By: Representatives Huddleston, Stamps To: Universities and

Colleges; Judiciary A

HOUSE BILL NO. 1030 (As Passed the House)

AN ACT TO CREATE THE "MISSISSIPPI INTERCOLLEGIATE ATHLETICS COMPENSATION RIGHTS ACT"; TO DEFINE TERMINOLOGY; TO PROVIDE THAT A STUDENT-ATHLETE MAY EARN COMPENSATION FOR THE USE OF HIS OR HER NAME, IMAGE OR LIKENESS WHILE ENROLLED IN A POSTSECONDARY 5 INSTITUTION AND OBTAIN A CERTIFIED AGENT FOR MATTERS RELATING TO THAT COMPENSATION; TO PROHIBIT STUDENT-ATHLETES FROM EARNING 7 COMPENSATION IN EXCHANGE FOR HIS OR HER ABILITY OR PARTICIPATION IN INTERCOLLEGIATE ATHLETICS OR SPORTS COMPETITIONS; TO PROVIDE 8 9 THAT A STUDENT-ATHLETE SHALL NOT BE DEEMED AN EMPLOYEE OR 10 INDEPENDENT CONTRACTOR OF ANY ATHLETIC ORGANIZATIONAL ENTITY BASED 11 ON HIS OR HER PARTICIPATION IN AN INTERCOLLEGIATE ATHLETIC 12 PROGRAM; TO PROHIBIT POSTSECONDARY EDUCATIONAL INSTITUTIONS FROM UPHOLDING REQUIREMENTS THAT RESTRICT A STUDENT-ATHLETES ABILITY TO RECEIVE COMPENSATION FOR THE STUDENT'S NAME, IMAGE OR LIKENESS; TO 14 15 PROHIBIT ATHLETIC ORGANIZATIONAL ENTITIES FROM INTERFERING WITH A 16 CONTRACT OR OTHER REQUIREMENTS THAT PREVENT A STUDENT-ATHLETE FROM 17 RECEIVING COMPENSATION FOR HIS OR HER NAME, IMAGE OR LIKENESS OR 18 PREVENT A POSTSECONDARY EDUCATIONAL INSTITUTION FROM PARTICIPATING 19 IN AN INTERCOLLEGIATE ATHLETIC PROGRAM AS A RESULT OF THE 20 STUDENT-ATHLETE RECEIVING COMPENSATION FOR HIS OR HER NAME, IMAGE OR LIKENESS; TO ALLOW POSTSECONDARY EDUCATIONAL INSTITUTIONS TO 21 22 IMPOSE REASONABLE LIMITATIONS ON THE TIMES A STUDENT-ATHLETE MAY 23 PARTICIPATE IN CERTAIN PROMOTIONAL ACTIVITIES RELATED TO THE LICENSE OR USE OF THE STUDENT'S NAME, IMAGE OR LIKENESS; TO 24 25 PROHIBIT POSTSECONDARY EDUCATIONAL INSTITUTIONS FROM PREVENTING 26 STUDENT-ATHLETES FROM OBTAINING PROFESSIONAL REPRESENTATION; TO 27 REOUIRE PERSONS OBTAINED BY STUDENT-ATHLETES AS PROFESSIONAL 28 REPRESENTATIVES TO BE REGISTERED AS ATHLETE AGENTS AND ATTORNEYS 29 WHO PROVIDE LEGAL REPRESENTATION TO BE LICENSED BY THE MISSISSIPPI 30 BAR ASSOCIATION; TO REQUIRE STUDENT-ATHLETES TO DISCLOSE CONTRACTS 31 FOR COMPENSATION TO THE POSTSECONDARY EDUCATIONAL INSTITUTION OF 32 ENROLLMENT THE EARLIER OF THREE DAYS OF ITS EXECUTION OR THREE 33 DAYS OF THE NEXT COMPETITION; TO PROVIDE THAT NO MALE

