

# SENATE BILL NO. 1174

September 20, 2022, Introduced by Senator HOLLIER and referred to the Committee on Education and Career Readiness.

A bill to amend 2020 PA 366, entitled

"An act to prohibit postsecondary educational institutions in this state and certain athletic organizations from preventing a college athlete from receiving compensation for the use of his or her name, image, or likeness rights,"

by amending the title and sections 1, 2, 3, 4, 5, 6, 7, 8, and 10 (MCL 390.1731, 390.1732, 390.1733, 390.1734, 390.1735, 390.1736, 390.1737, 390.1738, and 390.1740) and by adding section 9a; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 TITLE

2 An act to prohibit **high schools and** postsecondary educational  
3 institutions ~~in this state~~ and certain athletic ~~sports~~  
4 organizations from preventing a ~~college~~ **an amateur** athlete from  
5 receiving compensation for the use of his or her name, image, or  
6 likeness rights; **to provide for the powers and duties of certain**  
7 **state and local governmental officers and entities; and to**  
8 **prescribe civil sanctions.**

9 Sec. 1. ~~(1)~~As used in this act: ~~,"postsecondary~~

10 (a) "Amateur athlete" means an athlete who is a resident and  
11 is not provided compensation for the time he or she spends  
12 competing in or training for an athletic competition. The term  
13 includes an individual who engages in, is eligible to engage in, or  
14 may be eligible to engage in any high school or intercollegiate  
15 contest, game, meet, match, tournament, regatta, or other sporting  
16 event. For purposes of this definition, a scholarship or other form  
17 of financial support that provides for the cost of attendance at a  
18 high school or a postsecondary educational institution is not  
19 compensation.

20 (b) "Amateur sports organization" means a not-for-profit  
21 corporation, athletic conference or association, or other group  
22 that sponsors, arranges, operates, or determines or sets standards  
23 governing athlete or team eligibility for participation in a  
24 contest, game, meet, match, tournament, regatta, or other sporting  
25 event in which amateur athletes compete. Amateur sports  
26 organization includes, but is not limited to, a youth,  
27 interscholastic, or intercollegiate sports organization.

28 (c) "High school" means a public school or nonpublic school in  
29 this state that offers at least 1 of grades 9 to 12.

1           (d) "Nonpublic school" means that term as defined in section 5  
2 of the revised school code, 1976 PA 451, MCL 380.5.

3           (e) "Postsecondary educational institution" means a public or  
4 private institution in this state that offers a degree or course of  
5 study beyond ~~the twelfth~~ grade 12 and receives state or federal  
6 funding of any kind.

7           ~~(2) A postsecondary educational institution shall not uphold~~  
8 ~~any rule, requirement, standard, or other limitation that prevents~~  
9 ~~a student of that institution from fully participating in~~  
10 ~~intercollegiate athletics based upon the student earning~~  
11 ~~compensation as a result of the student's use of his or her name,~~  
12 ~~image, or likeness rights. Earning compensation from the use of a~~  
13 ~~student's name, image, or likeness rights shall not affect a~~  
14 ~~student's scholarship eligibility or renewal.~~

15           (f) "Public school" means that term as defined in section 5 of  
16 the revised school code, 1976 PA 451, MCL 380.5.

17           (g) "Resident" means either of the following:

18           (i) An individual who resides in this state.

19           (ii) An individual who does not reside in this state, but is  
20 enrolled in and attending a high school or postsecondary  
21 educational institution.

22           Sec. 2. (1) ~~An athletic association, conference, or other~~  
23 ~~group or organization with authority over intercollegiate~~  
24 ~~athletics, **amateur sports organization**, including, but not limited~~  
25 ~~to, the National Collegiate Athletic Association, shall not do~~  
26 either of the following:

27           (a) Prevent ~~a student of a postsecondary educational~~  
28 ~~institution~~ **an amateur athlete** from fully participating in  
29 **interscholastic or** intercollegiate athletics based upon the ~~student~~

1 **amateur athlete** earning compensation as a result of the ~~student's~~  
 2 **amateur athlete's** use of his or her name, image, or likeness  
 3 rights, **or otherwise limit the amateur athlete's ability to earn**  
 4 **such compensation.**

5 (b) Prevent a **high school or** postsecondary educational  
 6 institution from fully participating in **interscholastic or**  
 7 intercollegiate athletics, **or otherwise limit such participation,**  
 8 without penalty based upon a ~~student's use of his or her~~ **an amateur**  
 9 **athlete earning compensation for the use of his or her** name, image,  
 10 or likeness rights.

