Senate Bill 1505

Sponsored by Senators COURTNEY, MANNING JR, LIEBER (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Requires person that produces intercollegiate sports team jersey, video game or trading card for profit to make royalty payment to student athlete for use of student athlete's name, image or likeness.

Declares emergency, effective July 1, 2022.

A BILL FOR AN ACT

- Relating to student athletes; creating new provisions; amending ORS 702.005; and declaring an emergency.
 - Be It Enacted by the People of the State of Oregon:
 - <u>SECTION 1.</u> A person that produces an intercollegiate sports team jersey, video game or trading card for the purpose of making a profit shall make a royalty payment to each student athlete for use of the student athlete's name, image or likeness if the person uses the student athlete's name, image or likeness in or on the intercollegiate sports team jersey, video game or trading card.
 - **SECTION 2.** ORS 702.005 is amended to read:
- 702.005. As used in ORS 702.005 to 702.065, 702.200, 702.991 and 702.994 and section 1 of this
 2022 Act:
 - (1) "Agency contract" means an agreement in which a student athlete authorizes a person to negotiate or solicit on behalf of the student athlete a professional sports services contract or an endorsement contract.
 - (2)(a) "Athlete agent" means an individual who:
- 17 (A) Directly or indirectly recruits or solicits a student athlete to enter into an agency contract; 18 or
 - (B) For compensation, procures employment or offers, promises, attempts or negotiates to obtain employment for a student athlete as a professional athlete or member of a professional sports team or organization;
 - (C) For compensation or in anticipation of compensation related to a student athlete's participation in athletics:
 - (i) Serves the athlete in an advisory capacity on a matter related to finances, business pursuits or career management decisions; or
- 26 (ii) Manages the business affairs of the athlete by providing assistance with bills, payments, contracts or taxes;
 - (D) In anticipation of representing a student athlete for a purpose related to the athlete's participation in athletics:
 - (i) Gives consideration to the athlete or another person;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

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- (ii) Serves the athlete in an advisory capacity on a matter related to finances, business pursuits or career management decisions; or
- (iii) Manages the business affairs of the athlete by providing assistance with bills, payments, contracts or taxes; or
- (E) Is a licensed, registered or certified professional and offers or provides services to a student athlete customarily provided by members of the profession and the individual:
 - (i) Also recruits or solicits the athlete to enter into an agency contract;
- (ii) Also, for compensation, procures employment or offers, promises, attempts or negotiates to obtain employment for the athlete as a professional athlete or member of a professional sports team or organization; or
 - (iii) Receives consideration for providing the services calculated using a different method than for an individual who is not a student athlete.
 - (b) "Athlete agent" does not include an individual who:
 - (A) Acts solely on behalf of a professional sports team or organization;
 - (B) Is employed by, and acts solely on behalf of, a publicly traded corporation engaged in consumer brand marketing and seeking to negotiate an endorsement contract;
 - (C) Serves a student athlete in an advisory capacity on a matter related to finances, business pursuits or career management decisions and the individual is an employee of an educational institution acting exclusively as an employee of the institution for the benefit of the institution; or
 - (D) Is a licensed, registered or certified professional and offers or provides services to a student athlete customarily provided by members of the profession.
 - (3) "Athletic director" means:

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- (a) An individual responsible for administering the overall athletic program of an educational institution or, if an educational institution has separately administered athletic programs for male students and female students, the athletic program for males or the athletic program for females, as appropriate;
- (b) If the educational institution is a public or private elementary school or secondary school and the educational institution does not have a person responsible for administering the overall athletic program:
 - (A) The principal of the educational institution; or
- (B) If the educational institution does not have a principal, the person designated by the governing body of the school district, education service district or charter school to manage the educational institution; or
- (c) If the educational institution is a technical or vocational school, community college or university and the educational institution does not have a person responsible for administering the overall athletic program:
 - (A) The president of the educational institution; or
- (B) If the educational institution does not have a president, the person designated by the governing body of the educational institution to manage the educational institution.
- (4) "Contact" means a communication, direct or indirect, between an athlete agent and a student athlete, to recruit or solicit the student athlete to enter into an agency contract.
- (5) "Educational institution" means a public or private elementary school, secondary school, technical or vocational school, community college, university or other educational institution.
- (6) "Endorsement contract" means an agreement under which a student athlete is employed or receives consideration to use on behalf of the other party any value that the student athlete may

have because of publicity, reputation, following or fame obtained because of athletic ability or performance.

- (7) "Enrolled" means registered for courses and attending athletic practice or class.
- (8) "Intercollegiate sport" means a sport played at the collegiate level for which eligibility requirements for participation by a student athlete are established by a national association that promotes or regulates collegiate athletics.
- (9) "Interscholastic sport" means a sport played between educational institutions that are not community colleges, colleges or universities.
- (10) "Licensed, registered or certified professional" means an individual who is licensed, registered or certified as an attorney, dealer in securities, financial planner, insurance agent, real estate broker or sales agent, tax consultant or accountant or a member of a profession, other than that of athlete agent, who is licensed, registered or certified by the state or a nationally recognized organization that licenses, registers or certifies members of the profession on the basis of experience, education or testing.
- (11) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, business or nonprofit entity, joint venture, public body, as defined in ORS 174.109, or any other legal or commercial entity.
- (12) "Professional sports services contract" means an agreement under which an individual is employed, or agrees to render services, as a player on a professional sports team, with a professional sports organization or as a professional athlete.
- (13) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.
- (14)(a) "Recruit or solicit" means attempt to influence the choice of an athlete agent by a student athlete or, if the athlete is a minor, a parent or guardian of the athlete.
- (b) "Recruit or solicit" does not include giving advice on the selection of a particular athlete agent in a family, coaching or social situation unless the individual giving the advice does so because of the receipt or anticipated receipt of an economic benefit, directly or indirectly, from the agent.
- (15) "Registration" means registration as an athlete agent pursuant to ORS 702.005 to 702.065, 702.991 and 702.994.
 - (16) "Sign" means, with present intent to authenticate or adopt a record:
 - (a) To execute or adopt a tangible symbol; or
 - (b) To attach to or logically associate with the record an electronic symbol, sound or process.
- (17) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands or any territory or insular possession subject to the jurisdiction of the United States.
- (18) "Student athlete" means an individual who is eligible to attend an educational institution who engages in, is eligible to engage in or may be eligible in the future to engage in any interscholastic sport or intercollegiate sport. If an individual is permanently ineligible to participate in a particular interscholastic sport or intercollegiate sport, the individual is not a student athlete for purposes of that sport.
- SECTION 3. This 2022 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect July 1, 2022.