By: Senator(s) Parks

To: Universities and Colleges

## SENATE BILL NO. 2690 (As Sent to Governor)

AN ACT TO AMEND SECTION 37-97-103, MISSISSIPPI CODE OF 1972, TO CLARIFY THE DEFINITIONS OF CERTAIN TERMINOLOGY RELATED TO NAME, IMAGE AND LIKENESS AGREEMENTS FOR STUDENT-ATHLETES; TO AMEND SECTION 37-97-105, MISSISSIPPI CODE OF 1972, TO CLARIFY THE 5 ABILITY OF A STUDENT-ATHLETE TO EARN COMPENSATION FOR THE USE OF HIS OR HER PUBLICITY RIGHTS; TO AMEND SECTION 37-97-107, MISSISSIPPI CODE OF 1972, TO CLARIFY THE AUTHORITY OF POSTSECONDARY EDUCATIONAL INSTITUTIONS REGARDING RESTRICTIONS ON 7 8 9 COMPENSATION FOR THE USE OF A STUDENT-ATHLETE'S PUBLICITY RIGHTS; 10 TO FURTHER RESTRICT ASSOCIATIONS OR ORGANIZATIONS WITH AUTHORITY OVER INTERCOLLEGIATE ATHLETIC PROGRAMS FROM PENALIZING A 11 12 POSTSECONDARY EDUCATIONAL INSTITUTION OR ITS INTERCOLLEGIATE ATHLETIC PROGRAM FOR COMPLIANCE WITH PROVISIONS OF THE MISSISSIPPI INTERCOLLEGIATE ATHLETICS COMPENSATION RIGHTS ACT; TO PERMIT 14 15 POSTSECONDARY EDUCATIONAL INSTITUTIONS TO FACILITATE OPPORTUNITIES 16 FOR STUDENT-ATHLETES TO ENGAGE THIRD PARTIES INTERESTED IN 17 ENTERING INTO NAME, IMAGE AND LIKENESS AGREEMENTS; TO REMOVE THE 18 PROHIBITION ON A STUDENT-ATHLETE ENTERING INTO A NAME, IMAGE AND 19 LIKENESS AGREEMENT BEFORE ENROLLING AT A POSTSECONDARY EDUCATIONAL INSTITUTION; TO AMEND SECTION 73-42-19, MISSISSIPPI CODE OF 1972, 20 TO REVISE THE REQUIRED WARNING TO STUDENT-ATHLETES IN AN AGENCY 21 22 CONTRACT TO CONFORM TO THE PROVISIONS OF THIS ACT; AND FOR RELATED 23 PURPOSES.

- 24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:
- 25 **SECTION 1.** Section 37-97-103, Mississippi Code of 1972, is
- 26 amended as follows:



37-97-103. (1) As used in this article, the following
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- 28 shall have the following meanings unless the context clearly
- 29 indicates otherwise:
- 30 (a) "Compensation" means anything of value, monetary or
- 31 otherwise, including, but not limited to, cash, gifts, in-kind
- 32 items of value, social media compensation, payments for licensing
- 33 or use of publicity rights, payments for other intellectual or
- 34 intangible property rights under federal or state law, and any
- 35 other form of payment or remuneration, except as excluded under
- 36 this article.
- For the purposes of this article, "compensation" shall not
- 38 mean or include the following:
- 39 (i) Tuition, room, board, books, fees and personal
- 40 expenses that a postsecondary educational institution provides a
- 41 student-athlete in accordance with the rules of the athletic
- 42 association or conference of which the postsecondary educational
- 43 institution is a member;
- 44 (ii) Federal Pell Grants and other state and
- 45 federal grants or scholarships unrelated to, and not awarded
- 46 because of a student-athlete's participation in intercollegiate
- 47 athletics or sports competition;
- 48 (iii) Any other financial aid, benefits or awards
- 49 that a postsecondary educational institution provides a
- 50 student-athlete in accordance with the rules of the athletic

- 51 association or conference of which the postsecondary educational
- 52 institution is a member; or
- 53 (iv) The payment of wages and benefits to a
- 54 student-athlete for work actually performed \* \* \* for services
- 55 unrelated to a student-athlete's publicity rights or other
- 56 intellectual or intangible property rights of a student-athlete
- 57 under federal or state law.
- 58 (b) "Image" means a picture of the student-athlete.
- (c) "Intercollegiate athletics program" means an
- 60 intercollegiate athletics program played at the collegiate level
- 61 for which eligibility requirements for participation by a
- 62 student-athlete are established by a national association for the
- 63 promotion or regulation of collegiate athletics.
- 64 (d) "Likeness" means a physical, digital or other
- 65 depiction or representation of a student-athlete.
- 66 (e) "Name" means the first or last name, or the
- 67 nickname, of a student-athlete when used in a context that
- 68 reasonably identifies the student-athlete with particularity.
- (f) "Name, Image and Likeness Agreement" means a
- 70 contract or \* \* \* other arrangement between a student-athlete and
- 71 a third-party \* \* \* regarding the \* \* \* use of the \* \* \* publicity
- 72 of the student-athlete.
- 73 (g) "Publicity right" means any right \* \* \*:

- 74 (i) \* \* \* Associated with the name, image, \* \* \*
- 75 likeness \* \* \*, publicity, reputation, fame or personal following
- 76 of a student-athlete; or
- 77 (ii) Recognized under a federal or state law \* \* \*
- 78 as permitting an individual to control and profit from the \* \*  $\star$
- 79 use of the name, image \* \* \*, likeness, publicity, reputation,
- 80 fame or personal following of the individual.
- 81 (h) "Postsecondary educational institution" means a
- 82 public university or community college or private university or
- 83 college.
- (i) "Social media compensation" means all forms of
- 85 payment for engagement on social media received by a
- 86 student-athlete as a result of the use of that
- 87 student-athlete's \* \* \* publicity rights.
- 88 (j) "Student-athlete" means an individual who engages
- 89 in, is eligible to engage in, or may be eligible in the future to
- 90 engage in, intercollegiate athletics program at a postsecondary
- 91 educational institution, including, without limitation,
- 92 prospective student-athletes of an intercollegiate athletics
- 93 program. If an individual is permanently ineligible to
- 94 participate in a particular intercollegiate sport, the individual
- 95 is not a student-athlete for purposes of that sport.
- 96 (k) "Third party \* \* \*" means any individual or entity
- 97 or group of the same, acting independently or collectively,
- 98 that \* \* \* enters into an agreement for the publicity rights \* \* \*

- 99 of a student-athlete or group of student-athletes. The term
- 100 "third party \* \* \*" shall not include any national association for
- 101 the promotion or regulation of collegiate athletics, athletics
- 102 conference, or postsecondary educational institution.
- 103 **SECTION 2.** Section 37-97-105, Mississippi Code of 1972, is
- 104 amended as follows:
- 105 37-97-105. (1) Except as provided in Section 37-97-107, a
- 106 student-athlete may:
- 107 (a) Earn compensation,  $\star$   $\star$  for the use of  $\star$   $\star$
- 108 publicity rights of the student-athlete \* \* \*; and
- 109 (b) Obtain and retain a certified agent for any matter
- 110 or activity relating to such compensation.
- 111 (2) No student-athlete may earn compensation in exchange for
- 112 the student-athlete's athletic ability or participation in
- 113 intercollegiate athletics or sports competition.
- 114 (3) Notwithstanding any other provision of applicable law or
- 115 agreement to the contrary, a student-athlete shall not be deemed
- 116 an employee or independent contractor of an association, a
- 117 conference, or a postsecondary educational institution based on
- 118 the student-athlete's participation in an intercollegiate
- 119 athletics program.
- 120 **SECTION 3.** Section 37-97-107, Mississippi Code of 1972, is
- 121 amended as follows:
- 122 37-97-107. (1) Except as provided for under this article, a
- 123 postsecondary educational institution shall not uphold any

- 124 contract, rule, regulation, standard or other requirement that
- 125 prevents a student-athlete of that institution from earning
- 126 compensation \* \* \* for the use of the student's \* \* \* publicity
- 127 rights. Any such contract, rule, regulation standard or other
- 128 requirement shall be void and unenforceable against the
- 129 postsecondary educational institution or the student-athlete.
- 130 Compensation from the use of a student-athlete's \* \* \* publicity
- 131 rights may not affect the student-athlete's scholarship
- 132 eligibility, grant-in-aid or other financial aid, awards or
- 133 benefits, or the student-athlete's intercollegiate athletic
- 134 eligibility. Nothing in this article is intended to alter any
- 135 state and federal laws or regulations regarding the award of
- 136 financial aid at postsecondary educational institutions.
- 137 (2) Except as provided for in this article, an athletic
- 138 association, conference or other group or organization with
- 139 authority over intercollegiate athletic programs, including, but
- 140 not limited to, the National Collegiate Athletic Association
- 141 (NCAA) and the National Junior College Athletic Association
- 142 (NJCAA), shall not prevent, or otherwise enforce a contract, rule,
- 143 regulation, standard or other requirement that prevents, a
- 144 student-athlete of a postsecondary educational institution from
- 145 earning compensation as a result of the use of the
- 146 student-athlete's \* \* \* publicity rights.
- 147 (3) To protect the integrity of its educational mission and
- 148 intercollegiate athletics program, a postsecondary educational

