

2022 Regular Session

HOUSE BILL NO. 576

BY REPRESENTATIVE STEFANSKI

AMUSEMENTS/SPORTS: Provides relative to the compensation of intercollegiate athletes for the use of their name, image, or likeness

1 AN ACT

2 To amend and reenact R.S. 17:3703, relative to intercollegiate athletics; to provide for the
3 responsibilities of postsecondary education institutions with respect to intercollegiate
4 athletes' compensation; to provide for an effective date; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 17:3703 is hereby amended and reenacted to read as follows:

8 §3703. Intercollegiate athlete's compensation and rights; responsibilities of
9 postsecondary education institutions

10 A.(1) An intercollegiate athlete at a postsecondary education institution may
11 earn compensation for the use of the athlete's name, image, or likeness.
12 Compensation must be commensurate with the market value of the authorized use
13 of the athlete's name, image, or likeness.

14 (2) To preserve the integrity, quality, character, and amateur nature of
15 intercollegiate athletics and to maintain a clear separation between amateur
16 intercollegiate athletics and professional sports, a postsecondary education
17 institution, an entity whose purpose includes supporting or benefitting such
18 institution or its intercollegiate athletic programs, or an officer, director, employee,
19 or agent of such institution or entity shall not provide a current or prospective athlete
20 with compensation for the use of the student athlete's name, image, or likeness.

1 B. A postsecondary education institution shall not adopt or maintain a
2 contract, rule, regulation, standard, or other requirement that prevents or unduly
3 restricts an intercollegiate athlete from earning compensation for the use of the
4 athlete's name, image, or likeness. Earning compensation shall not affect the
5 intercollegiate athlete's grant-in-aid or athletic eligibility.

6 ~~C. A postsecondary education institution, or an officer or employee of a
7 postsecondary education institution, shall not compensate or cause compensation to
8 be directed to a current or prospective intercollegiate athlete for the athlete's name,
9 image, or likeness.~~

10 ~~D. A postsecondary education institution shall not use an athletic booster to,
11 nor shall an athletic booster, directly or indirectly, create or facilitate compensation
12 opportunities for the use of an intercollegiate athlete's name, image, or likeness as
13 a recruiting inducement or as a means of paying for athletics participation.~~

14 E.(1) A postsecondary education institution may prohibit an intercollegiate
15 athlete from using the athlete's name, image, or likeness for compensation if the
16 proposed use of the athlete's name, image, or likeness conflicts with either of the
17 following:

- 18 (a) Existing institutional sponsorship agreements or contracts.
- 19 (b) Institutional values as defined by the postsecondary education institution.

20 (2) ~~An intercollegiate athlete shall not earn compensation for the~~ A
21 postsecondary education institution may prohibit an intercollegiate athlete from
22 using the athlete's name, image, or likeness for compensation if the proposed use of
23 the athlete's name, image, or likeness is for the endorsement of tobacco, alcohol,
24 illegal substances or activities, banned athletic substances, or any form of gambling
25 or gaming, including sports wagering.

26 (3) An intercollegiate athlete shall not use a postsecondary education
27 institution's facilities, uniforms, registered trademarks, products protected by
28 copyright, or official logos, marks, colors, or other indicia in connection with the use
29 of the athlete's name, image, or likeness without the express permission of the

1 postsecondary education institution. In granting this permission, a postsecondary
2 education institution may require the third-party entity engaging the athlete for a
3 name, image, or likeness activity to follow the protocols established by the
4 postsecondary education institution, including licensing protocols.

5 ~~F.~~ D.(1) A postsecondary education institution shall not prevent or unduly
6 restrict an intercollegiate athlete from obtaining professional representation by an
7 athlete agent or an attorney engaged for the purpose of securing compensation for
8 the use of the athlete's name, image, or likeness.

