

ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

SENATE, No. 4439

STATE OF NEW JERSEY

DATED: JUNE 12, 2025

The Assembly Higher Education Committee reports favorably Senate Bill No. 4439.

This bill establishes protections for student-athletes and certain institutions of higher education concerning name, image, or likeness compensation and repeals the “New Jersey Fair Play Act.”

The bill provides that a four-year institution of higher education is not to prohibit or prevent a student-athlete who participates in intercollegiate athletics from earning compensation as a result of the use of the student-athlete’s name, image, or likeness. The bill permits a four-year institution of higher education or any related entity of the institution to enter into a contract with a student-athlete to directly compensate the student-athlete for use of the student-athlete’s name, image, or likeness. However, the bill prohibits a student-athlete participating in intercollegiate athletics who is under 21 years of age from earning compensation as a result of the use of the student-athlete’s name, image, or likeness if it is in connection with any person, company, or organization related to or associated with alcohol products; tobacco and electronic smoking products and devices; and cannabis products.

The bill further provides that a four-year institution of higher education is not to prevent a student-athlete participating in intercollegiate athletics from obtaining professional representation in relation to contracts or legal matters, including representation provided by athlete agents or legal representation provided by attorneys. The bill clarifies that licensed attorneys and athlete-agents are required to act in a fiduciary capacity when providing representation to a student-athlete.

The bill clarifies that any contract a student-athlete enters into that provides compensation to the student-athlete for use of the student-athlete’s name, image, or likeness is not subject to public disclosure pursuant to the State’s open public records act.

The bill also regulates certain athletic associations, conferences, or other groups or organizations with authority over intercollegiate athletics, including the National Collegiate Athletic Association. Under the bill, these organizations cannot:

- (1) prohibit or prevent a four-year institution of higher education from becoming a member of the organization or from participating in intercollegiate athletics as a consequence of any student-athlete

earning compensation for the use of the student-athlete's name, image, or likeness or obtaining representation by an athlete agent or attorney in connection with issues related to name, image, or likeness;

(2) take any other adverse action against a four-year institution of higher education or any other related entity of an institution, for activity permitted by the bill;

(3) penalize a four-year institution of higher education or a student-athlete, or prevent them from participating in intercollegiate athletics, due to a violation of the organization's rules or regulations concerning name, image, or likeness;

(4) prevent a four-year institution of higher education from compensating a student-athlete for the use of the student-athlete's name, image, or likeness; or

(5) prevent a four-year institution of higher education or any related entity of an institution from identifying, creating, negotiating, facilitating, supporting, engaging with, assisting with, or otherwise enabling a name, image, or likeness opportunity for a student-athlete.

The bill provides that a four-year institution of higher education or any related entity of an institution, that is subjected to any actual or threatened complaint, investigation, penalty, or other adverse action of any organization with authority over intercollegiate athletics for engaging in activities permitted pursuant to the bill, may bring an action to recover actual damages and reasonable attorney fees and may seek injunctive relief and any other remedy available at law or in equity.

In each academic year, a four-year institution of higher education that offers academic scholarships is required to make available to all student-athletes participating in intercollegiate athletics at the institution name, image, or likeness programing or educational materials. The programing and educational materials are to provide students with information including, financial literacy; brand management; life skills; and any other programming on skills necessary for success as a student-athlete.

NCAA Division I and Division II institutions are permitted to offer athletic scholarships. The bill applies to four-year institutions of higher education that offer athletic scholarships, including Division I and Division II institutions.

Finally, the bill repeals the "New Jersey Fair Play Act," which was enacted in 2020 and is first applicable in the academic year beginning in September of 2025.

As reported by the committee, Senate Bill No. 4439 is identical to Assembly Bill No. 5729, which was also reported by the committee on this date.