L49	institution may impose reasonable limitations on the dates and
L50	time that a student-athlete may participate in endorsement,
L51	promotional, social media or other activities related to the
L52	license or use of the student-athlete's * * * publicity rights.
L53	Nothing in this article shall restrict a postsecondary educational
L54	institution from exercising its sole discretion to control the
L55	authorized use of its marks or logos or to determine a
L56	student-athlete's apparel, gear or other wearables during an
L57	intercollegiate athletics competition or institution-sponsored
L58	event. A student-athlete may not receive or enter into a contract
L59	for compensation for the use of his or her * * * publicity rights
L60	in a way that also uses any registered or licensed marks, logos,
L61	verbiage or designs of a postsecondary institution, unless the
L62	institution has provided the student-athlete with written
L63	permission to do so prior to * * * entering into the agreement or
L64	receipt of compensation. If permission is granted, the
L65	postsecondary educational institution, by agreement of all
L66	parties, may be compensated for the use in a manner consistent
L67	with market rates. A postsecondary educational institution may
L68	also prohibit a student-athlete from wearing any item of clothing,
L69	shoes, or other gear or wearables with the name, logo or insignia
L70	of any entity during an intercollegiate athletics competition or
L71	institution-sponsored event.

(4) An athletic association, conference or other group or

organization with authority over intercollegiate athletics

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174	programs, including, but not limited to, the National Collegiate
175	Athletic Association and the National Junior College Athletic
176	Association, shall not enforce a contract, rule, regulation,
177	standard or other requirement that prevents a postsecondary
178	educational institution from participating in an intercollegiate
179	athletics program, or otherwise penalize the postsecondary
180	educational institution or its intercollegiate athletic program,
181	as a result of activities permitted by this article, including,
182	without limitation, the compensation of a student-athlete for the
183	use of the student-athlete's * * * publicity rights.
184	(5) (a) A postsecondary educational institution, athletic

- association, conference or other group 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 \* \*:

  ( \* \* \*i) Enter into, or offer to enter into, a
- 189 (\*\* $\frac{1}{2}$ ) Enter into, or offer to enter into, a 190 name, image and likeness agreement with a \* \* \* student-athlete; 191 or
- 192 (\* \* \* $\underline{ii}$ ) Provide a \* \* \* student-athlete or the 193 student-athlete's family compensation in relation to the use of 194 the student-athlete's \* \* \*  $\underline{publicity\ rights}$ .
- (b) A postsecondary educational institution may
  facilitate opportunities for student-athletes to engage with third
  parties interested in entering into name, image, and likeness
  agreements, and may communicate with third parties interested in

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199	providing	name,	image,	and	likeness	agreements	to

## 200 student-athletes.

- 201 A postsecondary educational institution, athletic 202 association, conference or other group or organization with 203 authority over intercollegiate athletics programs, including, but 204 not limited to, the National Collegiate Athletic Association and 205 the National Junior College Athletic Association shall not prevent 206 a student-athlete from obtaining professional representation in 207 relation to \* \* \* publicity rights, or to secure a name, image and likeness agreement, including, but not limited to, representation 208 209 provided by athlete agents or legal representation provided by 210 attorneys. A student-athlete shall provide the postsecondary 211 educational institution with written notice at least seven (7) 212 days prior to entering into a representation agreement with any 213 individual for the purpose of exploring or securing compensation 214 for use of the student-athlete's \* \* \* publicity rights.
- 215 (7) Professional representation obtained by student-athletes
  216 must be from persons registered as athlete agents as provided in
  217 Section 73-42-1 et seq. of the Uniform Athlete Agent Act.
  218 Attorneys who provide legal representation to student-athletes
  219 must be licensed to practice law in the State of Mississippi and
- 220 in good standing with The Mississippi Bar.
- 221 (8) Athlete agents representing student-athletes shall 222 comply with the Uniform Athlete Agents Act, Section 73-42-1 et 223 seq., Mississippi Code of 1972, and the federal Sports Agent

- Responsibility and Trust Act in 15 USC Sections 7801-7807 in their relationships with student-athletes.
- (9) 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
- (10) Before any  $\star$   $\star$  agreement for compensation for the use 233 of a student-athlete's \* \* \* publicity rights is \* \* \* entered 234 235 into, and before any compensation is provided to the 236 student-athlete in advance of  $\star$   $\star$  an agreement, the 237 student-athlete shall disclose the \* \* \* agreement to a designated 238 official of the postsecondary educational institution in which the 239 student-athlete is enrolled in a manner prescribed by the 240 institution.
- (11) A third-party \* \* \* may not enter into, or offer to 241 242 enter into, a name, image and likeness agreement with a 243 student-athlete or otherwise compensate a student-athlete for the use of the student-athlete's \* \* \* publicity rights if a provision 244 245 of the name, image and likeness agreement or the use of the 246 student-athlete's \* \* \* publicity rights conflicts with a 247 provision of a contract, rule, regulation, standard or other requirement of the postsecondary educational institution unless 248

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pursuant to this article.

