

SENATE MOTION

MADAM PRESIDENT:

I move that Senate Bill 1220 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
2 paragraph and insert:
3 "SECTION 1. IC 21-15-11 IS ADDED TO THE INDIANA CODE
4 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2013]:
6 **Chapter 11. Protection of Student Athletes**
7 **Sec. 1. This chapter applies to a state educational institution**
8 **that is a Division I member of the National Collegiate Athletic**
9 **Association.**
10 **Sec. 2. As used in this chapter, "athletic program" means a**
11 **state educational institution's intercollegiate athletic program.**
12 **Sec. 3. As used in this chapter, "athletic scholarship" refers to**
13 **financial aid provided by a state educational institution for a**
14 **student to participate in intercollegiate athletics.**
15 **Sec. 4. As used in this chapter, "athletic scholarship shortfall"**
16 **means the difference between:**
17 **(1) a state educational institution's cost of attendance; and**
18 **(2) the sum of:**
19 **(A) a full grant-in-aid athletic scholarship; plus**
20 **(B) any stipend, excluding any stipend for summer**
21 **school, preseason, postseason, tournament, and expense**
22 **payments.**
23 **Sec. 5. As used in this chapter, "cost of attendance" means a**
24 **state educational institution's total annual in-state on campus**
25 **expenses officially reported to the United States Department of**
26 **Education.**
27 **Sec. 6. As used in this chapter, "full grant-in-aid" means**
28 **financial aid provided by a state educational institution to a**
29 **student to participate in intercollegiate athletics and used by the**
30 **student to pay the cost of tuition and fees, room and board, and**
31 **required course-related books related to attendance at the state**
32 **educational institution.**

1 **Sec. 7. As used in this chapter, "participate in intercollegiate**
2 **athletics" means participation of a student of a state educational**
3 **institution in a sport that is subject to the bylaws established by the**
4 **National Collegiate Athletic Association.**

5 **Sec. 8. As used in this chapter, "student athlete" means any**
6 **student of the state educational institution who participates or has**
7 **participated in intercollegiate athletics.**

8 **Sec. 9. As used in this chapter, "trust fund" refers to the**
9 **athletic trust fund established under section 16 of this chapter.**

10 **Sec. 10. (a) Beginning after December 31, 2012, each athletic**
11 **scholarship awarded by a state educational institution must be**
12 **renewed by the state educational institution at an amount that is at**
13 **least the amount awarded the previous year as long as the athletic**
14 **scholarship recipient:**

15 **(1) remains in good academic standing, as determined by the**
16 **state educational institution; and**

17 **(2) is not subject to disciplinary action.**

18 **(b) If a student athlete who meets the requirements of**
19 **subsection (a) is involuntarily removed from a team, the state**
20 **educational institution shall provide a scholarship equal to the**
21 **athletic scholarship awarded by the state educational institution to**
22 **the student athlete. A student athlete is entitled to receive a**
23 **scholarship described in this subsection and the student athlete's**
24 **prior athletic scholarship until:**

25 **(1) five (5) years after the student athlete is admitted to the**
26 **state educational institution; or**

27 **(2) the date the student athlete receives a four (4) year**
28 **undergraduate degree;**

29 **whichever occurs first.**

30 **(c) In order for a scholarship to be renewed under subsection**
31 **(b), the student athlete must remain in good academic standing, as**
32 **determined by the state educational institution.**

33 **(d) Any written agreement concerning athletic grants-in-aid**
34 **signed by both an athletic program representative and a**
35 **prospective student athlete are legally binding on the state**
36 **educational institution.**

37 **Sec. 11. (a) An athletic program shall screen each incoming**
38 **student athlete for the sickle cell trait and heart abnormalities**
39 **prior to allowing the student athlete to participate in intercollegiate**
40 **athletics.**

41 **(b) An athletic program shall establish a program or protocols**
42 **to prevent, assess, and treat sports related concussions and**
43 **dehydration.**

44 **(c) An athletic program shall establish and maintain exercise**
45 **and supervision guidelines for any student athlete who participates**
46 **in intercollegiate athletics and is identified as having a potentially**
47 **life threatening health condition.**

48 **Sec. 12. An athletic program shall conduct a financial and life**
49 **skills workshop for all of the state educational institution's**
50 **first-year and third-year student athletes at the beginning of the**
51 **state educational institution's academic year. The financial and life**
52 **skills workshop must include information concerning:**