9 (2) Professional representation obtained by an intercollegiate athlete shall
10 be from persons registered with or licensed for such activity by the state as follows:

11 (a)(i) Representation provided by an athlete agent shall be by persons
12 registered with the state in accordance with, and in compliance with, the provisions
13 of Chapter 7 of Title 4 of the Louisiana Revised Statutes of 1950. However, the
14 notification provisions of R.S. 4:424(D)(3) shall not apply to an athlete agent who
15 contacts an intercollegiate athlete for the sole purpose of representing the athlete in
16 matters pertaining to the use of the athlete's name, image, or likeness.

17 (ii) An athlete agent representing an intercollegiate athlete shall comply with
18 the federal Sports Agent Responsibility and Trust Act, 15 U.S.C. 7801 through 7807,
19 in his relationship with the intercollegiate athlete.

20 (b) An attorney representing an intercollegiate athlete shall be duly licensed
21 to practice law.

22 ~~G.~~ E. A grant-in-aid, including cost of attendance, awarded to an
23 intercollegiate athlete by a postsecondary education institution is not compensation
24 for the purposes of this Chapter and shall not be revoked or reduced as a result of an
25 intercollegiate athlete earning compensation or obtaining professional or legal
26 representation pursuant to this Chapter.

27 ~~H.~~ F. A contract for compensation for the use of the name, image, or likeness
28 of an intercollegiate athlete under eighteen years of age shall be executed on the
29 athlete's behalf by the athlete's parent or legal guardian.

1 ~~F.~~ G. An intercollegiate athlete's contract for compensation for the use of the
2 athlete's name, image, or likeness shall not violate the provisions of this Chapter.

3 ~~F.~~ H.(1) An intercollegiate athlete shall not enter into a contract for
4 compensation for the use of the athlete's name, image, or likeness if a term of the
5 contract conflicts with a term of the intercollegiate athlete's athletic program's team
6 contract.

7 (2) A postsecondary education institution asserting a conflict under this
8 Subsection shall disclose each relevant contract term that conflicts with the team
9 contract to the intercollegiate athlete or the athlete's representative.

10 ~~K.~~ I. An intercollegiate athlete who enters into a contract for compensation
11 for the use of the athlete's name, image, or likeness shall disclose the contract to the
12 postsecondary education institution in which the athlete is enrolled, in the manner
13 designated by the institution.

14 ~~E.~~ J. The duration of a contract for representation of an intercollegiate athlete
15 or compensation for the use of an intercollegiate athlete's name, image, or likeness
16 shall not extend beyond his participation in an athletic program at a postsecondary
17 education institution.

18 ~~M.~~ K.(1) A postsecondary education institution shall conduct a financial
19 literacy and life skills workshop for a minimum of five hours at the beginning of an
20 intercollegiate athlete's first and third academic years.

21 (2)(a) The workshop shall, at a minimum, include information concerning
22 financial aid, debt management, and a recommended budget for full and partial
23 grant-in-aid intercollegiate athletes based on the cost of attendance for the current
24 academic year. The workshop shall also include information on time management
25 skills necessary for success as an intercollegiate athlete and available academic
26 resources.

27 (b) The workshop shall not include any marketing, advertising, referral, or
28 solicitation by providers of financial products or services.

- NIL as a recruiting inducement or as a means of paying for athletics participation; present law also applies these prohibitions directly to athletic boosters. Proposed law removes present law.
- (3) Present law prohibits an athlete from earning compensation for use of his NIL for the endorsement of tobacco, alcohol, illegal substances or activities, banned athletic substances, or any form of gambling, including sports wagering. Proposed law instead authorizes an institution to prohibit an athlete from doing so and adds gaming to this list.
- (4) Proposed law adds that no institution's employees, including athletics coaching staff, shall be liable for any damages to an athlete's ability to earn compensation for the use of his NIL resulting from decisions and actions routinely taken in the course of intercollegiate athletics; proposed law provides, however, that nothing in such proposed law shall protect the institution or its employees from acts of gross negligence, or wanton, willful, malicious, or intentional misconduct.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 17:3703)