An Act

ENROLLED SENATE BILL NO. 1786

By: Thompson (Kristen) of the Senate

and

Kannady and Deck of the House

An Act relating to the Student Athlete Name, Image and Likeness Rights Act; amending 70 O.S. 2021, Sections 820.23, as amended by Section 2, Chapter 315, O.S.L. 2023, 820.25, as amended by Section 4, Chapter 315, O.S.L. 2023, and Section 6, Chapter 315, O.S.L. 2023 (70 O.S. Supp. 2023, Sections 820.23, 820.25, and 820.27), which relate to compensation, limitations on contracts, and restrictions on collegiate athletic associations; removing prohibition for certain compensation; authorizing certain representation or compensation; providing exception to certain contractual requirement; modifying prohibitions for certain associations or institutions; extending liability protections to certain officers; amending 70 O.S. 2021, Section 822.2, which relates to prohibited transactions; clarifying definition of certain association; adding exception to applicability of certain provisions; updating statutory language; and declaring an emergency.

SUBJECT: Student Athlete Name, Image and Likeness Rights Act

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 70 O.S. 2021, Section 820.23, as amended by Section 2, Chapter 315, O.S.L. 2023 (70 O.S. Supp. 2023, Section 820.23), is amended to read as follows:

Section 820.23. A. Except as otherwise provided in the Student Athlete Name, Image and Likeness Rights Act, a student athlete may earn compensation for the use of the name, image, or likeness of the student athlete while enrolled at a postsecondary institution without penalty or resulting limitation on participation. Compensation for the use of a student athlete's name, image, or likeness shall not affect the student athlete's eligibility for athletic grant-in-aid.

- B. A student athlete shall not earn compensation in exchange for his or her athletic performance or participation in intercollegiate athletics or sports competition. Compensation shall not be provided as an inducement for athletic performance or to attend or enroll at a particular institution.
- C. A postsecondary institution or an officer, director, or employee of such a third party authorized to act on behalf of the postsecondary institution shall not may provide professional representation or and compensate or cause compensation to be directed to a current or prospective student athlete for his or her name, image, or likeness unless otherwise if permitted by a collegiate athletics association, of which the postsecondary institution is a member, and institutional policy.
- D. C. A collegiate athletic association shall not prohibit a postsecondary institution or a third party authorized to act on behalf of a postsecondary institution from identifying, facilitating, enabling, or supporting opportunities for a student athlete to earn compensation for the student athlete's name, image, or likeness activities.
- $\overline{\text{E. D.}}$ The provisions of this section shall not be construed to qualify a student athlete as an employee of a postsecondary institution.
- SECTION 2. AMENDATORY 70 O.S. 2021, Section 820.25, as amended by Section 4, Chapter 315, O.S.L. 2023 (70 O.S. Supp. 2023, Section 820.25), is amended to read as follows:

Section 820.25. A. A student athlete shall not use a postsecondary institution's marks for the purpose of securing compensation for use of his or her name, image, or likeness unless authorized by the postsecondary institution.

- B. A student athlete shall not enter into a name, image, and likeness agreement involving a commercial product or service that conflicts with a written policy of the postsecondary institution or that negatively impacts or reflects adversely on the postsecondary institution or its athletic programs including, but not limited to, generating public disrepute, embarrassment, scandal, ridicule or otherwise negatively impacting the reputation or the moral or ethical standards of the postsecondary institution.
- C. A contract for the use of a student athlete's name, image, or likeness or a contract for professional representation related to name, image, or likeness that is formed while the student athlete is participating in an intercollegiate sport at a postsecondary educational institution may not extend beyond the student athlete's participation in the sport at the institution unless the contract is between the student athlete and the postsecondary institution or a third party authorized to act on behalf of the postsecondary institution.
- D. A postsecondary institution may adopt reasonable time, place, and manner restrictions to prevent a student athlete's name, image, or likeness activities from interfering with team activities, the postsecondary institution's operations, or the use of the institution's facilities. A postsecondary institution may receive compensation for the use of its institutional marks or facilities in conjunction with a student athlete's name, image, and likeness activities.
- E. A collegiate athletic association shall not prohibit a postsecondary institution from establishing agreements with a third-party entity third party to act on its behalf to identify, facilitate, enable, or support student athlete name, image, and likeness activities.
- F. An institution may require a student athlete to take courses or receive education or training in contracts, financial literacy,

or any other subject the postsecondary institution deems necessary to prepare a student athlete to engage in name, image, and likeness activities.