- 34 <u>STUDENT-ATHLETE MAY EARN COMPENSATION OR CONTRACT FOR A NAME,</u>
- 35 IMAGE AND LIKENESS AGREEMENT AS A FEMALE OR FOR ANY ATHLETIC TEAM
- 36 SPORT DESIGNATED FOR FEMALES; TO REQUIRE DISPUTES OF SEXUAL GENDER
- 37 IDENTITY TO BE RESOLVED WITH THE PRESENTATION OF A SIGNED
- 38 PHYSICIAN'S STATEMENT INDICATING THE STUDENT-ATHLETE'S SEX BASED
- 39 <u>ON CERTAIN QUALIFYING BIOLOGICAL ATTRIBUTES;</u> TO PROHIBIT CONFLICTS
- 40 OF INTEREST BETWEEN THIRD-PARTY LICENSEES AND STUDENT-ATHLETES; TO
- 41 EXEMPT POSTSECONDARY EDUCATIONAL INSTITUTIONS FROM PRIVATE CAUSES
- 42 OF ACTION FOR UNFAIR TRADE OR TORTIOUS INTERFERENCE; TO DEFINE THE
- 43 TERM "PRIVATE CAUSE OF ACTION" TO PROVIDE A LEGAL RECOURSE TO
- 44 THOSE STUDENT-ATHLETES WHOSE NAMES, IMAGES AND LIKENESSES WERE
- 45 <u>USED WITHOUT THEIR CONSENT;</u> TO CREATE NEW SECTION 93-19-17,
- 46 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT QUALIFYING INDIVIDUALS
- 47 18 YEARS OF AGE AND OLDER SHALL HAVE THE CAPACITY TO ENTER INTO
- 48 BINDING CONTRACTS AFFECTING THEIR NAME, IMAGE AND LIKENESS WHILE
- 49 PARTICIPATING IN COLLEGIATE SPORTS AS STUDENT-ATHLETES; TO PROVIDE
- 50 THAT ANY LEGAL ACTION FOUNDED ON A STUDENT-ATHLETE'S NAME, IMAGE
- 51 AND LIKENESS BY A QUALIFYING STUDENT-ATHLETE MAY BE BOUGHT IN THE
- 52 STUDENT-ATHLETE'S OWN NAME; TO AMEND SECTION 73-42-3, MISSISSIPPI
- 53 CODE OF 1972, IN CONFORMITY TO THE PRECEDING PROVISIONS; AND FOR
- 54 RELATED PURPOSES.
- 55 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 56 **SECTION 1.** This act shall be known, and may be cited as the
- 57 "Mississippi Intercollegiate Athletics Compensation Rights Act."
- 58 **SECTION 2.** As used in this chapter, the following terms
- 59 shall have the following meanings unless the context clearly
- 60 indicates otherwise:
- 61 (a) "Compensation" means any form of payment or
- 62 remuneration, including, but not limited to, cash, gifts, in-kind
- 63 items of value, social media compensation, payments for licensing
- 64 or use of publicity rights, payments for other intellectual or
- 65 intangible property rights under federal or state law and any
- 66 other form of payment or remuneration, except as excluded under

H. B. No. 1030

- 67 the provisions of this act. For the purposes of this act,
- 68 "compensation" shall not mean or include the following:
- (i) Tuition, room, board, books, fees and personal
- 70 expenses that a postsecondary educational institution provides a
- 71 student-athlete in accordance with the rules of the athletic
- 72 association or conference of which the postsecondary educational
- 73 institution is a member;
- 74 (ii) Federal Pell Grants and other state and
- 75 federal grants or scholarships unrelated to, and not awarded
- 76 because of a student-athlete's participation in intercollegiate
- 77 athletics or sports competition;
- 78 (iii) Any other financial aid, benefits or awards
- 79 that a postsecondary educational institution provides a
- 80 student-athlete in accordance with the rules of the athletic
- 81 association or conference of which the postsecondary educational
- 82 institution is a member; or
- 83 (iv) The payment of wages and benefits to a
- 84 student-athlete for work actually performed, but not for athletic
- 85 ability or participation in intercollegiate athletics, at a rate
- 86 commensurate with the prevailing rate for similar work in the
- 87 locality of the student-athlete's postsecondary educational
- 88 institution.
- (b) "Image" means a picture of the student-athlete.
- 90 (c) "Intercollegiate athletics program" means an
- 91 intercollegiate athletics program played at the collegiate level

