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Senate Bill 660 (as introduced 12-3-19)

Sponsor: Senator Adam Hollier Committee: Regulatory Reform

Date Completed: 2-18-20

## **CONTENT**

## The bill would enact a new law to do the following:

- -- Prohibit an amateur sports organization from preventing a student athlete who resided in Michigan from earning compensation as a result of the use of his or her name, image, or likeness.
- -- Prohibit an amateur sports organization from providing a student athlete who attended a high school or a private or public institution of higher education in Michigan with compensation in relation to the athlete's name, image, or likeness.
- -- Prohibit an amateur sports organization from preventing a student athlete who resided in Michigan and participated, or aimed to participate, in interscholastic or intercollegiate athletics from obtaining professional representation or otherwise limit that student's ability to obtain such representation.
- -- Specify that a scholarship from a high school or a private or public institution of higher education in Michigan in which a student was enrolled that provided the student with the cost of attendance at that institution would not be compensation for the purposes of the proposed act.
- -- Specify that earning compensation from the use of a student's name, image, or likeness would not affect that student's scholarship eligibility at a high school or private or public institution of higher education in Michigan.
- -- Prescribe a civil fine, not to exceed \$100,000, for an amateur sports organization or other person that violated the proposed act.

The bill would take effect 90 days after it was enacted.

Specifically, the proposed act would prohibit an amateur sports organization, including the National Collegiate Athletic Association, from doing the following:

- -- Preventing a student athlete who resided in Michigan from earning compensation as a result of the use of the student's name, image, or likeness, or otherwise limiting that student's ability to earn such compensation.
- -- Preventing a high school or a private institution of higher education in Michigan from participating in interscholastic or intercollegiate athletics, or otherwise limiting such participation, as a result of a student of the high school or institution earning compensation for the use of the student's name, image, or likeness.
- -- Providing a student athlete who attended a high school or a private or public institution of higher education in Michigan with compensation in relation to the athlete's name, image, or likeness.

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-- Preventing a student athlete who resided in Michigan and participated, or aimed to participate, in interscholastic or intercollegiate athletics from obtaining professional representation in relation to contracts or legal matters, including representation provided by an athlete agent or legal representation provided by an attorney, or otherwise limiting that student's ability to obtain representation.

"Amateur sports organization" would mean a not-for-profit corporation, athletic conference or association, or other group that sponsors, arranges, operates, or determines or sets standards governing athlete or team eligibility for participation in an amateur athletic competition held in Michigan or in which Michigan residents compete or aim to compete. The term would include a youth, interscholastic, or intercollegiate sports organization. As used in the term, "resident" would include any individual enrolled in and attending a high school or public or private institution of higher education located in Michigan.

"Student athlete" would mean an individual who engages in, is eligible to engage in, or may be eligible to engage in any high school or intercollegiate contest, game, meet, match, tournament, regatta, or other sporting event.

A scholarship from a high school or a private or public institution of higher education in Michigan in which a student was enrolled that provided the student with the cost of attendance at that institution would not be compensation for the purposes of the proposed act. Earning compensation from the use of a student's name, image, or likeness would not affect that student's scholarship eligibility at a high school or private or public institution of higher education in Michigan.

A high school or private or public institution of higher education in Michigan could not revoke, as a result of a student earning compensation or obtaining legal representation in accordance with the proposed act, a scholarship provided to the student by that high school or institution.

An amateur sports organization or other person that violated the proposed act would be subject to a civil fine not to exceed \$100,000.

Legislative Analyst: Drew Krogulecki

## FISCAL IMPACT

The bill could result in additional revenues for local libraries. Although it is unknown how many people would be prosecuted under the bill's provisions, any additional revenue from imposed fines would go to local libraries.

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.