

HOUSE BILL NO. 5217

November 07, 2019, Introduced by Reps. Iden, Hall, Tate and Jones and referred to the Committee on Oversight.

A bill to prohibit postsecondary educational institutions in this state and certain athletic organizations from preventing a college athlete from receiving compensation for the use of his or her name, image, likeness rights, or athletic reputation.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. (1) As used in this act, "postsecondary educational
2 institution" means a public or private institution in this state
3 that offers a degree or course of study beyond the twelfth grade.
4 (2) A postsecondary educational institution shall not uphold



1 any rule, requirement, standard, or other limitation that prevents
2 a student of that institution from fully participating in
3 intercollegiate athletics and earning compensation as a result of
4 the use of the student's name, image, likeness rights, or athletic
5 reputation. Earning compensation from the use of a student's name,
6 image, likeness rights, or athletic reputation shall not affect a
7 student's scholarship eligibility or renewal.

8 Sec. 2. An athletic association, conference, or other group or
9 organization with authority over intercollegiate athletics,
10 including, but not limited to, the National Collegiate Athletic
11 Association, shall not do either of the following:

12 (a) Prevent a student of a postsecondary educational
13 institution from fully participating in intercollegiate athletics
14 and earning compensation as a result of the student's use of the
15 student's name, image, likeness rights, or athletic reputation.

16 (b) Prevent a postsecondary educational institution from fully
17 participating in intercollegiate athletics without penalty as a
18 result of a student's use of the student's name, image, likeness
19 rights, or athletic reputation.

20 Sec. 3. A postsecondary educational institution, athletic
21 association, conference, or other group or organization with
22 authority over intercollegiate athletics shall not do either of the
23 following:

24 (a) Provide a prospective college athlete who will attend a
25 postsecondary educational institution with compensation in relation
26 to the athlete's name, image, likeness rights, or athletic
27 reputation.

28 (b) Prevent a student who resides in this state and
29 participates in intercollegiate athletics from obtaining



1 professional representation in relation to contracts or legal
2 matters, including, but not limited to, representation provided by
3 an athlete agent or legal representation provided by an attorney.

4 Sec. 4. For purposes of this act, an athletics grant-in aid or
5 a stipend scholarship from a postsecondary educational institution
6 in which a student is enrolled is not compensation for use of a
7 student's name, image, likeness rights, or athletic reputation, and
8 the institution shall not revoke or reduce an athletics grant-in
9 aid or stipend scholarship as a result of a student earning
10 compensation in accordance with this act.

11 Sec. 5. (1) A postsecondary educational institution, athletic
12 association, conference, or other group or organization with
13 authority over intercollegiate athletics shall not interfere with
14 or prevent a student from fully participating in intercollegiate
15 athletics as a result of the student obtaining professional
16 representation in relation to contracts or legal matters,
17 including, but not limited to, representation provided by an
18 athlete agent or financial advisor, or legal representation
19 provided by an attorney.

20 (2) An athletic association, conference, or other group or
21 organization with authority over intercollegiate athletics,
22 including, but not limited to, the National Collegiate Athletic
23 Association, shall not prevent a postsecondary educational
24 institution from fully participating in intercollegiate athletics
25 without penalty as a result of a college athlete obtaining
26 professional representation in relation to contracts or legal
27 matters, including, but not limited to, representation provided by
28 an athlete agent or financial advisor, or legal representation
29 provided by an attorney.



1 (3) Professional representation provided by an athlete agent,
2 financial advisor, or attorney shall be by persons licensed by this
3 state, as applicable.

4 Sec. 6. (1) A college athlete shall not enter into an apparel
5 contract providing compensation to the athlete for use of the
6 athlete's name, image, or likeness rights that requires the athlete
7 to display a sponsor's apparel, or otherwise advertise for a
8 sponsor, during official team activities if the provision is in
9 conflict with a provision of the athlete's team contract.

10 (2) A postsecondary educational institution asserting a
11 conflict described in subsection (1) shall disclose to the athlete
12 and the athlete's legal representation, if applicable, the full
13 contract that the institution asserts is in conflict.

14 (3) A team contract of a postsecondary educational
15 institution's athletic program shall not prevent a college athlete
16 from receiving compensation for using the athlete's name, image, or
17 likeness rights for a commercial purpose when the athlete is not
18 engaged in official team activities.

19 Sec. 7. (1) This act does not apply to a contract entered
20 into, modified, or renewed on or before the effective date of this
21 act.

22 (2) A legal settlement arising under this act shall not permit
23 noncompliance with this act.

24 Enacting section 1. This act takes effect July 1, 2020.

