

1 HB82
2 203275-1
3 By Representative Hatcher
4 RFD: State Government
5 First Read: 04-FEB-20
6 PFD: 02/03/2020

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8 SYNOPSIS: This bill would prohibit Alabama
9 postsecondary educational institutions and every
10 athletic association, conference, or other group or
11 organization with authority over college athletics
12 from preventing any student participating in
13 intercollegiate athletics from earning compensation
14 as a result of the use of the student's name,
15 image, or likeness or obtaining professional
16 representation relating to the student's
17 participation in intercollegiate athletics.

18 This bill would also prohibit an athletic
19 association, conference, or other group or
20 organization with authority over intercollegiate
21 athletics from preventing a postsecondary
22 educational institution from participating in
23 intercollegiate athletics as a result of the
24 compensation of a student for the use of the
25 student's name, image, or likeness.

26 This bill would also prohibit Alabama
27 postsecondary educational institutions and every

1 athletic association, conference, or other group or
2 organization with authority over college athletics
3 from providing a prospective intercollegiate
4 student with compensation in relation to the
5 student's name, image, or likeness.

6 This bill would also require professional
7 representation obtained by a student athlete to be
8 from persons licensed by the state.

9 This bill would prohibit the revocation of a
10 student's scholarship as a result of earning
11 compensation or obtaining legal representation as
12 authorized under this bill.

13 This bill would also prohibit a student
14 athlete from entering into any contract providing
15 compensation to the athlete for use of the
16 athlete's name, image, or likeness if a provision
17 of the contract is in conflict with a provision of
18 the athlete's team contract.

19 This bill would also prohibit a team
20 contract from preventing a student athlete from
21 using the athlete's name, image, or likeness for a
22 commercial purpose when the athlete is not engaged
23 in official team activities, as specified.

24 This bill would require each postsecondary
25 educational institution to create an athlete injury
26 and wage fund. The fund would be funded by 15
27 percent of the revenue from all athletic event

1 ticket sales at the institution, and divided into
2 an athlete injury health savings account and an
3 athlete wage account. The athlete injury health
4 savings account would be used to provide a player
5 who suffers a career ending or long term injury
6 during a game or team practice with compensation
7 upon his or her graduation. The wage account would
8 be divided equally among all student-athletes in
9 attendance at the institution at the end of each
10 academic year.

11 These provisions would become operative on
12 January 1, 2023.

13
14 A BILL
15 TO BE ENTITLED
16 AN ACT

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18 Relating to student athletes; to prohibit Alabama
19 postsecondary educational institutions and every athletic
20 association, conference, or other group or organization with
21 authority over intercollegiate athletics in this state from
22 preventing any student participating in intercollegiate
23 athletics from earning compensation as a result of the use of
24 the student's name, image, or likeness or from obtaining
25 professional representation relating to the student's
26 participation in intercollegiate athletics; to prohibit the
27 revocation of a student's scholarship as a result of earning

1 compensation or obtaining legal representation; to prohibit a
2 student athlete from entering into any contract providing
3 compensation if the contract is in conflict with a provision
4 of the athlete's team contract; to prohibit a team contract
5 from preventing a student athlete from using the athlete's
6 name, image, or likeness for a commercial purpose when the
7 athlete is not engaged in official team activities; and to
8 require each postsecondary educational institution to create
9 an athlete injury and wage fund, for the compensation of
10 student athletes who suffer injuries during team activities
11 and for the equal compensation of all student-athletes.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

13 Section 1. (a) (1) A postsecondary educational
14 institution shall not uphold any rule, requirement, standard,
15 or other limitation that prevents a student of that
16 institution participating in intercollegiate athletics from
17 earning compensation as a result of the use of the student's
18 name, image, or likeness. Earning compensation from the use of
19 a student's name, image, or likeness shall not affect the
20 student's scholarship eligibility.

