

The House Committee on Higher Education offers the following substitute to HB 3:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Part 14 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia  
2 Annotated, relating to other educational programs, so as to prohibit persons from entering  
3 into or soliciting a transaction with a student-athlete that would result in sanctions to the  
4 student-athlete; to provide for a right of action by a postsecondary institution; to provide for  
5 related matters; to provide for an effective date; to repeal conflicting laws; and for other  
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Part 14 of Article 6 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated,  
10 relating to other educational programs, is amended by revising Code Section 20-2-317,  
11 relating to inappropriate means of encouraging and rewarding student-athletes, as follows:  
12 "20-2-317.

13 (a) As used in this Code section, the term:

14 (1) 'Immediate family' ~~shall mean~~ means a student-athlete's spouse, child, parent,  
15 stepparent, grandparent, grandchild, brother, sister, mother-in-law, father-in-law,  
16 sister-in-law, brother-in-law, nephew, niece, aunt, uncle, and first cousin; and the spouses  
17 and guardians of any such individuals.

18 (2) 'Person' ~~shall mean~~ means an individual, corporation, business trust, estate, trust,  
19 partnership, limited liability company, association, joint venture, firm, or any other legal  
20 or commercial entity.

21 (3) 'Student-athlete' ~~shall mean~~ means a student at any public or private institution of  
22 postsecondary education in this state or a student residing in this state who has applied,  
23 is eligible to apply, or may be eligible to apply in the future to a public or private  
24 institution of postsecondary education who engages in, is eligible to engage in, or may  
25 be eligible to engage in any intercollegiate sporting event, contest, exhibition, or program.

26 (4) 'Transaction' means any action or set of actions occurring between two or more  
 27 persons for the sale or exchange of any property or services.

28 (b) Except as provided in subsection (c) of this Code section, no person shall give, offer,  
 29 promise, or attempt to give any money or other thing of value to a student-athlete or  
 30 member of a student-athlete's immediate family:

31 (1) To induce, encourage, or reward the student-athlete's application, enrollment, or  
 32 attendance at a public or private institution of postsecondary education in order to have  
 33 the student-athlete participate in intercollegiate sporting events, contests, exhibitions, or  
 34 programs at that institution; or

35 (2) To induce, encourage, or reward the student-athlete's participation in an  
 36 intercollegiate sporting event, contest, exhibition, or program.

37 (b.1) No person shall enter into or solicit directly or through an agent a transaction with  
 38 a student-athlete if such person has knowledge that the transaction would likely be cause  
 39 for the student-athlete to permanently or temporarily lose athletic scholarship eligibility,  
 40 the ability to participate on an intercollegiate athletic team, or the ability to participate in  
 41 one or more intercollegiate sporting competitions as sanctioned by a national association  
 42 for the promotion and regulation of intercollegiate athletics, by an athletic conference or  
 43 other sanctioning body, or by the institution of postsecondary education itself as a  
 44 reasonable self-imposed disciplinary action taken by such institution to mitigate sanctions  
 45 likely to be imposed by such organizations as a result of such transaction or as a violation  
 46 of such institution's own rules.

47 (c) This Code section shall not apply to:

48 (1) Any public or private institution of postsecondary education or to any officer or  
 49 employee of such institution when the institution or officer or employee of such  
 50 institution is acting in accordance with an official written policy of such institution which  
 51 is in compliance with the bylaws of the National Collegiate Athletic Association;

52 (2) Any intercollegiate athletic awards approved or administered by the student-athlete's  
 53 institution;

54 (3) Grants-in-aid or other full or partial scholarships awarded to a student-athlete or  
 55 administered by an institution of postsecondary education;

56 (4) Members of the student-athlete's immediate family; and

57 (5) Money or things of value given by a person to a student-athlete or the immediate  
 58 family of a student-athlete that do not exceed \$250.00 in value in the aggregate on an  
 59 annual basis.

60 (d) Any person that violates the provisions of subsection (b) or (b.1) of this Code section  
 61 shall be guilty of a misdemeanor of a high and aggravated nature.

62 (e) Each public and private high school in this state shall advise in writing at the beginning  
 63 of each sports season each student who participates in any athletic program sponsored by  
 64 the school of the provisions of this Code section and shall provide each student with  
 65 information concerning the effect of receiving money or other things of value on the  
 66 student's future eligibility to participate in intercollegiate athletics. The provisions of this  
 67 subsection shall not apply to intermural athletic programs at such schools."

## 68 SECTION 2.

69 Said part is further amended by revising subsection (b) of Code Section 20-2-318, relating  
 70 to intercollegiate athletics and remedies for improper activities, as follows:

71 "(b) Each public and private institution of postsecondary education located in this state that  
 72 participates or engages in intercollegiate athletics shall have a right of action against any  
 73 person who engages in any activity concerning student-athletes that results in:

74 (1) The institution being penalized, disqualified, or suspended from participation in  
 75 intercollegiate athletics by a national association for the promotion and regulation of  
 76 intercollegiate athletics, by an athletic conference or other sanctioning body, or by  
 77 reasonable self-imposed disciplinary action taken by such institution to mitigate sanctions  
 78 likely to be imposed by such organizations as a result of such activity; or

79 (2) The student-athlete permanently or temporarily losing athletic scholarship eligibility,  
 80 the ability to participate on an intercollegiate athletic team, or the ability to participate in  
 81 one or more intercollegiate sporting competitions as sanctioned by a national association  
 82 for the promotion and regulation of intercollegiate athletics, by an athletic conference or  
 83 other sanctioning body, or by the institution itself as a reasonable self-imposed  
 84 disciplinary action taken by such institution to mitigate sanctions likely to be imposed by  
 85 such organizations as a result of engaging in such activity or as a violation of such  
 86 institution's own rules.

87 The institution shall be entitled to recover all damages which are directly related to or  
 88 which flow from and are reasonably related to such improper activity and to such penalties,  
 89 disqualifications, and suspensions. Damages shall include, but not be limited to, loss of  
 90 scholarships, loss of television revenue, loss of bowl revenue, and legal and other fees  
 91 associated with the investigation of the activity and the representation of the institution  
 92 before the sanctioning organizations in connection with the investigation and resolution of  
 93 such activity. If the institution is the prevailing party in its cause of action, it shall be  
 94 entitled to an award of court costs, costs of litigation, and reasonable attorney's fees. The  
 95 institution may also request and the court may enter an injunction against any person found  
 96 liable from having any further contact with the institution, its student-athletes, and  
 97 student-athletes who have expressed or might express an interest in attending the institution

98 and from attending athletic contests, exhibitions, games, or other such events in which one  
99 or more of the institution's student-athletes is participating. The right of action and  
100 remedies under this Code section are in addition to all other rights of action which may be  
101 available to the institution."

102 **SECTION 3.**

103 This Act shall become effective upon its approval by the Governor or upon its becoming law  
104 without such approval.

105 **SECTION 4.**

106 All laws and parts of laws in conflict with this Act are repealed.