11 (2) A high school or postsecondary educational institution  
 12 shall not uphold any rule, requirement, standard, or other  
 13 limitation that prevents an amateur athlete who is a student of  
 14 that high school or postsecondary educational institution from  
 15 fully participating in interscholastic or intercollegiate athletics  
 16 based upon the amateur athlete earning compensation for the use of  
 17 his or her name, image, or likeness rights.

18 Sec. 3. A **high school,** postsecondary educational institution,  
 19 ~~athletic association, conference, or other group or organization~~  
 20 ~~with authority over intercollegiate athletics~~ **amateur sports**  
 21 **organization, including, but not limited to, the National**  
 22 **Collegiate Athletic Association,** shall not do either of the  
 23 following:

24 (a) Provide a ~~prospective college~~ **an amateur** athlete who  
 25 **attends or** will attend a **high school or** postsecondary educational  
 26 institution with compensation in relation to the athlete's name,  
 27 image, or likeness rights.

28 (b) Prevent a ~~student~~ **an amateur athlete** who ~~resides in this~~  
 29 ~~state and~~ participates, **or aims to participate,** in **interscholastic**

1 **or** intercollegiate athletics from obtaining professional  
 2 representation in relation to contracts or legal matters regarding  
 3 opportunities to be compensated for use of the ~~student's~~ **amateur**  
 4 **athlete's** name, image, or likeness rights, including, but not  
 5 limited to, representation provided by an athlete agent or legal  
 6 representation provided by an attorney, **or otherwise limit that**  
 7 **amateur athlete's ability to obtain such representation.**

8       Sec. 4. **(1)** For purposes of this act, an athletics ~~grant-in~~  
 9 ~~aid~~ **grant-in-aid** or stipend scholarship from a **high school or**  
 10 postsecondary educational institution in which ~~a student~~ **an amateur**  
 11 **athlete** is enrolled is not compensation for use of ~~a student's~~ **an**  
 12 **amateur athlete's** name, image, or likeness rights. ~~, and the~~

13       **(2) A high school or postsecondary educational** institution  
 14 shall not revoke or reduce an athletics ~~grant-in-aid~~ **grant-in-aid**  
 15 or stipend scholarship based upon ~~a student~~ **an amateur athlete**  
 16 earning compensation in accordance with this act.

17       Sec. 5. **(1)** A **high school,** postsecondary educational  
 18 institution, ~~athletic association, conference, or other group or~~  
 19 **amateur sports** organization ~~with authority over intercollegiate~~  
 20 ~~athletics~~ shall not interfere with or prevent ~~a student~~ **an amateur**  
 21 **athlete** from fully participating in **interscholastic or**  
 22 intercollegiate athletics based upon the ~~student~~ **amateur athlete**  
 23 obtaining professional representation in relation to contracts or  
 24 legal matters regarding the ~~student's~~ **amateur athlete's**  
 25 opportunities to earn compensation for the ~~student's~~ **amateur**  
 26 **athlete's** use of his or her name, image, or likeness rights,  
 27 including, but not limited to, representation provided by an  
 28 athlete agent or financial advisor, or legal representation  
 29 provided by an attorney.

1           (2) ~~An athletic association, conference, or other group or~~  
2 ~~organization with authority over intercollegiate athletics, amateur~~  
3 **sports organization**, including, but not limited to, the National  
4 Collegiate Athletic Association, shall not prevent a **high school or**  
5 postsecondary educational institution from fully participating in  
6 **interscholastic or** intercollegiate athletics without penalty as a  
7 result of ~~a student~~ **an amateur athlete** obtaining professional  
8 representation in relation to contracts or legal matters regarding  
9 the ~~student's~~ **amateur athlete's** opportunities to earn compensation  
10 for the ~~student's~~ **amateur athlete's** use of his or her name, image,  
11 or likeness rights, including, but not limited to, representation  
12 provided by an athlete agent or financial advisor, or legal  
13 representation by an attorney.

14           (3) For purposes of this section, professional representation  
15 by an athlete agent, financial advisor, or attorney must be  
16 provided by persons licensed in this state, as applicable.

17           Sec. 6. ~~A student~~ **An amateur athlete** shall not enter into an  
18 apparel contract providing compensation to the ~~student~~ **amateur**  
19 **athlete** for use of his or her name, image, or likeness rights that  
20 requires the ~~student~~ **amateur athlete** to display a sponsor's  
21 apparel, or otherwise advertise for a sponsor, during official team  
22 activities if the provision is in conflict with a provision of the  
23 ~~student's~~ **amateur athlete's high school's or** postsecondary  
24 educational institution's team contract.

