S T A T E O F N E W Y O R K

1428

2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. WRIGHT, MORELLE, BOYLAND, BRENNAN, DIAZ, WEISENBERG -- Multi-Sponsored by -- M. of A. ALFANO, BARRA -- read once and referred to the Committee on Education

AN ACT to amend the education law, in relation to enacting the "student athlete free enterprise act"

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. This act shall be known and may be cited as the "student athlete free enterprise act".

S 2. The education law is amended by adding a new article 15-D to read as follows:

ARTICLE 15-D

STUDENT ATHLETE FREE ENTERPRISE ACT

SECTION 730. STUDENT ATHLETE FREE ENTERPRISE.
731. STUDENT ATHLETE TRUST FUND ACCOUNT.

S 730. STUDENT ATHLETE FREE ENTERPRISE. NO ORGANIZATION OR ASSOCIATION WHICH GOVERNS OR OTHERWISE REGULATES STUDENT ATHLETICS IN THIS STATE SHALL PROHIBIT ANY STUDENT ATHLETE IN THIS STATE FROM ENGAGING IN ANY FREE ENTERPRISE ACTIVITY INCLUDING, BUT NOT LIMITED TO; ENTERING INTO A CONTRACT WITH ANY PERSON, FIRM OR CORPORATION FOR THE ENDORSEMENT OF ANY PRODUCT MANUFACTURED OR DISTRIBUTED BY SUCH PERSON, FIRM OR CORPORATION, SELLING ANY PRODUCT WHICH BEARS THE NAME OR LIKENESS OF SUCH STUDENT ATHLETE OR ANY OTHER PROMOTIONAL ACTIVITY WHICH RELATES TO SUCH INDIVIDUAL STUDENT ATHLETE. NO COLLEGE OR UNIVERSITY LOCATED IN THIS STATE, WHICH RECEIVES ANY FUNDS OR FINANCIAL SUPPORT FROM NEW YORK STATE, SHALL ASSOCIATE WITH, JOIN OR OTHERWISE PARTICIPATE IN ACTIVITIES SPONSORED OR ORGANIZED BY ANY ORGANIZATION OR ASSOCIATION WHICH VIOLATES THE PROVISIONS OF THIS SECTION.

S 731. STUDENT ATHLETE TRUST FUND ACCOUNT. 1. ANY STUDENT ATHLETE WHO COMPETES IN AMATEUR ATHLETICS SPONSORED BY A COLLEGE OR UNIVERSITY

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LOCATED IN THIS STATE AND WHO ENTERS INTO A CONTRACTUAL RELATIONSHIP FOR THE ENDORSEMENT OF ANY PRODUCT MANUFACTURED OR DISTRIBUTED BY ANY PERSON, FIRM OR CORPORATION, SELLS ANY PRODUCT WHICH BEARS THE NAME OR LIKENESS OF SUCH STUDENT ATHLETE OR ENGAGES IN ANY OTHER PROMOTIONAL ACTIVITY WHICH RELATES TO SUCH INDIVIDUAL STUDENT ATHLETE, SHALL DEPOSIT THE PROCEEDS FROM SUCH CONTRACT, SALES OR ACTIVITIES INTO A FIDUCIARY ACCOUNT TO BE HELD IN TRUST FOR SUCH STUDENT. SUCH FIDUCIARY ACCOUNT SHALL BE MAINTAINED AND MANAGED BY THE HIGHER EDUCATION SERVICES CORPORATION.

2. THE HIGHER EDUCATION SERVICES CORPORATION SHALL PERMIT WITHDRAWALS AND EXPENDITURES FROM SUCH FUND FOR THE PURPOSES OF:

A. PROVIDING EDUCATIONAL SUPPORT FOR A FAMILY MEMBER; OR

B. PROVIDING EMERGENCY ASSISTANCE, INCLUDING HEALTH CARE EXPENSES, FOR SUCH STUDENT OR HIS OR HER FAMILY.

3. TEN PERCENT OF THE BALANCE OF SUCH ACCOUNT MAY BE PROVIDED TO THE STUDENT EACH YEAR FOR LIVING EXPENSES.

4. THE HIGHER EDUCATION SERVICES CORPORATION SHALL BE AWARDED ONE PERCENT OF ANY SUCH ACCOUNT FOR ADMINISTRATIVE COSTS ASSOCIATED WITH THE MANAGEMENT OF SUCH ACCOUNTS AND FOR USE BY SUCH CORPORATION FOR FINANCIAL ASSISTANCE PROGRAMS FOR OTHER STUDENTS.

S 3. This act shall take effect immediately.