- 1 **(1) financial aid;**
- 2 **(2) debt management;**
- 3 **(3) interest rates;**
- 4 **(4) personal credit scores;**
- 5 **(5) a recommended budget for full and partial scholarship**
- 6 **student athletes living on and off campus during the state**
- 7 **educational institution's academic school year and summer**
- 8 **courses that take place outside the state educational**
- 9 **institution's regular academic school year based on the**
- 10 **current year's cost of attendance;**
- 11 **(6) time management skills necessary for success as a student**
- 12 **athlete;**
- 13 **(7) academic resources on campus; and**
- 14 **(8) the value of building relationships with the nonathletic**
- 15 **campus community.**

16 **In addition, athletic programs that pay any of the fees described in**
 17 **sections 17 and 18 of this chapter must provide financial guidance**
 18 **to student athletes who may become eligible to receive money**
 19 **under the trust fund established under section 16 of this chapter.**

20 **Sec. 13. A state educational institution shall grant student**
 21 **athletes the same rights as other students regarding matters**
 22 **related to possible adverse or disciplinary actions, including**
 23 **matters involving athletics.**

24 **Sec 14. An athletic program shall grant any other institution**
 25 **of higher education's request for permission to contact a student**
 26 **athlete according to the bylaws of the National Collegiate Athletic**
 27 **Association if the permission is requested in writing by the student**
 28 **athlete interested in transferring to another institution of higher**
 29 **education. The state educational institution shall grant the request**
 30 **within five (5) business days after receipt of the request. An athletic**
 31 **program shall approve a student athlete's written request to**
 32 **transfer to another institution of higher education without any**
 33 **restrictions, conditions, or residency requirements if the other state**
 34 **educational institution is located in Indiana.**

35 **Sec. 15. (a) This section does not apply to a state educational**
 36 **institution that is granted a waiver under section 22 of this chapter.**

37 **(b) Beginning after December 31, 2012, and each year**
 38 **thereafter, an athletic program shall dedicate five hundred**
 39 **thousand dollars (\$500,000) per year to pay for medical insurance**
 40 **premiums and medical expenses to pay for a student athlete's**
 41 **out-of-pocket sports related medical expenses. If any part of the**
 42 **annual dedicated funds remains after paying medical expenses for**
 43 **student athletes, the remainder must be used to pay medical**
 44 **expenses for former student athletes who suffered a sports related**
 45 **injury while participating in the athletic program. The money must**
 46 **be paid to former student athletes in the order the claims are**
 47 **submitted to the athletic department.**

48 **(c) The funds dedicated by an athletic program under**
 49 **subsection (b) cannot be used to replace current levels of an**
 50 **athletic program's student athlete medical expenditures or medical**

1 benefits provided to or on behalf of student athletes.

2 (d) The amount dedicated under subsection (b) must be
3 adjusted annually according to the medical care price index
4 prepared by the United States Department of Labor.

5 (e) Funds dedicated under subsection (b) that have not been
6 used within four (4) years after the funds were dedicated may be
7 used by the state educational institution in the manner prescribed
8 by the state educational institution.

9 (f) A state educational institution that does not comply with
10 this section is legally responsible for medical expenses that should
11 have been paid by the funds dedicated under subsection (b).

12 **Sec. 16.** The state student assistance commission shall establish
13 a trust fund to provide a source of money for the purposes set forth
14 in sections 17 and 18 of this chapter. The expenses of administering
15 the trust fund must be paid from money in the trust fund. The trust
16 fund shall be administered by the state student assistance
17 commission. Money in the trust fund at the end of the state fiscal
18 year does not revert to the state general fund.

19 **Sec. 17. (a)** This section does not apply to a state educational
20 institution that has been granted a waiver under section 22 of this
21 chapter. Each athletic program shall pay to the trust fund an
22 annual fee equal to fifty percent (50%) of the cost of attendance at
23 the most expensive state educational institution multiplied by the
24 total number of football and men's basketball student athletes who
25 receive athletic scholarships during the current calendar year.

26 (b) The fees paid to the trust fund in subsection (a) may be
27 used by a football or men's basketball student athlete:

- 28 (1) who received an athletic scholarship;
- 29 (2) who was included in the calculation of the annual fee paid
30 under subsection (a); and
- 31 (3) whose eligibility to participate in intercollegiate athletics
32 is exhausted.

33 Subject to subsection (c), the annual fees paid to the trust fund by
34 an athletic program under subsection (a) must be divided for use
35 among the eligible student athletes who participated on the state
36 educational institution's football or men's basketball team.

