THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 808

Session of 2021

INTRODUCED BY MARTIN, TOMLINSON, BROWNE, A. WILLIAMS AND SAVAL, JULY 7, 2021

REFERRED TO EDUCATION, JULY 7, 2021

AN ACT

1 2 3 4 5 6 7 8 9	Amending the act of March 10, 1949 (P.L.30, No.14), entitled "Ar act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," adding provisions relating to intercollegiate athletics by providing for compensation regarding a college student athlete's name, image or likeness rights, for professional representation, for scholarships, for certain contracts violations and claims and for settlements.
11	The General Assembly of the Commonwealth of Pennsylvania
12	hereby enacts as follows:
13	Section 1. The act of March 10, 1949 (P.L.30, No.14), known
14	as the Public School Code of 1949, is amended by adding an
15	article to read:
16	<u>ARTICLE XX-K</u>
17	INTERCOLLEGIATE ATHLETICS
18	Section 2001-K. Scope of article.
19	This article relates to college athlete compensation related
20	to name, image or likeness and professional representation.
21	Section 2002-K. Definitions.
22	The following words and phrases when used in this article

- 1 shall have the meanings given to them in this section unless the
- 2 context clearly indicates otherwise:
- 3 "Athlete agent." As defined in 5 Pa.C.S. § 3102 (relating to
- 4 definitions.
- 5 "College student athlete." An individual enrolled at an
- 6 <u>institution of higher education who participates in</u>
- 7 <u>intercollegiate athletics for the institution of higher</u>
- 8 education. The term does not include an individual whose
- 9 participation is or was in a college intramural sport, club
- 10 <u>sport or in a professional sport outside of intercollegiate</u>
- 11 <u>athletics</u>.
- "Institution of higher education." Any of the following:
- 13 (1) A university within the State System of Higher
- 14 <u>Education</u>.
- 15 (2) The Pennsylvania State University, the University of
- 16 <u>Pittsburgh, Temple University, Lincoln University or any</u>
- other institution designated as State-related by the
- 18 <u>Commonwealth.</u>
- 19 (3) The Thaddeus Stevens College of Technology.
- 20 <u>(4) A community college as defined in Article XIX-A.</u>
- 21 (5) A college established under Article XIX-G.
- 22 (6) An institution of higher education located in and
- incorporated or chartered by the Commonwealth and entitled to
- 24 confer degrees as specified in section 24 Pa.C.S. § 6505
- 25 (relating to power to confer degrees) and as provided for by
- the standards and qualifications prescribed by the State
- 27 <u>Board of Education under 24 Pa.C.S. Ch. 65 (relating to</u>
- 28 private colleges, universities and seminaries).
- 29 <u>(7) A private school licensed under the act of December</u>
- 30 15, 1986 (P.L.1585, No.174), known as the Private Licensed

- 1 <u>Schools Act.</u>
- 2 (8) A foreign corporation approved to operate an
- 3 <u>educational enterprise under 22 Pa. Code Ch. 36 (relating to</u>
- 4 <u>foreign corporation standards</u>).
- 5 "NCAA." The National Collegiate Athletic Association.
- 6 <u>Section 2003-K. Compensation regarding college student</u>
- 7 <u>athlete's name, image or likeness rights.</u>
- 8 (a) Compensation allowed. -- A college student athlete may
- 9 <u>earn compensation for the use of the college student athlete's</u>
- 10 name, image or likeness under this article. The compensation
- 11 <u>shall be commensurate with the market value of the student</u>
- 12 athlete's name, image or likeness. The compensation may not be
- 13 provided in exchange, in whole or in part, for a current or
- 14 prospective student athlete to attend, participate or perform at
- 15 <u>a particular institution of higher education.</u>
- 16 (b) Prohibition regarding institutions of higher
- 17 education. -- An institution of higher education may not:
- 18 <u>(1) Uphold a rule, requirement, standard or other</u>
- 19 limitation that prevents a college student athlete of the
- 20 institution of higher education from earning compensation
- 21 through the use of the college student athlete's name, image
- or likeness rights.
- 23 (2) Arrange third-party compensation for a college
- 24 student athlete relating to the use of the college student
- 25 <u>athlete's name, image or likeness rights or use a similar</u>
- type of arrangement as an inducement to recruit a prospective
- 27 <u>college student athlete.</u>
- 28 (c) Prohibitions regarding intercollegiate athletic
- 29 <u>entities.--An athletic association, conference or other group or</u>
- 30 organization with authority over intercollegiate athletics,

