS OF HIGHER EDU-**  
2 **CATION ON ATHLETIC REVENUE AND EX-**  
3 **PENSES.**

4 Section 485(g) of the Higher Education Act of 1965  
5 (20 U.S.C. 1092(g)) is amended—

6 (1) in paragraph (1), by adding at the end the  
7 following:

8 “(K) The amount of revenue generated by  
9 each of the following categories, disaggregated  
10 by each sports team, if applicable:

11 “(i) Ticket sales.

12 “(ii) Student fees.

13 “(iii) Distributions from any other  
14 intercollegiate athletic association, con-  
15 ference, or tournament.

16 “(iv) Appearance guarantees and op-  
17 tions.

18 “(v) Contributions from alumni and  
19 others.

20 “(vi) Compensation and benefits pro-  
21 vided by third-party support.

22 “(vii) Concessions, programs, nov-  
23 elties, and parking.

24 “(viii) Broadcast and media rights,  
25 reported separately for television, radio,  
26 Internet, and print.

1                   “(ix) Royalties, advertising, and spon-  
2                   sorship.

3                   “(x) Sports camps.

4                   “(xi) Endowment and investment in-  
5                   come, reported separately for each source  
6                   of such income.

7                   “(xii) Direct institutional support.

8                   “(xiii) Indirect institutional support  
9                   for facilities, services, and administrative  
10                  support.

11                  “(xiv) Direct government support, re-  
12                  ported separately by State government,  
13                  local government, Federal Government.

14                  “(L) The expenses attributable to each of  
15                  the following categories, disaggregated by each  
16                  sports team, as applicable:

17                         “(i) Grants-in-aid.

18                         “(ii) Guarantees and options.

19                         “(iii) Total salaries and benefits, and  
20                         salaries and benefits paid by the institution  
21                         and by third parties, respectively, to head  
22                         coaches, to assistant coaches, and for ad-  
23                         ministrative salaries.

24                         “(iv) Severance pay.

25                         “(v) Team travel.

1 “(vi) Recruiting.

2 “(vii) Equipment, uniforms, and sup-  
3 plies.

4 “(viii) Fundraising.

5 “(ix) Marketing and promotion.

6 “(x) Game expenses.

7 “(xi) Medical, including—

8 “(I) medical personnel salaries;  
9 and

10 “(II) medical treatment of ath-  
11 letes.

12 “(xii) Membership dues.

13 “(xiii) Sports camps.

14 “(xiv) Spirit groups.

15 “(xv) Transfers to the institution.

16 “(xvi) Debt service payments.

17 “(xvii) Athletic facility maintenance  
18 and rental.

19 “(xviii) Indirect facilities and adminis-  
20 trative support.

21 “(xix) Education and general expenses  
22 of the institution—

23 “(I) including instruction, re-  
24 search, public service, academic sup-  
25 port, student services, instructional

1 support, and scholarships and fellow-  
2 ships; and

3 “(II) which do not include ex-  
4 penses with respect to auxiliary enter-  
5 prises, hospitals, or independent oper-  
6 ations.”;

7 (2) in paragraph (5)—

8 (A) by striking “the term” and inserting  
9 the following:

10 “(A) the term”;

11 (B) by striking the period at the end and  
12 inserting “; and”; and

13 (C) by adding at the end the following:

14 “(B) the terms listed in each of the cat-  
15 egories under subparagraphs (K) through (L)  
16 of paragraph (1) shall be defined by the Sec-  
17 retary by regulation, developed in consultation  
18 with the Secretary of the Treasury and the task  
19 force described in paragraph (6)(A), and such  
20 definitions shall be updated in accordance with  
21 paragraph (6)(B).”; and

22 (3) by adding at the end the following:

23 “(6) TASK FORCE; DEFINITION UPDATES.—

24 “(A) TASK FORCE.—The Secretary shall  
25 appoint a task force of nonprofit and higher

1 education accounting experts, professionals, and  
2 organizations representing each of the fol-  
3 lowing:

4 “(i) Institutions of higher education  
5 that are members of division I of the Na-  
6 tional Collegiate Athletic Association.