37 (c) Former football and men's basketball student athletes who
38 qualify to receive money under this section are entitled to receive
39 benefits under either subsection (d) or (e) in an amount
40 proportional to the fees collected from the student athletes'
41 respective state educational institutions and prorated according to
42 the number of years the student athlete received an athletic
43 scholarship as determined by the state student assistance
44 commission.

45 (d) Subject to subsection (c), a student athlete who qualifies to
46 receive a part of the fees under subsection (b) but has not
47 completed the student athlete's undergraduate degree may receive
48 an amount up to an amount not to exceed the cost of attendance at
49 the student athlete's state educational institution with any
50 remainder of the fees paid to be divided equally among the former

1 student athletes after the student athletes have completed their
2 undergraduate degrees.

3 (e) Subject to subsection (c), a student athlete who does qualify
4 to receive a benefit under subsection (d) and qualifies to receive a
5 benefit under subsection (b) is entitled to receive the total part
6 allocated for the student athlete after the student athlete completes
7 the student athlete's undergraduate degree and is no longer
8 enrolled as an undergraduate student at the state educational
9 institution.

10 (f) The state student assistance commission shall return any
11 unused state educational institution's annual fees if the fees are not
12 used within (4) four years after the annual fee deadline date
13 established in section 19 of this chapter.

14 (g) Funds distributed to eligible former football and men's
15 basketball student athletes pursuing undergraduate degrees under
16 subsection (d) must be in the form of reimbursements for all
17 expenses required by the student athletes' school (such as tuition,
18 fees, and books) and in monthly installments for all other expenses
19 (room, board, and incidentals) during the academic school year. A
20 student athlete may use the student athlete's distribution to pay for
21 summer courses or any course that takes place outside the state
22 educational institution's regular academic school year.

23 (h) Funds distributed to student athletes under subsection (d)
24 must be paid in twelve (12) equal monthly installments after the
25 student athlete's eligibility to receive funds from the trust fund is
26 verified by the state student assistance commission.

27 (i) A student athlete who is ineligible to participate in
28 intercollegiate athletics for at least one (1) season for disciplinary
29 reasons may not receive money from the trust fund under this
30 section.

31 Sec. 18. (a) This section does not apply to a state educational
32 institution that has been granted a waiver under section 22 of this
33 chapter. Each athletic program shall pay an annual fee to the trust
34 fund established in section 16 of this chapter. The fee must be
35 based on the highest athletic scholarship shortfall for the 2013-14
36 school year among the various state educational institutions and
37 must be equal to:

38 (1) the appropriate athletic scholarship shortfall amount plus
39 interest based on each year's unsubsidized federal Direct
40 Stafford Loan interest rate; multiplied

41 (2) by the total number of football and men's basketball
42 student athletes who receive an athletic scholarship at any
43 point during the academic school year.

44 The annual fee amount must be adjusted annually according to the
45 consumer price index (United States city average) prepared by the
46 United States Department of Labor. The state student assistance
47 commission shall divide the annual fees paid under this subsection
48 among the eligible student athletes who participated on the state
49 educational institution's football or men's basketball team.

50 (b) A state educational institution's annual fees paid in

1 subsection (a) must be used to make direct payments to established
2 student loan creditors on behalf of each student athlete included in
3 the calculation under subsection (a) who subsequently obtains an
4 undergraduate degree from the state educational institution. Each
5 student athlete eligible to receive funds under this section may
6 receive an amount equal to the scholarship shortfall plus interest
7 at the rate determined under section 25(a)(1) of this chapter for
8 each year that the qualifying former student athlete received an
9 athletic scholarship.

10 (c) A state educational institution's fees paid to the trust fund
11 under this section must be returned to the appropriate athletic
12 program if the fees are not used within two (2) years after the
13 annual fee deadline date established by the state student assistance
14 commission.

15 **Sec. 19.** An athletic program shall pay fees that are required
16 under sections 17 and 18 of this chapter by June 1 of each year. An
17 athletic program shall pay a late fee of fifteen thousand dollars
18 (\$15,000) for each calendar day that the payment has not been
19 made after the deadline. Any fines shall be paid directly to the state
20 student assistance commission, which shall distribute the fines
21 evenly among the eligible fund recipients whose payments are put
22 at risk due to any late payment, as determined by the state student
23 assistance commission.