- 1 including the NCAA, may not:
- 2 (1) Prevent a college student athlete from earning
- 3 compensation through the use or license of the college
- 4 <u>student athlete's name, image or likeness rights.</u>
- 5 (2) Prevent an institution of higher education from
- 6 <u>fully participating in intercollegiate athletics as a result</u>
- 7 of a college student athlete's use of the college student
- 8 <u>athlete's name, image or likeness rights to seek</u>
- 9 <u>compensation</u>.
- 10 (d) Royalty payment. -- A person that produces a college team
- 11 jersey, a college team video game or college team trading cards
- 12 for the purpose of making a profit shall make a royalty payment
- 13 to each college student athlete whose name, image, likeness or
- 14 other individually identifiable feature is used.
- 15 <u>Section 2004-K. Professional representation.</u>
- 16 <u>(a) Prohibitions.--</u>
- 17 (1) An institution of higher education, athletic
- 18 <u>association</u>, conference or other group or organization with
- 19 authority over intercollegiate athletics, including the NCAA,
- 20 <u>may not interfere with or prevent a college student athlete</u>
- 21 from fully participating in intercollegiate athletics for
- 22 <u>obtaining professional representation in relation to</u>
- 23 <u>contracts or legal matters, including representation provided</u>
- 24 by athlete agents, financial advisors or legal representation
- 25 provided by attorneys, in relation to a college student
- athlete's use of the college student athlete's name, image or
- 27 <u>likeness rights.</u>
- 28 (2) An athletic association, conference or other group
- or organization with authority over intercollegiate
- 30 athletics, including the NCAA, may not prevent an institution

- of higher education from fully participating in
- 2 intercollegiate athletics without penalty to the institution
- 3 <u>or individual student as a result of a college student</u>
- 4 <u>athlete obtaining professional representation in relation to</u>
- 5 <u>contracts or legal matters, including representation provided</u>
- 6 by athlete agents, financial advisors or legal representation
- 7 provided by attorneys, in relation to a college student
- 8 <u>athlete's use of the college student athlete's name, image or</u>
- 9 likeness rights.
- 10 (b) Qualifications. -- Professional representation obtained by
- 11 <u>a college student athlete shall be from a person:</u>
- 12 (1) acting as an athlete agent in accordance with 5
- Pa.C.S. Ch. 33 (relating to registration);
- 14 (2) acting as a financial advisor in accordance with the
- 15 laws of this Commonwealth; or
- 16 (3) admitted to practice law by a court of record of
- 17 this Commonwealth.
- 18 (c) Limitation. -- A person that represents an institution of
- 19 higher education may not represent a college student athlete in
- 20 <u>a business agreement.</u>
- 21 Section 2005-K. Scholarships.
- 22 (a) Eligibility. -- Earning compensation from the use of a
- 23 college student athlete's name, image or likeness rights may not
- 24 affect the college student athlete's scholarship eliqibility,
- 25 <u>duration or renewal.</u>
- 26 (b) Compensation.--
- 27 (1) For purposes of this article, an athletics grant-in-
- aid or stipend scholarship from an institution of higher
- 29 <u>education in which a college student athlete is enrolled may</u>
- 30 not be considered to limit a college student athlete's right

- 1 <u>to use the college student athlete's name, image or likeness</u>
- 2 <u>rights, except as expressly provided in this section.</u>
- 3 (2) An athletics grant-in-aid or stipend scholarship may
- 4 <u>not be revoked or reduced as a result of a college student</u>
- 5 <u>athlete earning compensation under this article, except if</u>
- 6 <u>otherwise mandated by Federal or state student aid</u>
- 7 <u>quidelines</u>.
- 8 Section 2006-K. Contracts.
- 9 (a) Opportunities. -- An institution of higher education,
- 10 <u>athletic association, conference or other group or organization</u>
- 11 with authority over intercollegiate athletics may not be
- 12 required to identify, create, facilitate, negotiate or enable
- 13 opportunities for a college student athlete to earn compensation
- 14 for the college student athlete's use of the college student
- 15 <u>athlete's name</u>, <u>image or likeness rights</u>.
- 16 (b) Use of trademarks. -- This article shall not establish or
- 17 grant a right to a college student athlete to use the name,
- 18 trademarks, services marks, logos, symbols or any other
- 19 intellectual property, registered or unregistered, of an
- 20 <u>institution of higher education</u>, athletic association,
- 21 conference or other group or organization with authority over
- 22 intercollegiate athletics, in furtherance of the college student
- 23 athlete's opportunities to earn compensation for the college
- 24 student athlete's use of the college student athlete's name,
- 25 <u>image or likeness rights.</u>
- 26 (c) Enforcement. -- This article shall not limit the right of
- 27 <u>an institution of higher education to establish and enforce any</u>
- 28 of the following:
- 29 <u>(1) Academic standards, requirements, regulations or</u>
- 30 obligations for the institution of higher education's college