- 93 student-athlete are established by a national association for the
- 94 promotion or regulation of collegiate athletics.
- 95 (d) "Likeness" means a physical, digital or other
- 96 depiction or representation of a student-athlete.
- 97 (e) "Name" means the first or last name, or the
- 98 nickname, of a student-athlete when used in a context that
- 99 reasonably identifies the student-athlete with particularity.
- 100 (f) "Name, image and likeness agreement" means a
- 101 contract or similar arrangement between a student-athlete and a
- 102 third-party licensee regarding the commercial use of the name,
- 103 image or likeness of the student-athlete.
- 104 (g) "Publicity right" means any right that is:
- 105 (i) Licensed under a name, image and likeness
- 106 agreement; or
- 107 (ii) Recognized under a federal or state law that
- 108 permits an individual to control and profit from the commercial
- 109 use of the name, image or likeness of the individual.
- 110 (h) "Postsecondary educational institution" means a
- 111 public university or community college or private university or
- 112 college.
- 113 (i) "Social media compensation" means all forms of
- 114 payment for engagement on social media received by a
- 115 student-athlete as a result of the use of that student-athlete's
- 116 name, image or likeness.

117	(j) "Student-athlete" means an individual who engages
118	in, is eligible to engage in, or may be eligible in the future to
119	engage in, intercollegiate athletics program at a postsecondary
120	educational institution. If an individual is permanently
121	ineligible to participate in a particular intercollegiate sport,
122	the individual is not a student-athlete for purposes of that
123	sport.

- (k) "Third party licensee" means any individual or
 entity that licenses publicity rights or the use of name, image or
 likeness from any prospective or current student-athlete or group
 of student-athletes. The term "third-party licensee" shall not
 include any national association for the promotion or regulation
 of collegiate athletics, athletics conference or postsecondary
 educational institution.
- 131 <u>SECTION 3.</u> (1) Except as provided in Section $\underline{\underline{s}}$ 4 $\underline{\underline{and 5}}$ of 132 this act, a student-athlete may:
- 133 (a) Earn compensation, commensurate with market value, 134 for the use of the name, image or likeness of the student-athlete 135 while enrolled at a postsecondary educational institution; and
- (b) Obtain and retain a certified agent for any matter
 or activity relating to such compensation.
- 138 (2) No student-athlete may earn compensation in exchange for 139 the student-athlete's athletic ability or participation in 140 intercollegiate athletics or sports competition.

141	(3) Notwithstanding any other provision of applicable law or
142	agreement to the contrary, a student-athlete shall not be deemed
143	an employee or independent contractor of an association, a
144	conference, or a postsecondary educational institution based on
145	the student-athlete's participation in an intercollegiate
146	athletics program.

(a) Except as provided for under this act, 147 SECTION 4. (1)148 a postsecondary educational institution shall not uphold any 149 contract, rule, regulation, standard, or other requirement that 150 prevents a student-athlete of that institution from earning 151 compensation as a result of the use of the student's name, image 152 or likeness. Any such contract, rule, regulation, standard or 153 other requirement shall be void and unenforceable against the postsecondary educational institution or the student-athlete. 154 155 Compensation from the use of a student-athlete name, image or 156 likeness may not affect the student-athlete's scholarship 157 eligibility, grant-in-aid or other financial aid, awards or 158 benefits or the student-athlete's intercollegiate athletic 159 eligibility. Nothing in this act is intended to alter any state 160 and federal laws or regulations regarding the award of financial 161 aid at postsecondary educational institutions.

(b) Except as provided for in this act, an athletic association, conference or other group or organization with authority over intercollegiate athletic programs, including, but not limited to, the National Collegiate Athletic Association

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166 (NCAA) and the National Junior College Athletic Association, shall 167 not prevent or otherwise enforce a contract, rule, regulation, standard or other requirement that prevents a student-athlete of a 168 postsecondary educational institution from earning compensation as 169 170 a result of the use of the student-athlete's name, image or 171 likeness. To protect the integrity of its educational mission and intercollegiate athletics program, a postsecondary educational 172 173 institution may impose reasonable limitations on the dates and 174 time that a student-athlete may participate in endorsement, promotional, social media, or other activities related to the 175 176 license or use of the student-athlete's name, image and likeness. 177 Nothing in this act shall restrict a postsecondary educational 178 institution from exercising its sole discretion to control the 179 authorized use of its trademarks or logos or to determine a 180 student-athlete's apparel, gear or other wearables during an 181 intercollegiate athletics competition or university-sponsored 182 event.