- such contract or use is expressly approved in writing by the postsecondary educational institution.
- 251 (12) No postsecondary educational institution, booster \* \* \*
- 252 or third-party \* \* \* shall provide a \* \* \* student-athlete
- 253 compensation or enter into a name, image and likeness agreement as
- 254 an inducement for the student-athlete to attend or enroll in a
- 255 specific institution or group of institutions. Compensation for a
- 256 student-athlete's \* \* \* publicity rights may not be conditioned on
- 257 athletic performance or attendance \* \* \*.
- 258 \* \* \*
- 259 ( \* \* \*13) No student-athlete shall enter into a name,
- 260 image, and likeness agreement or receive compensation from a
- 261 third-party licensee for the endorsement or promotion of gambling,
- 262 sports betting, controlled substances, marijuana, tobacco or
- 263 alcohol \* \* \*, brand or \* \* product, alternative or electronic
- 264 nicotine product or delivery system, performance-enhancing \* \* \*
- 265 supplement, adult entertainment or any other product or service
- 266 that is reasonably considered to be inconsistent with the values
- 267 or mission of a postsecondary educational institution or that
- 268 negatively impacts or reflects adversely on a postsecondary
- 269 education institution or its athletic programs, including, without
- 270 limitation, bringing about public disrepute, embarrassment,
- 271 scandal, ridicule or otherwise negatively impacting the reputation
- 272 or the moral or ethical standards of the postsecondary educational
- 273 institution.

274	( * * * <u>14</u> ) * * * <u>An agreement</u> for the use of * * * a
275	student-athlete's * * * publicity rights which is formed while the
276	student-athlete is participating in an intercollegiate sport at a
277	postsecondary educational institution may not extend beyond the
278	student-athlete's participation in the sport at the institution.

- (\* \*  $\star$  15) Nothing in this article shall be interpreted to modify any requirements or obligations imposed under Title IX of the Education Amendments of 1972 (20 USC 1681 et seq.).
- 282 **SECTION 4.** Section 73-42-19, Mississippi Code of 1972, is amended as follows:
- 73-42-19. (1) An agency contract must be in a record, signed by the parties.
  - (2) An agency contract must state or contain:
- 287 (a) The amount and method of calculating the
  288 consideration to be paid by the student-athlete for services to be
  289 provided by the athlete agent under the contract and any other
  290 consideration or anything of value that the athlete agent has
  291 received or will receive from any other source for entering into
  292 the contract or for providing the services;
- 293 (b) The name of any person not listed in the
  294 application for registration or renewal who will be compensated
  295 because the student-athlete signed the agency contract;
- 296 (c) A description of any expenses that the 297 student-athlete agrees to reimburse;

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298	(d) A description of the services to be provided to the
299	student-athlete;
300	(e) The duration of the contract; and
301	(f) The date of execution.
302	(3) An agency contract must contain, in close proximity to
303	the signature of the student-athlete, a conspicuous notice in
304	boldface type in capital letters stating:
305	WARNING TO STUDENT-ATHLETE
306	IF YOU SIGN THIS CONTRACT:
307	(1) YOU MAY LOSE YOUR ELIGIBILITY TO COMPETE AS A
308	STUDENT-ATHLETE IN YOUR SPORT UNLESS THIS CONTRACT IS SERVING AS A
309	NAME, IMAGE AND LIKENESS AGREEMENT PURSUANT TO SECTION 37-97-103;
310	(2) BOTH YOU AND YOUR ATHLETE AGENT ARE REQUIRED TO TELL
311	YOUR ATHLETIC DIRECTOR, IF YOU HAVE AN ATHLETIC DIRECTOR, WITHIN
312	72 HOURS AFTER ENTERING INTO AN AGENCY CONTRACT; AND
313	(3) YOU MAY CANCEL THIS CONTRACT WITHIN 14 DAYS AFTER
314	SIGNING IT. CANCELLATION OF THE CONTRACT MAY NOT REINSTATE YOUR
315	ELIGIBILITY.
316	(4) An agency contract that does not conform to this section
317	is voidable by the student-athlete.
318	(5) The athlete agent shall give a copy of the signed agency
319	contract to the student-athlete at the time of signing.
320	SECTION 5. This act shall take effect and be in force from
321	and after its passage.