- 1 <u>student athletes.</u>
- 2 (2) Team rules of conduct or other rules of conduct.
- 3 (3) Standards or policies regarding the governance or
- 4 <u>operation of or participation in intercollegiate athletics.</u>
- 5 <u>(4) Disciplinary rules and standards generally</u>
- 6 applicable to all students of the institution of higher
- 7 <u>education</u>.
- 8 (d) Prohibition. -- A college student athlete may not earn
- 9 compensation as a result of the use of the college student
- 10 athlete's name, image or likeness in connection with a person,
- 11 company or organization related to or associated with the
- 12 <u>development, production, distribution, wholesaling or retailing</u>
- 13 of any of the following:
- 14 <u>(1) Adult entertainment products and services.</u>
- 15 (2) Alcohol products.
- 16 (3) Casinos and gambling, including sports betting, the
- 17 lottery and betting in connection with video games, online
- 18 games and mobile devices.
- 19 (4) Tobacco and electronic smoking products and devices.
- 20 <u>(5) Prescription pharmaceuticals.</u>
- 21 (6) A controlled dangerous substance.
- 22 (e) Prohibition. -- An institution of higher education may
- 23 prohibit a college student athlete's involvement in name, image
- 24 or likeness activities that conflict with existing institutional
- 25 sponsorship arrangements at the time the college student athlete
- 26 discloses a contract to the institution of higher education as
- 27 required under subsection (f). An institution of higher
- 28 education, at the institution of higher education's discretion,
- 29 <u>may prohibit a college student athlete's involvement in name,</u>
- 30 image or likeness activities based on other considerations, such

- 1 as conflict with institutional values, as defined by the
- 2 <u>institution of higher education</u>. An institution of higher
- 3 <u>education shall have policies that specify the name, image or</u>
- 4 <u>likeness activities in which college student athletes may or may</u>
- 5 <u>not engage.</u>
- 6 (f) Disclosure.--A college student athlete who proposes to
- 7 enter into a contract providing compensation to the college
- 8 student athlete for use of the college student athlete's name,
- 9 <u>image or likeness rights shall disclose the contract at least</u>
- 10 seven days prior to execution of the contract to an official of
- 11 the institution of higher education, who is designated by the
- 12 <u>institution of higher education</u>.
- 13 <u>Section 2007-K. Violations and claims.</u>
- 14 (a) Protections and right to adjudicate. -- A college student
- 15 <u>athlete</u>, <u>institution of higher education or conference shall not</u>
- 16 <u>be deprived of a protection provided under State law with</u>
- 17 respect to a controversy that arises in this Commonwealth and
- 18 shall have the right to adjudication in this Commonwealth of a
- 19 claim that arises in this Commonwealth.
- 20 (b) Private civil action. -- A college student athlete shall
- 21 have the right to pursue a private civil action against a person
- 22 that violates this article. The court shall award costs and
- 23 reasonable attorney fees to a prevailing plaintiff in an action
- 24 brought against a person violating this article.
- 25 Section 2008-K. Settlements.
- Legal settlements made on or after the effective date of this
- 27 <u>section may not permit noncompliance with this article.</u>
- 28 Section 2009-K. Severability.
- The provisions of this article are severable. If any
- 30 provision of this article or the application of any provision of

- 1 this article is held to be invalid, that invalidity shall not
- 2 <u>affect any other provision or application of any other provision</u>
- 3 that can be given effect without the invalid provision or
- 4 application.
- 5 Section 2. This act shall take effect in 60 days.