25           Sec. 7. (1) ~~A student~~ **An amateur athlete** who intends to enter  
26 into a verbal or written opportunity or contract that would provide  
27 compensation to the ~~student~~ **amateur athlete** for use of his or her  
28 name, image, or likeness rights shall disclose the proposed  
29 opportunity or contract to a designated official of the **high school**

1 or postsecondary educational institution that the ~~student-amateur~~  
2 **athlete** attends, as designated by that **high school or postsecondary**  
3 **educational** institution, at least 7 days ~~prior to~~**before** committing  
4 to the opportunity or contract, for review by that **high school or**  
5 **postsecondary educational** institution.

6 (2) If the **high school or** postsecondary educational  
7 institution described in subsection (1) identifies a conflict  
8 between the ~~student's-amateur athlete's~~ proposed opportunity or  
9 contract and any existing agreements of the **high school or**  
10 postsecondary educational institution, the **high school or**  
11 postsecondary educational institution shall communicate that  
12 conflict to the ~~student-amateur athlete~~ so that the ~~student-amateur~~  
13 **athlete** may negotiate a revision of the opportunity or contract to  
14 avoid the conflict and that revision is subject to additional  
15 review and approval by the **high school or** postsecondary educational  
16 institution in accordance with this section.

17 (3) A team contract of a **high school or** postsecondary  
18 educational institution's athletic program shall not prevent a  
19 ~~student-an amateur athlete~~ from receiving compensation for using  
20 his or her name, image, or likeness rights for a commercial purpose  
21 when the ~~student-amateur athlete~~ is not engaged in official team  
22 activities.

23 (4) ~~This~~**For a contract involving an amateur athlete who**  
24 **attends a postsecondary educational institution, this** section does  
25 not apply to ~~a-the~~ contract **if it was** entered into, modified, or  
26 renewed on or before ~~the effective date of this act.~~**January 4,**  
27 **2021. For a contract involving an amateur athlete who attends a**  
28 **high school, this section does not apply to the contract if it was**  
29 **entered into, modified, or renewed on or before the effective date**

1 of the amendatory act that added section 9a.

2 Sec. 8. (1) A legal settlement arising under this act shall  
3 does not permit noncompliance with this act.

4 (2) An amateur sports organization or other person that  
5 violates this act may be ordered to pay a civil fine of not more  
6 than \$100,000.00. A violation of this act may be prosecuted by the  
7 prosecutor of the county in which the violation occurred, or by the  
8 attorney general.

9 Sec. 9a. By June 30, 2023, any nonprofit trade association  
10 that represents high schools in this state shall provide to the  
11 chair of the appropriations committee of the house of  
12 representatives and the chair of the appropriations committee of  
13 the senate a written summary of the preparedness of the  
14 association's respective member institutions toward implementation  
15 of this act.

16 Sec. 10. (1) This act does not require a **high school**,  
17 postsecondary educational institution, ~~athletic association,~~  
18 ~~conference, or other group or~~ **amateur sports** organization with  
19 ~~authority over intercollegiate athletics~~ to identify, create,  
20 facilitate, negotiate, or otherwise enable opportunities for a  
21 ~~student~~ **amateur athlete** to earn compensation for the ~~student's~~  
22 **amateur athlete's** use of his or her name, image, or likeness  
23 rights.

24 (2) This act does not establish or bestow the right of a  
25 ~~student~~ **amateur athlete** to use the name, trademarks, services  
26 marks, logos, symbols, or any other intellectual property, whether  
27 registered or not, of a **high school**, postsecondary educational  
28 institution, ~~athletic association, conference, or other group or~~  
29 **amateur sports** organization with ~~authority over intercollegiate~~



1 ~~athletics,~~ in furtherance of the ~~student's~~ **amateur athlete's**  
2 opportunities to earn compensation for the ~~student's~~ **amateur**  
3 **athlete's** use of his or her name, image, or likeness rights.

4 (3) This act does not limit the right of a **high school or**  
5 postsecondary educational institution to establish and enforce any  
6 of the following:

7 (a) Academic standards, requirements, regulations, or  
8 obligations for its students.

9 (b) Team rules of conduct or other rules of conduct.

10 (c) Standards or policies regarding the governance or  
11 operation of or participation in **interscholastic athletics or**  
12 intercollegiate varsity athletics.

13 (d) Disciplinary rules and standards generally applicable to  
14 all students of the **high school or** postsecondary educational  
15 institution.

16 Enacting section 1. Enacting section 1 of 2020 PA 366 is  
17 repealed.

18 Enacting section 2. Section 11 of 2020 PA 366, MCL 390.1741,  
19 is repealed.

20 Enacting section 3. This amendatory act takes effect 90 days  
21 after the date it is enacted into law.