SUBSTITUTE FOR HOUSE BILL NO. 4844

A bill to amend 2020 PA 366, entitled

"An act 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, or likeness rights,"

by amending sections 3, 5, 7, and 10 (MCL 390.1733, 390.1735, 390.1737, and 390.1740).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- Sec. 3. A postsecondary educational institution, athletic
 association, conference, or other group or organization with
 authority over intercollegiate athletics shall not do either any of
 the following:
- 5 (a) Provide a prospective college athlete who will attend a6 postsecondary educational institution with compensation in relation





- to the athlete's name, image, or likeness rights. 1
- 2 (b) Prevent a student who resides in this state and
- participates in intercollegiate athletics from obtaining 3
- professional representation in relation to contracts or legal 4
- 5 matters regarding opportunities to be compensated for use of the
- 6 student's name, image, or likeness rights, including, but not
- 7 limited to, representation provided by an athlete agent or legal
- 8 representation provided by an attorney.
- 9 (c) Prevent a student athlete from earning compensation from a 10 third party as a result of the student athlete's name, image, or 11 likeness rights, so long as the student athlete's contract with the 12 third party does not require the student athlete to advertise for a sponsor in person during official, mandatory team activities. As 13

used in this subdivision, "compensation" includes food, shelter,

- 15 medical expenses, and insurance.

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- 16 Sec. 5. (1) A postsecondary educational institution, athletic
- association, conference, or other group or organization with 17
- 18 authority over intercollegiate athletics shall not interfere with
- or prevent a student from fully participating in intercollegiate 19
- 20 athletics based upon on the student obtaining professional
- representation in relation to contracts or legal matters regarding 21
- 22 the student's opportunities to earn compensation for the student's
- 23 use of his or her the student's name, image, or likeness rights,
- including, but not limited to, representation provided by an 24
- 25 athlete agent or financial advisor, or legal representation
- 26 provided by an attorney.
- 27 (2) An athletic association, conference, or other group or
- organization with authority over intercollegiate athletics, 28
- 29 including, but not limited to, the National Collegiate Athletic

- 1 Association, shall not prevent a postsecondary educational
- 2 institution from fully participating in intercollegiate athletics
- 3 without penalty as a result of a student obtaining professional
- 4 representation in relation to contracts or legal matters regarding
- 5 the student's opportunities to earn compensation for the student's
- 6 use of his or her the student's name, image, or likeness rights,
- 7 including, but not limited to, representation provided by an
- 8 athlete agent or financial advisor, or legal representation by an
- 9 attorney.
- 10 (3) For purposes of this section, professional representation
- 11 by an athlete agent, financial advisor, or attorney must be
- 12 provided by persons licensed in this state, as applicable.
- Sec. 7. (1) A student who intends to enter into a verbal or
- 14 written opportunity or contract that would provide compensation
- 15 worth \$1,000.00 or more to the student for use of his or her the
- 16 student's name, image, or likeness rights shall disclose the
- 17 proposed opportunity or contract to a designated official of the
- 18 postsecondary educational institution that the student attends , as
- 19 designated by that institution, at least 7 days prior to committing
- 20 to the opportunity or contract, for review by that institution.in
- 21 the manner and at a time prescribed by that institution.
- 22 (2) If the postsecondary educational institution described in
- 23 subsection (1) identifies a conflict between the student's proposed
- 24 opportunity or contract and any existing agreements of the
- 25 postsecondary educational institution, the postsecondary
- 26 educational institution shall communicate that conflict to the
- 27 student so that the student may negotiate a revision of the
- 28 opportunity or contract to avoid the conflict and that revision is
- 29 subject to additional review and approval by the postsecondary

- 1 educational institution in accordance with this section.
- 2 (3) A team contract of a postsecondary educational
- 3 institution's athletic program shall must not prevent a student
- 4 from receiving compensation for using his or her the student's
- 5 name, image, or likeness rights for a commercial purpose when the
- 6 student is not engaged in official team activities, including
- 7 participating in or being part of an advertisement that was created
- 8 while not engaged in official team activities but that may
- 9 otherwise be broadcasted, displayed, or disseminated at any time.
- 10 (4) This section does not apply to a contract entered into,11 modified, or renewed on or before the effective date of this act.
- Sec. 10. (1) This act does not require a postsecondary
- 13 educational institution, athletic association, conference, or other
- 14 group or organization with authority over intercollegiate athletics
- 15 to identify, create, facilitate, negotiate, or otherwise enable
- 16 opportunities for a student to earn compensation for the student's
- 17 use of his or her the student's name, image, or likeness rights.
- 18 However, a postsecondary educational institution or any officer,
- 19 director, or employee of the institution, including, but not
- 20 limited to, a coach, a member of a coaching staff, or any
- 21 individual associated with the institution's athletic department,
- 22 may identify or otherwise assist with opportunities for a student
- 23 athlete to earn compensation from a third party for use of the
- 24 student athlete's name, image, or likeness rights, provided that
- 25 the institution or individual does not do any of the following:
- (a) Serve as the student athlete's agent.
- 27 (b) Receive compensation from the student athlete or a third
- 28 party for facilitating or enabling those opportunities.
 - (c) Attempt to influence the student athlete's choice of

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- 1 professional representation related to those opportunities.
- 2 (d) Attempt to reduce the student athlete's opportunities from 3 competing third parties.
 - (e) Attend any meeting at which a contract for compensation for use of the student athlete's name, image, or likeness rights is negotiated or completed between the student athlete and a third party.
 - (2) A postsecondary educational institution shall provide its student athletes, at no cost to them, financial literacy, brand management, and entrepreneurship programming, and must include information concerning debt management, contract law, and sports marketing.
 - (3) (2)—This act does not establish or bestow the right of a student to use the name, trademarks, services marks, logos, symbols, or any other intellectual property, whether registered or not, of a postsecondary educational institution, athletic association, conference, or other group or organization with authority over intercollegiate athletics, in furtherance of the student's opportunities to earn compensation for the student's—use of his or her the student's name, image, or likeness rights.
 - (4) (3)—This act does not limit the right of a postsecondary educational institution to establish and enforce any of the following:
 - (a) Academic standards, requirements, regulations, or obligations for its students.student athletes.
 - (b) Team rules of conduct or other rules of conduct.
- (c) Standards or policies regarding the governance oroperation of or participation in intercollegiate varsity athletics.
 - (d) Disciplinary rules and standards generally applicable to

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1 all students of the postsecondary educational institution.