7 “(ii) Institutions of higher education  
8 that are members of division II of the Na-  
9 tional Collegiate Athletic Association.

10 “(iii) Institutions of higher education  
11 that are members of division III of the Na-  
12 tional Collegiate Athletic Association.

13 “(B) UPDATING DEFINITIONS.—The Sec-  
14 retary, on a biannual basis and in consultation  
15 with the task force described in subparagraph  
16 (A), shall review each definition under para-  
17 graph (5)(B) and, if necessary, update such  
18 definition in accordance with generally accepted  
19 accounting principles or significant changes in  
20 the national system of intercollegiate athletics.

21 “(7) SPECIAL RULE.—An institution of higher  
22 education that submits the information described in  
23 subparagraphs (K) through (L) of paragraph (1) to  
24 an intercollegiate athletic association for an aca-  
25 demic year, and such information is verified by an

1 independent audit and certified by the chancellor of  
2 the institution, may, in lieu of submitting such infor-  
3 mation under paragraph (1), request such associa-  
4 tion to directly submit such information to the Sec-  
5 retary on behalf of the institution for such academic  
6 year.”.

7 **SEC. 3. PROGRAM REQUIREMENTS.**

8 Section 487(a) of the Higher Education Act of 1965  
9 (20 U.S.C. 1094(a)) is amended by adding at the end the  
10 following:

11 “(30)(A) An institution will not be a member of  
12 any intercollegiate athletic association or participate  
13 in any national intercollegiate athletics competition  
14 organized by any person, unless such association or  
15 person reports, on an annual basis, to the Secretary  
16 the following, disaggregated by sport, athletic event,  
17 or contract, as applicable:

18 “(i) Total generated revenue and amount  
19 of revenue generated by each of the following  
20 categories:

21 “(I) Total ticket sales.

22 “(II) Distributions from other inter-  
23 collegiate athletic organization or person.

24 “(III) Cash contributions.

1           “(IV) Dues and other assessments  
2 from member institutions of higher edu-  
3 cation.

4           “(V) Third-party support.

5           “(VI) Merchandise.

6           “(VII) Concessions, programs, and  
7 novelties.

8           “(VIII) Broadcast and media rights,  
9 reported separately for television, radio,  
10 Internet, and print.

11           “(IX) Endowment and investment in-  
12 come, reported separately for each source  
13 of such income.

14           “(X) Other corporate sponsorship.

15           “(XI) Royalties, advertising, and  
16 sponsorship.

17           “(XII) Net assets.

18           “(XIII) Direct government support,  
19 reported separately by State government,  
20 local government, or Federal Government.

21           “(XIV) Any other category deter-  
22 mined appropriate by the Secretary.

23           “(ii) Amount of expenses attributable to  
24 each of the following categories:



1           “(I) Disbursements to institutions of  
2 higher educations, athletic conferences, or  
3 other persons.

4           “(II) Salaries and benefits.

5           “(III) Severance pay.

6           “(IV) Equipment, uniforms, and sup-  
7 plies.

8           “(V) Fundraising.

9           “(VI) Marketing and promotion.

10          “(VII) Game expenses.

11          “(VIII) Medical, including—

12               “(aa) medical personnel salaries;

13               and

14               “(bb) medical treatment of ath-  
15 letes.

16          “(IX) Facility construction.

17          “(X) Facility maintenance and rental.

18          “(XI) Capital investment.

19          “(XII) Debt service payments.

20          “(XIII) Charitable donations.

21          “(XIV) Any other category deter-  
22 mined appropriate by the Secretary.

23          “(iii) Executive compensation schedules.

24          “(B) The Secretary shall—

1           “(i) define by regulation, developed in con-  
2           sultation with the Secretary of the Treasury  
3           and the task force described in section  
4           485(g)(6)(A), the terms listed in each of the  
5           categories under subparagraph (A); and

6           “(ii) on a biannual basis and in consulta-  
7           tion with such task force, review each definition  
8           under clause (i) and, if necessary, update such  
9           definition in accordance with generally accepted  
10          accounting principles or significant changes in  
11          the national system of intercollegiate ath-  
12          letics.”.

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