SECTION 3. AMENDATORY Section 6, Chapter 315, O.S.L. 2023 (70 O.S. Supp. 2023, Section 820.27), is amended to read as follows:

Section 820.27. A. A collegiate athletic association shall not and shall not authorize its member institutions to:

- 1. Prevent a student athlete at a postsecondary institution from earning compensation $\frac{\text{from }}{\text{for}}$ the use of his or her name, image, or likeness;
- 2. Provide a prospective student athlete with compensation in relation to the use of his or her name, image, or likeness;
- 3. Penalize a student athlete or prevent a student athlete from full participation in an intercollegiate sport because he or she obtains professional representation or receives assistance with services associated with name, image, or likeness activities including with contracts or other legal matters from an individual, entity, or a postsecondary institution; or
- $\frac{4\cdot 3\cdot}{\text{his}}$ Allow compensation earned by a student athlete for the use of his or her name, image, or likeness or athletic reputation to affect the amount, duration, or renewal of or eligibility for any athletic grant-in-aid or other institutional scholarship; provided, however, compensation earned by a student athlete for the use of his or her name, image, or likeness or athletic reputation may be used for the calculation of income for determining eligibility for needbased financial aid.
- B. A collegiate athletic association shall not and shall not authorize its member institutions to:
- 1. Prevent a postsecondary institution from participation in intercollegiate athletics because a student athlete in attendance has previously earned or intends to earn compensation for the use of his or her name, image, or likeness;

- 2. Entertain a complaint, open an investigation, or take any other adverse action against a postsecondary institution or an employee or student athlete of a postsecondary institution for engaging in any activity protected in the Student Athlete Name, Image and Likeness Rights Act or for involvement in student athlete name, image, or likeness activities; or
- 3. Penalize a postsecondary institution from participation in intercollegiate athletics or an employee or student athlete of a postsecondary institution because an individual or entity whose purpose includes supporting or benefitting the postsecondary institution or its athletic programs violates the collegiate athletic association's rules or regulations with regard to student athlete name, image, or likeness activities.
- C. No postsecondary institution's <u>officers or</u> employees, including athletics coaching staff, shall be liable for any damages to a student athlete's ability to earn compensation for the use of the student athlete's name, image, or likeness resulting from decisions and actions routinely taken in the course of intercollegiate athletics.
- SECTION 4. AMENDATORY 70 O.S. 2021, Section 822.2, is amended to read as follows:
- Section 822.2. A. Except as provided for in subsection C of this section, no person shall give, offer, promise or attempt to give any money or other thing of value to a student-athlete student athlete or member of the immediate family of a student-athlete student athlete:
- 1. To induce, encourage or reward the application, enrollment or attendance of the student-athlete student athlete at a public or private institution of postsecondary education in order to have the student-athlete student athlete participate in intercollegiate sporting events, contests, exhibitions or programs at that institution; or
- 2. To induce, encourage or reward the participation in an intercollegiate sporting event, contest, exhibition or program by the student-athlete student athlete.

- B. No person shall enter into or solicit directly or through an agent a transaction with a student-athlete student athlete if the person has, or could be reasonably expected to have, knowledge that the transaction would likely cause the student-athlete student athlete to permanently or temporarily lose athletic scholarship eligibility, the ability to participate on an intercollegiate athletic team or the ability to participate in one or more intercollegiate sporting competitions as sanctioned by:
- 1. A national collegiate athletic association for the promotion and regulation of intercollegiate athletics as defined in the Student Athlete Name, Image and Likeness Act;
 - 2. An athletic conference or Any other sanctioning body; or
- 3. The institution of postsecondary education itself as a reasonable self-imposed disciplinary action taken by the institution to mitigate sanctions likely to be imposed by an organization as a result of the transaction or as a violation of the rules of the institution.
 - C. This section shall not apply to:
- 1. Any public or private institution of postsecondary education or to any officer or employee of the institution when the institution or the officer or employee of the institution is acting in accordance with an official written policy of the <u>postsecondary</u> institution which is in compliance with the bylaws of the <u>National</u> Collegiate Athletic Association;
- 2. Any intercollegiate athletic award approved or administered by the public or private institution of postsecondary education;
- 3. Grants-in-aid or other full or partial scholarships awarded to a student-athlete student athlete or administered by a public or private institution of postsecondary education;
- 4. Members of the immediate family of the student-athlete student athlete; and
- 5. Money or things of value given by a person to a studentathlete student athlete or the immediate family of a student-athlete

student athlete that do not exceed One Hundred Dollars (\$100.00) in value in the aggregate on an annual basis; and

- 6. A gift, offer, promise, or attempt to give money or other thing of value given by a person to a student athlete or member of the immediate family of a student athlete if such gift, offer, promise, or attempt conforms with the rules of any collegiate athletic association of which the postsecondary institution is a member.
- D. Any person who violates the provisions of this section shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine $\frac{1}{2}$ not less than One Thousand Dollars (\$1,000.00) and not more than Five Thousand Dollars (\$5,000.00), or by imprisonment not to exceed one (1) year, or by both such fine and imprisonment.

SECTION 5. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 12th day of March, 2024. Presiding Officer of the Senate Passed the House of Representatives the 16th day of April, 2024. Presiding Officer of the House of Representatives OFFICE OF THE GOVERNOR Received by the Office of the Governor this day of _____, 20____, at ____ o'clock _____ M. By: _____ Approved by the Governor of the State of Oklahoma this day of _____, 20____, at ____ o'clock ____ M. Governor of the State of Oklahoma OFFICE OF THE SECRETARY OF STATE Received by the Office of the Secretary of State this day of _____, 20 ____, at ____ o'clock _____M. By: