



State of Tennessee

PUBLIC CHAPTER NO. 400

HOUSE BILL NO. 1351

By Representatives Vaughan, Parkinson, McKenzie, Faison, Zachary, Gant, Howell, Williams, Curcio, Gillespie, Hardaway, Smith, Haston, Mannis, Camper, Lamar, Powell, Jernigan

Substituted for: Senate Bill No. 1000

By Senators Kelsey, Stevens, Akbari, Gilmore, Kyle, Robinson

AN ACT to amend Tennessee Code Annotated, Title 49, relative to higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 7, is amended by adding the following as a new part:

49-7-2801.

As used in this part, unless the context otherwise requires:

(1) "Athlete agent" has the same meaning as the term is defined in § 49-7-2102;

(2) "Athletic program" means an intercollegiate athletic program at an institution;

(3) "Institution" means a four-year public or private institution of higher education located in this state. "Institution" does not include an institution of higher education governed by the board of regents of the state university and community college system; and

(4) "Intercollegiate athlete" means a student who is enrolled in an institution and participates in an athletic program.

49-7-2802.

(a) An intercollegiate athlete at an institution may earn compensation for the use of the athlete's name, image, or likeness. Such compensation must be commensurate with the fair market value of the authorized use of the athlete's name, image, or likeness. To preserve the integrity, quality, character, and amateur nature of intercollegiate athletics and to maintain a clear separation between amateur intercollegiate athletics and professional sports, such compensation may not be provided in exchange for athletic performance or attendance at an institution and may only be provided by a third party.

(b)

(1) An institution, or an officer, director, or employee of the institution may not be involved in the development, operation, or promotion of a current or prospective intercollegiate athlete's name, image, or likeness, including actions that compensate or cause compensation to be provided to athletes.

(2) A grant-in-aid for athletics, including the cost of attendance, awarded to an intercollegiate athlete by an institution does not constitute compensation for the purposes of this section.

(c) An entity whose purpose includes supporting or benefitting the institution or its athletic program may not compensate or cause compensation to be provided to a current or prospective intercollegiate athlete for the athlete's name, image, or likeness if

the arrangement is contingent on the athlete's enrollment or continued participation at an institution.

(d) Intercollegiate athletes who earn compensation for the use of the athlete's name, image, or likeness must disclose any agreement and the terms of such agreement to the institution and file annual reports with the institution in which they are enrolled, at a time and in a manner designated by the institution. The report must include the identities of entities or persons who provide compensation to the intercollegiate athlete, the amount of compensation received from each person or entity, and any other information the institution deems relevant for determining such identities and compensation.

(e) An institution shall not adopt or maintain a rule, regulation, standard, or other requirement that prevents or unduly restricts an intercollegiate athlete from earning compensation for the use of the athlete's name, image, or likeness. Any compensation earned does not affect the intercollegiate athlete's grant-in-aid or athletic eligibility. To the extent that intercollegiate athletes receive need-based financial aid, an institution may adjust an intercollegiate athlete's need-based financial aid as a result of compensation earned for the athlete's name, image, or likeness in the same manner as the institution would for other students with equivalent levels of financial need.

(f) An institution may adopt reasonable time, place, and manner restrictions to prevent an intercollegiate athlete's name, image, or likeness activities from interfering with team activities, the institution's operations, or the use of the institution's facilities.

(g)

(1) An institution may prohibit an intercollegiate athlete's involvement in name, image, and likeness activities that are reasonably considered to be in conflict with the values of the institution.

(2) An institution may prohibit use of the institution's intellectual property, including, but not limited to, its trademarks, trade dress, and copyrights, by the institution's intercollegiate athletes in the athletes' personal name, image, and likeness activities.

(3) Intercollegiate athletes are prohibited from involvement in name, image, or likeness activities that promote gambling, tobacco, alcohol, and adult entertainment.

(h) An intercollegiate athlete may obtain representation by a third party, including, but not limited to, an athlete agent, for the purpose of securing compensation for the use of the athlete's name, image, or likeness. Any third-party representative of an intercollegiate athlete under this part shall be a fiduciary for the represented intercollegiate athlete. All athlete agents who represent intercollegiate athletes under this part for purposes of securing compensation for the use of the athlete's name, image, or likeness must be licensed under § 49-7-2104 and must satisfy the requirements of title 49, chapter 7, part 21. If the athlete's representative is an attorney who represents an intercollegiate athlete for purposes of securing compensation for the use of her or his name, image, or likeness, then the attorney must also be active and in good standing with the board of professional responsibility or equivalent entity in the state in which the attorney is licensed.

(i)

(1) No intercollegiate athlete or the athlete's representative may enter into an agreement for compensation for the use of the athlete's name, image, or likeness if the agreement conflicts or unreasonably competes with the terms of an existing agreement entered into by the institution the athlete attends.

(2) The institution asserting a conflict or unreasonable competition under this subsection must disclose the relevant terms of the institution's existing agreement that conflicts or unreasonably competes with the athlete's agreement to the intercollegiate athlete or the athlete's representative.

HB1351

(j) Any agreement entered into by an intercollegiate athlete under eighteen (18) years of age for the use of the athlete's name, image, or likeness must be in accordance with title 50, chapter 5, part 2.

(k) An agreement for representation of an intercollegiate athlete or to compensate for the use of an intercollegiate athlete's name, image, or likeness may not be in effect any longer than the duration of the athlete's participation in an athletic program at an institution.

(l) Institutions shall conduct a financial literacy workshop for intercollegiate athletes during the athlete's first full-time term of enrollment. The workshop must cover, at a minimum, information related to the requirements of this part, budgeting, and debt management. An institution may contract with qualified persons or entities to conduct the workshop.

SECTION 2. If any provision of this act or its application to any person or circumstance is held invalid, then the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are severable.

SECTION 3. This act takes effect January 1, 2022, the public welfare requiring it.

HOUSE BILL NO. 1351

PASSED: April 29, 2021

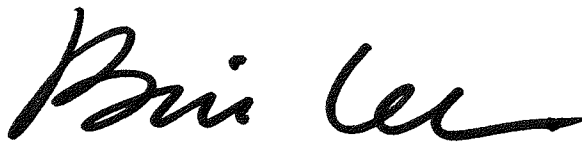


CAMERON SEXTON, SPEAKER
HOUSE OF REPRESENTATIVES



RANDY MCNALLY
SPEAKER OF THE SENATE

APPROVED this 11th day of May 2021



BILL LEE, GOVERNOR