24 **Sec. 20. (a)** In order for a student athlete to receive money
25 under section 17 or 18 of this chapter, the student athlete must
26 authorize the student athlete's state educational institution and
27 student loan creditors to provide the state student assistance
28 commission any information necessary for the state student
29 assistance commission to make distributions to verify the student
30 athlete's eligibility to receive payments under section 17 or 18 of
31 this chapter.

32 (b) A state educational institution shall provide the
33 information necessary to comply with subsection (a) within fifteen
34 (15) days after receiving the authorization from the student athlete.

35 **Sec. 21.** The state student assistance commission shall withhold
36 appropriate federal and state taxes for distributions made under
37 section 17 or 18 of this chapter.

38 **Sec 22.** If an athletic program awards athletic scholarships and
39 has television contracts under which the program will receive an
40 average of at least ten million dollars (\$10,000,000) in annual
41 television revenue during the terms of the television contracts, the
42 state educational institution shall comply with sections 15, 17, and
43 18 of this chapter. If an athletic program awards athletic
44 scholarships and has television contracts under which the program
45 will receive less than ten million dollars (\$10,000,000) in annual
46 television revenue during the terms of the television contracts, the
47 state educational institution may submit a waiver request to the
48 state student assistance commission, which the state student
49 assistance commission must approve. The waiver exempts the state
50 educational institution from sections 15, 17, and 18 of this chapter

1 and remains valid until the state educational institution's television
 2 revenues are at least an average of ten million dollars (\$10,000,000)
 3 in annual television revenue during the terms of the television
 4 contracts.

5 **Sec. 23.** This section applies after December 31, 2013. Not later
 6 than November 1 of each year, the state student assistance
 7 commission shall post a report on the state student assistance
 8 commission's Internet web site regarding the trust fund and
 9 include information regarding the amount of fees collected from a
 10 state educational institution under sections 17 and 18 of this
 11 chapter and the amount distributed to qualifying former student
 12 athletes.

13 **Sec. 24.** The state student assistance commission shall adopt
 14 rules under IC 4-22-2 to administer sections 17 through 23 of this
 15 chapter. The rules must include the following:

16 (1) Student athlete qualification requirements and
 17 application procedures.

18 (2) Procedures for a state educational institution to request
 19 a waiver under section 22 of this chapter.

20 (3) Due dates for a state educational institution to make
 21 payments to the trust fund under section 17 or 18 of this
 22 chapter.

23 (4) Procedures for calculating distributions paid to a student
 24 athlete based on the fees collected from a state educational
 25 institution.

26 (5) Procedures for collecting and distributing late payments
 27 under section 19 of this chapter.

28 **Sec. 25. (a)** Beginning in 2013, and each year thereafter, an
 29 athletic program shall dedicate an amount of money to be used to
 30 comply with Title IX of the Education Amendments of 1972, 20
 31 U.S.C. 1681 et seq. in the athletic program. The amount the state
 32 educational institution shall dedicate must be based on the highest
 33 athletic scholarship shortfall for the 2013-14 school year among the
 34 state educational institutions and must equal:

35 (1) the appropriate athletic scholarship shortfall amount plus
 36 interest based on each year's unsubsidized federal Direct
 37 Stafford Loan interest rate; multiplied by

38 (2) the total number of football and men's basketball student
 39 athletes who receive an athletic scholarship at any point
 40 during the academic school year.

41 The amount dedicated each year must be adjusted annually
 42 according to the consumer price index (United States city average)
 43 prepared by the United States Department of Labor.

44 (b) If an athletic program achieves compliance with Title IX
 45 of the Education Amendments of 1972, 20 U.S.C. 1681 et seq, for
 46 four (4) consecutive years, as determined by the commission for
 47 higher education, any money dedicated to maintain compliance
 48 under this section may be used in the manner prescribed by the
 49 state educational institution.

50 (c) Not later than August 1 of each year, a state educational

1 institution shall provide a detailed report to the commission for
2 higher education. The report must include information that shows
3 that the state educational institution is:

4 (1) complying or has taken action to comply with Title IX of
5 the Education Amendments of 1972, 20 U.S.C. 1681 et seq;

6 and

7 (2) complying with this section.

8 (d) After receiving the report under subsection (c), the
9 commission may require a state educational institution to pay a
10 penalty of one thousand dollars (\$1,000) for each day the
11 commission for higher education determines that a state
12 educational institution is not complying with subsection (a).

13 (e) The commission for higher education shall adopt rules
14 under IC 4-22-2 to administer this section."

15 Renumber all SECTIONS consecutively.

(Reference is to EHB 1220 as printed February 17, 2012.)

Senator TAYLOR