

SECOND REGULAR SESSION

SENATE BILL NO. 1063

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR O'LAUGHLIN.

Read 1st time February 27, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5655S.011

AN ACT

To amend chapter 173, RSMo, by adding thereto one new section relating to compensation for student athletes.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 173, RSMo, is amended by adding thereto one new section, to be known as section 173.280, to read as follows:

173.280. 1. As used in this section, the following terms mean:

(1) "Athlete", an individual who participates or has participated in an intercollegiate sport for a postsecondary educational institution. "Athlete" shall not be construed to apply to an individual's participation in a college intramural sport or in a professional sport outside of intercollegiate athletics;

(2) "Athletic association", an entity with athletics governance authority that is composed of postsecondary educational institutions and athletic conferences;

(3) "Athletic conference", an entity that has athletics governance authority, is a member of an athletic association, and has a membership composed of postsecondary educational institutions that compete against other postsecondary educational institutions. "Athletic conference" includes a collaboration of such entities, such as the autonomy conferences;

(4) "Certification", the process of developing and enforcing professional and legal policies and practices;

(5) "Group", three or more athletes from the same sport;

(6) "Group licensing", any agreement to allow a third party the right to use the name, image, likeness rights, or athletic reputation of a group;

22 (7) "Postsecondary educational institution", any campus of a
23 public or private institution of higher education in this state that is
24 subject to the coordinating board for higher education under section
25 173.005;

26 (8) "Third party", any individual or entity other than a
27 postsecondary educational institution, athletic conference, or athletic
28 association.

29 2. (1) No postsecondary educational institution shall uphold any
30 rule, requirement, standard, or other limitation that prevents a student
31 of that institution from fully participating in intercollegiate athletics
32 without penalty and earning compensation as a result of the use of the
33 student's name, image, likeness rights, or athletic reputation. Earning
34 compensation from the use of a student's name, image, likeness rights,
35 or athletic reputation shall not affect the student's grant-in-aid or
36 stipend eligibility, amount, duration, or renewal.

37 (2) No postsecondary educational institution shall interfere with
38 or prevent a student from fully participating in intercollegiate athletics
39 or obtaining professional representation in relation to contracts or
40 legal matters including, but not limited to, representation provided by
41 athlete agents, financial advisors, or legal representation provided by
42 attorneys.

43 3. A grant-in-aid or stipend from the postsecondary educational
44 institution in which a student is enrolled shall not be construed to be
45 compensation for use of the student's name, image, likeness rights, or
46 athletic reputation for purposes of this section, and no grant-in-aid or
47 stipend shall be revoked or reduced as a result of a student earning
48 compensation under this section.

49 4. (1) No student athlete shall enter into an apparel, equipment,
50 or beverage contract providing compensation to the athlete for use of
51 the athlete's name, image, likeness rights, or athletic reputation if the
52 contract requires the athlete to display a sponsor's apparel, equipment,
53 or beverage or otherwise advertise for the sponsor during official team
54 activities if such provisions are in conflict with a provision of the
55 athlete's team contract.

56 (2) Any student athlete who enters into a contract providing
57 compensation to the athlete for use of the athlete's name, image,
58 likeness rights, or athletic reputation shall disclose the full contract to

59 an official of the postsecondary educational institution, with such
60 official to be designated by such institution. No institution or its
61 designated official shall disclose terms of an athlete's contract that the
62 athlete or the athlete's legal representation deems to be a trade secret
63 or nondisclosable.

64 (3) An institution asserting a conflict described in subdivision (1)
65 of this subsection shall disclose to the student athlete or the athlete's
66 legal representation the full contract the institution asserts to be in
67 conflict. No athlete or member of the athlete's legal representation
68 shall disclose terms of an institution's contract that the institution
69 deems to be a trade secret or nondisclosable.

70 5. No team contract of a postsecondary educational institution's
71 athletic program shall prevent a student athlete from receiving
72 compensation for using the athlete's name, image, likeness rights, or
73 athletic reputation for a commercial purpose when the athlete is not
74 engaged in official mandatory team activities that are recorded in
75 writing and made publicly available. Such team activities shall not
76 exceed twenty hours per week during the season and eight hours per
77 week during the off-season.

78 6. (1) Postsecondary educational institutions that enter into
79 commercial agreements that directly or indirectly require the use of an
80 athlete's name, image, likeness rights, or athletic reputation shall
81 conduct a financial development program of up to fifteen hours in
82 duration once per year for their athletes.

83 (2) The financial development program shall not include any
84 marketing, advertising, referral, or solicitation by providers of
85 financial products or services.

86 7. (1) Postsecondary educational institutions shall help
87 distribute informational materials as needed.

88 (2) Postsecondary educational institutions shall inform their
89 athletes of such meetings and provide appropriate meeting space.

90 8. Athlete attorney representation shall be by persons licensed
91 by this state.

92 9. (1) Any athlete may bring a civil action against third parties
93 that violate this section for appropriate injunctive relief or actual
94 damages, or both. Such action shall be brought in the county where the
95 violation occurred, or is about to occur, and the court shall award

96 **damages, court costs, and reasonable attorney's fees to a prevailing**
97 **plaintiff.**

98 **(2) Students and state or local prosecutors seeking to prosecute**
99 **violators of this section shall not be deprived of any protections**
100 **provided under law with respect to a controversy that arises, and shall**
101 **have the right to adjudicate claims that arise under this section.**

102 **10. Legal settlements shall not permit noncompliance with this**
103 **section.**

104 **11. This section shall apply only to agreements or contracts**
105 **entered into, modified, or renewed on or after July 1, 2021. Such**
106 **agreements or contracts include, but are not limited to, the national**
107 **letter of intent, an athlete's financial aid agreement, commercial**
108 **contracts in the athlete group licensing market, and athletic conference**
109 **or athletic association rules or bylaws.**

110 **12. The state of Missouri hereby requests that any federal**
111 **legislation relating to this section respect and permit Missouri college**
112 **athletes' rights, protections, and other provisions included in this**
113 **section.**

114 **13. This section shall become effective on July 1, 2021.**

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