

SB 1505 -1 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 2/3

WHAT THE MEASURE DOES:

Requires a person that produces intercollegiate sports team jerseys, video games, or trading cards for profit to make a royalty payment to each student athlete for use of the student athlete's name, image, or likeness.

Declares emergency, effective on July 1, 2022.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Expands the definition of "athlete agent" to include a student of the educational institution who serves the student athlete in an advisory capacity on matters related to finances, business pursuits, or career management decisions and who is participating in a clinic, studio, lab, or other program created by the educational institution for educational, training, or support purposes.

BACKGROUND:

In 2021, the Supreme Court of the United States released its decision in *National Collegiate Athletic Association v. Alston*, authorizing student athletes to be compensated with education-related benefits. Prior to the Court's decision, the National Collegiate Athletic Association placed a restriction on non-cash academic-related payments to student athletes on the theory that the restriction prevented the appearance that student athletes are being paid to play or treated as professional athletes while they are amateur athletes. In *Alston*, the Court found the restriction on non-cash payments to be in violation of federal anti-trust principles. The Court did not address direct payments to student athletes.

The National Conference of State Legislatures reports 28 states have passed legislation to allow student athletes to earn compensation. In Oregon, the Legislative Assembly passed Senate Bill 5 during the 2021 Legislative Session permitting student athletes to be compensated for the use of the student's name, image, or likeness, as well as to retain professional representation or an athlete agent. Senate Bill 5 went into effect on June 29, 2021.

Senate Bill 1505 requires a person that produces intercollegiate sports team jerseys, video games, or trading cards for profit to make a royalty payment to each student athlete whose name, image, or likeness is used.