or organization with authority over intercollegiate athletics programs, including, but not limited to, the National Collegiate Athletic Association and the National Junior College Athletic Association, shall not prevent or otherwise enforce a contract, rule, regulation, standard or other requirement that prevents a postsecondary educational institution from participating in an intercollegiate athletics program as a result of the compensation

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- 191 of a student-athlete for the use of the student-athlete's name,
- 192 image, or likeness.
- 193 (2) A postsecondary educational institution, athletic
- 194 association, conference or other group or organization with
- 195 authority over intercollegiate athletics programs, including, but
- 196 not limited to, the National Collegiate Athletic Association and
- 197 the National Junior College Athletic Association, shall not,
- 198 directly or indirectly:
- 199 (a) Enter into, or offer to enter into, a name, image
- 200 and likeness agreement with a prospective or current
- 201 student-athlete; or
- 202 (b) Provide a prospective or current student-athlete or
- 203 the student-athlete's family compensation in relation to the use
- 204 of the student-athlete's name, image or likeness.
- 205 (3) (a) A postsecondary educational institution, athletic
- 206 association, conference or other group or organization with
- 207 authority over intercollegiate athletics programs, including, but
- 208 not limited to, the National Collegiate Athletic Association and
- 209 the National Junior College Athletic Association shall not prevent
- 210 a student-athlete from obtaining professional representation in
- 211 relation to name, image or likeness, or to secure a name, image
- 212 and likeness agreement, including, but not limited to,
- 213 representation provided by athlete agents or legal representation
- 214 provided by attorneys.

215	(b) Professional representation obtained by
216	student-athletes must be from persons registered as athlete agents
217	as provided in Section 73-42-1 et seq., of the Uniform Athlete
218	Agent Law. Attorneys who provide legal representation to
219	student-athletes must be licensed to practice law in the State of
220	Mississippi and in good standing with The Mississippi Bar.

comply with the Uniform Athlete Agents Law, established under

Section 73-42-1, et seq., and the federal Sports Agent

Responsibility and Trust Act, established under 15 USCS Sections

7801-7807, in their relationships with student-athletes.

Athlete agents representing student-athletes shall

- (4) A grant-in-aid, including cost of attendance, and other permissible financial aid, awards or benefits from the postsecondary educational institution in which a student-athlete is enrolled shall not be revoked, reduced, nor the terms and conditions altered, as a result of a student-athlete earning compensation or obtaining professional or legal representation pursuant to this act.
- 233 (5) A student-athlete who enters into a name, image and
 234 likeness agreement for compensation shall disclose the contract to
 235 a designated official of the postsecondary educational institution
 236 in which the student is enrolled. The disclosure shall be made
 237 within three (3) calendar days of the execution of the name, image
 238 and likeness agreement, or three (3) calendar days before the next
 239 scheduled intercollegiate athletics competition in which the

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- 240 student-athlete may participate, whichever occurs earlier in time.
- 241 The postsecondary educational institution shall designate the
- 242 official to whom the student-athlete must disclose these
- 243 contracts.
- 244 (6) A third-party licensee may not enter into, or offer to
- 245 enter into, a name, image and likeness agreement with a
- 246 student-athlete or otherwise compensate a student-athlete for the
- 247 use of the student-athlete's name, image and likeness rights if a
- 248 provision of the name, image and likeness agreement or the use of
- 249 the student-athlete's name, image and likeness rights conflicts
- 250 with a provision of a contract, rule, regulation, standard or
- 251 other requirement of the postsecondary educational institution
- 252 unless such contract or use is expressly approved in writing by
- 253 the postsecondary educational institution.
- 254 (7) (a) No postsecondary educational institution, booster,
- 255 third-party licensee, or any other individual or entity shall
- 256 provide a prospective or current student-athlete compensation or
- 257 enter into a name, image and likeness agreement as an inducement
- 258 for the student-athlete to attend or enroll in a specific
- 259 institution or group of institutions.
- 260 (b) No student-athlete shall enter into a name, image
- 261 and likeness agreement or receive compensation from a third-party
- 262 licensee relating to the name, image or likeness of the
- 263 student-athlete:

264	(i) Before the date on which the student-athlete
265	enrolls at a postsecondary educational institution; or
266	(ii) For the endorsement or promotion of gambling
267	sports betting, marijuana, tobacco or alcohol products,
268	performance enhancing supplements, adult entertainment or any

- 269 other product or service that is reasonably considered to be
- 270 inconsistent with the values or mission of a postsecondary
- 271 educational institution.
- 272 (8) Nothing in this act shall be interpreted to modify any 273 requirements or obligations imposed under Title IX of the
- 274 Education Amendments of 1972 (20 USCS Section 1681, et seq.).
- 275 SECTION 5. (1) Notwithstanding any other provision of this
- 276 act, no male student-athlete may earn compensation or contract for
- 277 the use, image or likeness of the student-athlete as a female
- athlete or on an athletic team or sport designated for females. 278
- 279 If a student-athlete's sex is disputed, the student-
- 280 athlete may establish his or her sex by presenting a signed
- 281 physician's statement which shall indicate the student-athlete's
- 282 sex based solely upon:
- 283 The student-athlete's internal and external (a)
- 284 reproductive anatomy;
- 285 The student-athlete's normal endogenously produced
- 286 levels of testosterone; and
- 287 An analysis of the student-athlete's genetic
- 288 makeup.

- 289 (3) Any postsecondary educational institution, athletic
 290 association or conference that suffers any direct or indirect harm
 291 as a result of a violation of this act by a student-athlete shall
 292 have a private cause of action for injunctive relief, damages and
 293 any other relief available under law.
- (4) Any student-athlete who is deprived of any opportunity granted by any other section of this act or suffers any direct or indirect harm as a result of a violation of this section shall have a private cause of action for injunctive relief, damages and any other relief available under law.
- All civil actions must be initiated within two (2) years 299 (5) 300 after the harm occurred. Persons or organizations who prevail on 301 a claim brought pursuant to this section shall be entitled to 302 monetary damages, including for any psychological, emotional and 303 physical harm suffered, reasonable attorneys' fees and costs, and 304 any other appropriate relief. The causes of action pursuant to 305 this section shall be in addition to any other civil or criminal 306 proceeding authorized by the laws of this state or by federal law.
- 307 **SECTION** $\underline{\underline{6}}$. The following shall be codified as Section 308 93-19-17, Mississippi Code of 1972:

309 <u>93-19-17.</u> (1) All persons eighteen (18) years of age or 310 older, if not otherwise disqualified, or prohibited by law, shall 311 have the capacity to enter into binding contractual relationships 312 affecting the use of their name, image or likeness while 313 participating in intercollegiate sports as student-athletes.

- Nothing in this section shall be construed to affect any contracts entered into prior to the effective date of this act.
- image or likeness contract entered into by a person eighteen (18)
 years of age or older, the person may sue in his or her own name
 as an adult and be sued in his or her own name as an adult and be
- 321 (3) For purposes of this section:

served with process as an adult.

- 322 (a) "Intercollegiate sport" means a sport played at the 323 collegiate level for which eligibility requirements for 324 participation by a student-athlete are established by a national 325 association for the promotion or regulation of collegiate
- 326 athletics; and

- 327 (b) "Student-athlete" means an individual who engages
- 328 in, is eligible to engage in, or may be eligible in the future to
- 329 engage in, any intercollegiate athletics program at a
- 330 postsecondary educational institution. If an individual is
- 331 permanently ineligible to participate in a particular
- 332 intercollegiate sport, the individual is not a student-athlete for
- 333 purposes of that sport.
- 334 **SECTION** <u>7</u>. No postsecondary educational institution,
- 335 athletic association or conference shall be subject to a private
- 336 cause of action or any claim for damages of any kind under this
- 337 act, including, without limitation, a claim for unfair trade or
- 338 competition or tortious interference. No postsecondary

