House Bill 4119

Sponsored by Representatives LIVELY, HELFRICH; Representatives BOWMAN, MCINTIRE, Senator MEEK (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.** The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act adds protections for payments related to student athletes. The Act declares an emergency. The Act becomes law when the Governor signs it. (Flesch Readability Score: 64.7).

Enhances the protections for post-secondary institutions of education, student athletes and others regarding the provision of compensation for a student's name, image, likeness or athletic reputation. Requires a person who uses a student athlete's athletic reputation in or on certain products for the purpose of making a profit to provide royalty payments to the student athlete.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to student athletes; creating new provisions; amending ORS 702.200 and 702.205; and de-

3 claring an emergency.

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4 Be It Enacted by the People of the State of Oregon:

5 **SECTION 1.** ORS 702.200 is amended to read:

- 6 702.200. (1) As used in this section:
- 7 (a) "Athletic association, conference or organization with authority over intercollegiate sports"

8 includes the National Collegiate Athletic Association.

- 9 (b) "Post-secondary institution of education" means:
- 10 (A) A public university listed in ORS 352.002.

11 (B) An Oregon-based, generally accredited, private institution of higher education.

12 (c)(A) "Student's rights" means the rights of a student enrolled in a post-secondary institution

13 of education to earn compensation for use of the student's name, image, [or] likeness or athletic

14 **reputation** and to contract with and retain professional representation or an athlete agent.

- (B) "Student's rights" does not include a right to receive compensation from a post-secondaryinstitution of education.
- 17 (2)(a) Except as provided in this section, a post-secondary institution of education or an athletic 18 association, conference or organization with authority over intercollegiate sports may not:
- 19 [(a)] (A) Prohibit, prevent or restrict a student athlete from exercising the student's rights.
- 20 [(b)] (B) Penalize or retaliate against a student athlete for exercising the student's rights.
- 21 [(c)] (C) Prohibit a student athlete from participating in an intercollegiate sport for exercising 22 the student's rights.
- [(d)] (**D**) Impose an eligibility requirement on a scholarship or grant that requires a student athlete to refrain from exercising the student's rights.
- [(e)] (E) Prohibit a student athlete from receiving food, drink, lodging or medical expenses or
 insurance coverage from a third party as compensation for use of the student's name, image, [or]
 likeness or athletic reputation.

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1 (b) Except as provided in this section, an athletic association, conference or organization 2 with authority over intercollegiate sports may not:

3 (A) Prevent a post-secondary institution of education or a student athlete from partic-4 ipating in intercollegiate sports, accept a complaint, open an investigation or take any other 5 adverse action against a post-secondary institution of education or a student athlete as a 6 result of a violation, or an alleged violation, of the rules or regulations of the athletic asso-7 ciation, conference or organization related to a student athlete exercising the student's 8 rights.

9 (B) Authorize, cause or allow any post-secondary institution of education that is a 10 member of the association, conference or organization to take an action prohibited under 11 paragraph (a) of this subsection.

12(3)(a) A student athlete may not enter into a contract that provides compensation to the student 13 athlete for use of the student athlete's name, image, [or] likeness or athletic reputation if terms of the contract conflict with the student athlete's team rules or with terms of a contract entered 14 15 into between the student athlete's post-secondary institution of education and a third party, except 16neither the team rules nor a contract entered into between the post-secondary institution of educa-17 tion and a third party may prevent a student athlete from earning compensation for use of the stu-18 dent athlete's name, image, [or] likeness or athletic reputation when not engaged in official team 19 activities, including participating in or being part of an advertisement that was created while not 20engaged in official team activities but that may otherwise be broadcasted, displayed or disseminated 21at any time.

(b) A student athlete who enters into a contract that provides compensation to the student athlete for use of the student athlete's name, image, [or] likeness or athletic reputation shall disclose the contract to an official of the post-secondary institution of education designated by the institution if the student athlete is a team member or, if the student athlete is not a team member, at the time the student athlete seeks to become a team member.

(c) If the post-secondary institution of education asserts that the terms of the contract conflict with the team rules or with terms of a contract entered into between the student athlete's postsecondary institution of education and a third party, the institution shall disclose the specific rules or terms asserted to be in conflict to the student athlete or to the student athlete's professional representative or athlete agent if the student athlete is represented.

(4) A post-secondary institution of education or an athletic association, conference or organiza tion with authority over intercollegiate sports may not provide to a prospective or current student
 athlete compensation for use of the student athlete's name, image, [or] likeness or athletic repu tation.

(5) A student athlete may not contract with or retain a person as the student athlete's [profes sional representative or] athlete agent, if the person represented or was employed by a post secondary institution of education at any time in the preceding four years.

(6) Nothing in this section prohibits a post-secondary institution of education from establishing
 or enforcing a conduct code that is applicable to all students enrolled at the institution.

41 (7)(a) A student athlete's compensation for use of the student's name, image, likeness
42 or athletic reputation may not be conditioned on the athletic performance of the student
43 athlete.

(b) A person or entity that provides compensation to a student athlete for the use of the
 student athlete's name, image, likeness or athletic reputation may condition payment of the

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1 compensation on a student athlete's attendance at a particular post-secondary institution 2 of education.

(8) An athletic association, conference or organization with authority over intercollegiate sports may not prohibit a post-secondary institution of education from identifying, facilitating, enabling or supporting opportunities for a current student athlete to exercise the student athlete's student's rights at the student athlete's post-secondary institution of education.

8 (9) A post-secondary institution of education, or an employee of a post-secondary insti-9 tution of education, may not be held liable for any damages to a student athlete's ability to 10 exercise the student athlete's student's rights due to any decision or action made by the 11 post-secondary institution of education or employee:

12 (a) That is routinely taken in the course of intercollegiate sports; or

(b) That is part of identifying, facilitating, enabling or supporting opportunities for the
 current student athlete to exercise the student athlete's student's rights at the student
 athlete's post-secondary institution of education.

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SECTION 2. ORS 702.205 is amended to read:

17 702.205. A person that produces an intercollegiate sports team jersey, video game or trading 18 card for the purpose of making a profit shall make a royalty payment to each student athlete for 19 use of the student athlete's name, image, [or] likeness or athletic reputation if the person uses the 20 student athlete's name, image, [or] likeness or athletic reputation in or on the intercollegiate 21 sports team jersey, video game or trading card.

22 <u>SECTION 3.</u> (1) The amendments to ORS 702.200 by section 1 of this 2024 Act apply to 23 any action relating to student's rights, as defined in ORS 702.200, taken on or after June 29, 24 2021.

(2) The amendments to ORS 702.205 by section 2 of this 2024 Act apply to any contract
 entered into on or after the effective date of this 2024 Act.

27 <u>SECTION 4.</u> This 2024 Act being necessary for the immediate preservation of the public 28 peace, health and safety, an emergency is declared to exist, and this 2024 Act takes effect 29 on its passage.

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