21 (2) An athletic association, conference, or other
22 group or organization with authority over intercollegiate
23 athletics in this state, including, but not limited to, the
24 National Collegiate Athletic Association, shall not prevent a
25 student of a postsecondary educational institution
26 participating in intercollegiate athletics from earning

1 compensation as a result of the use of the student's name,
2 image, or likeness.

3 (3) An athletic association, conference, or other
4 group or organization with authority over intercollegiate
5 athletics, including, but not limited to, the National
6 Collegiate Athletic Association, shall not prevent a
7 postsecondary educational institution from participating in
8 intercollegiate athletics as a result of the compensation of a
9 student athlete for the use of the student's name, image, or
10 likeness.

11 (b) A postsecondary educational institution,
12 athletic association, conference, or other group or
13 organization with authority over intercollegiate athletics
14 shall not provide a prospective student athlete with
15 compensation in relation to the athlete's name, image, or
16 likeness.

17 (c) A postsecondary educational institution,
18 athletic association, conference, or other group or
19 organization with authority over intercollegiate athletics
20 shall not prevent a student participating in intercollegiate
21 athletics from obtaining professional representation in
22 relation to contracts or legal matters, including, but not
23 limited to, representation provided by athlete agents or legal
24 representation provided by attorneys.

25 (d) A scholarship from the postsecondary educational
26 institution in which a student is enrolled that provides the
27 student with the cost of attendance at that institution is not

1 compensation for purposes of this act, and a scholarship shall
2 not be revoked as a result of earning compensation or
3 obtaining legal representation pursuant to this act.

4 (e) (1) A student athlete shall not enter into a
5 contract providing compensation to the athlete for use of the
6 athlete's name, image, or likeness if a provision of the
7 contract is in conflict with a provision of the athlete's team
8 contract.

9 (2) A student athlete who enters into a contract
10 providing compensation to the athlete for the use of the
11 athlete's name, image, or likeness shall promptly disclose the
12 contract to an official of the institution, designated by the
13 institution.

14 (3) An institution asserting a conflict described in
15 subdivision (1) shall promptly disclose to the athlete and the
16 athlete's legal representation the relevant contractual
17 provisions that are asserted to be in conflict.

18 (f) A team contract of a postsecondary educational
19 institution's athletic program shall not prevent a student
20 athlete from using the athlete's name, image, or likeness for
21 a commercial purpose when the athlete is not engaged in
22 official team activities. This prohibition shall apply only to
23 contracts entered into, modified, or renewed on or after
24 January 1, 2023.

25 (g) Each postsecondary educational institution that
26 has an athletic program shall establish an athlete injury and
27 wage fund. The institution shall deposit 15 percent of the

1 ticket sales for each athletic event into the institution's
2 athlete injury and wage fund. The institution shall establish
3 an athlete injury health savings account and an athlete wage
4 account within its athlete injury and wage fund, and shall
5 equally split each deposit into the fund between the two
6 accounts.

7 (1) A postsecondary educational institution shall
8 use its athlete injury health savings account to provide a
9 student athlete who suffers a career ending or long term
10 injury during a game or team practice with compensation upon
11 his or her graduation. The amount of compensation shall be
12 determined by the Department of Education. The qualifying
13 injury shall be verified by an independent health care
14 provider not affiliated with the postsecondary institution.

15 (2) At the conclusion of each academic year, a
16 postsecondary educational institution shall divide its athlete
17 wage account equally between all student-athletes who attended
18 the college that academic year, and shall pay that equal
19 amount to each student-athlete who attended the college that
20 academic year.

21 (3) The Department of Education shall adopt rules
22 establishing criteria and procedures for the compensation of
23 injured student athletes pursuant to this subsection.

24 Section 2. It is the intent of the Legislature that
25 constitutionally created boards of trustees of postsecondary
26 institutions comply with the requirement of this act.

1 Section 3. This act shall become effective January
2 1, 2023.