339	educational institution, athletic association or conference shall
340	be subject to a private cause of action or any claim for damages
341	related to its adoption, implementation or enforcement of any
342	contract, rule, regulation, standard or other requirement in
343	compliance with this act. This act is not intended to and shall
344	not waive or diminish any applicable defenses and immunities,
345	including, without limitation, sovereign immunity applicable to
346	postsecondary educational institutions. <u>For purposes of this</u>
347	section, the words "private cause of action or any claim for
348	damages of any kind" means any claim or action brought by any
349	person or current or former student-athlete who is not a party to
350	a name, image and likeness agreement or contract with the
351	postsecondary educational institution, athletic association,
352	conference or other group or organization with authority over
353	intercollegiate athletic programs. The words "private cause of
354	action or any claim for damages of any kind" shall not be
355	construed to include any claim or action by the student-athlete
356	that is engaged in a name, image and likeness agreement for
357	<pre>compensation.</pre>
358	SECTION $\underline{8}$. Section 73-42-3, Mississippi Code of 1972, is
359	amended as follows:

361 (a) "Agency contract" means an agreement in which a 362 student-athlete authorizes a person to negotiate or solicit on

In this chapter:

363 behalf of the student-athlete a professional-sports-services

73-42-3.

364	contract, an endorsement contract, compensation for the use of the
365	student-athlete's name, image or likeness, or enrollment at any
366	educational institution that offers an athletic scholarship to the
367	student-athlete.

- "Athlete agent" means an individual who enters into 368 369 an agency contract with a student-athlete or, directly or 370 indirectly, recruits, induces or solicits a student-athlete to 371 enter into an agency contract. The term does not include a 372 spouse, parent, sibling, grandparent or guardian of the 373 student-athlete or an individual acting solely on behalf of a 374 professional sports team or professional sports organization. The 375 term includes an individual who represents to the public that the 376 individual is an athlete agent.
- 377 (c) "Athletic director" means an individual responsible
 378 for administering the overall athletic program of an educational
 379 institution or, if an educational institution has separately
 380 administered athletic programs for male students and female
 381 students, the athletic program for males or the athletic program
 382 for females, as appropriate.
- 383 (d) "Contact" means a communication, direct or
 384 indirect, written or oral, between an athlete agent and a
 385 student-athlete, to recruit, induce or solicit the student-athlete
 386 to enter into an agency contract.
- 387 (e) "Endorsement contract" means:

388	(i) An agreement under which a student-athlete is
389	employed or receives consideration or anything of value for the
390	student-athlete's publicity, reputation, following * * * or fame
391	obtained because of the student-athlete's athletic ability or
392	performance; and

- (ii) An agreement under which a student-athlete
 receives compensation, consideration or anything of value for the
 use of the student-athlete's name, image or likeness.
- (f) "Intercollegiate sport" means a sport played at the collegiate level for which eligibility requirements for participation by a student-athlete are established by a national association for the promotion or regulation of collegiate athletics.
- 401 (g) "Person" means an individual, corporation, business
 402 trust, estate, trust, partnership, limited liability company,
 403 association, joint venture, government; governmental subdivision,
 404 agency or instrumentality; public corporation, or any other legal
 405 or commercial entity.
- 406 (h) "Professional-sports-services contract" means an
 407 agreement under which an individual is employed or agrees to
 408 render services as a player on a professional sports team, with a
 409 professional sports organization, or as a professional athlete.
- 410 (i) "Record" means information that is inscribed on a
 411 tangible medium or that is stored in an electronic or other medium
 412 and is retrievable in perceivable form.

413		(j)	"Regist	tration"	means	registration	as	an	athlete
414	agent	pursuant	to this	s chapte	r.				

415		(k) '	'State"	means	a state	of the	United	State	es,	the
416	District o	of Colu	umbia,	Puerto	Rico, t	he Unite	ed Stat	es Vir	gin	
417	Islands,	or any	territ	ory or	insular	possess	sion su	bject	to	the
418	jurisdict	ion of	the Un	ited St	ates.					

- in, is eligible to engage in, or may be eligible in the future to engage in, a sport for a professional sports team or in any intercollegiate sport at any educational institution. If an individual is permanently ineligible to participate in a particular intercollegiate sport, the individual is not a student-athlete for purposes of that sport.
- 426 **SECTION** $\underline{9}$. This act shall take effect and be in force from 427 and after July 1, 2021, and shall stand repealed on June 30, 2021.