

HOUSE BILL NO. 498

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SCHROER.

1170H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 173, RSMo, by adding thereto one new section relating to compensation for student athletes.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 173, RSMo, is amended by adding thereto one new section, to be known as section 173.280, to read as follows:

173.280. 1. As used in this section, the following terms mean:

- (1) "Athlete", an individual who participates or has participated in an intercollegiate sport for a postsecondary educational institution. "Athlete" shall not be construed to apply to an individual's participation in a college intramural sport or in a professional sport outside of intercollegiate athletics;
- (2) "Athletic association", an entity with athletics governance authority that is composed of postsecondary educational institutions and athletic conferences;
- (3) "Athletic conference", an entity that has athletics governance authority, is a member of an athletic association, and has a membership composed of postsecondary educational institutions that compete against other postsecondary educational institutions. "Athletic conference" includes a collaboration of such entities, such as the autonomy conferences;
- (4) "Certification", the process of developing and enforcing professional and legal policies and practices;
- (5) "Group", three or more athletes from the same sport;
- (6) "Group licensing", any agreement to allow a third party the right to use the name, image, likeness rights, or athletic reputation of a group;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

18 (7) "Postsecondary educational institution", any campus of a public or private
19 institution of higher education in this state that is subject to the coordinating board for
20 higher education under section 173.005;

21 (8) "Third party", any individual or entity other than a postsecondary educational
22 institution, athletic conference, or athletic association.

23 2. (1) No postsecondary educational institution shall uphold any rule, requirement,
24 standard, or other limitation that prevents a student of that institution from fully
25 participating in intercollegiate athletics without penalty and earning compensation as a
26 result of the use of the student's name, image, likeness rights, or athletic reputation.
27 Earning compensation from the use of a student's name, image, likeness rights, or athletic
28 reputation shall not affect the student's grant-in-aid or stipend eligibility, amount,
29 duration, or renewal.

30 (2) No postsecondary educational institution shall interfere with or prevent a
31 student from fully participating in intercollegiate athletics or obtaining professional
32 representation in relation to contracts or legal matters including, but not limited to,
33 representation provided by athlete agents, financial advisors, or legal representation
34 provided by attorneys.

35 3. A grant-in-aid or stipend from the postsecondary educational institution in
36 which a student is enrolled shall not be construed to be compensation for use of the
37 student's name, image, likeness rights, or athletic reputation for purposes of this section,
38 and no grant-in-aid or stipend shall be revoked or reduced as a result of a student earning
39 compensation under this section.

40 4. (1) No student athlete shall enter into an apparel, equipment, or beverage
41 contract providing compensation to the athlete for use of the athlete's name, image,
42 likeness rights, or athletic reputation if the contract requires the athlete to display a
43 sponsor's apparel, equipment, or beverage or otherwise advertise for the sponsor during
44 official team activities if such provisions are in conflict with a provision of the athlete's
45 team contract.

46 (2) Any student athlete who enters into a contract providing compensation to the
47 athlete for use of the athlete's name, image, likeness rights, or athletic reputation shall
48 disclose the full contract to an official of the postsecondary educational institution, with
49 such official to be designated by such institution. No institution or its designated official
50 shall disclose terms of an athlete's contract that the athlete or the athlete's legal
51 representation deems to be a trade secret or nondisclosable.

52 (3) An institution asserting a conflict described in subdivision (1) of this subsection
53 shall disclose to the student athlete or the athlete's legal representation the full contract the

54 institution asserts to be in conflict. No athlete or member of the athlete's legal
55 representation shall disclose terms of an institution's contract that the institution deems
56 to be a trade secret or nondisclosable.

57 **5. No team contract of a postsecondary educational institution's athletic program**
58 **shall prevent a student athlete from receiving compensation for using the athlete's name,**
59 **image, likeness rights, or athletic reputation for a commercial purpose when the athlete is**
60 **not engaged in official mandatory team activities that are recorded in writing and made**
61 **publicly available. Such team activities shall not exceed twenty hours per week during the**
62 **season and eight hours per week during the off-season.**

63 **6. (1) Postsecondary educational institutions that enter into commercial**
64 **agreements that directly or indirectly require the use of an athlete's name, image, likeness,**
65 **or athletic reputation shall conduct a financial development program of up to fifteen hours**
66 **in duration once per year for their athletes.**

67 **(2) The financial development program shall not include any marketing,**
68 **advertising, referral, or solicitation by providers of financial products or services.**

69 **7. (1) Postsecondary educational institutions shall help distribute informational**
70 **materials as needed.**

71 **(2) Postsecondary educational institutions shall inform their athletes of such**
72 **meetings and provide appropriate meeting space.**

73 **8. Athlete attorney representation shall be by persons licensed by this state.**

74 **9. (1) Any athlete may bring a civil action against third parties that violate this**
75 **section for appropriate injunctive relief or actual damages, or both. Such action shall be**
76 **brought in the county where the violation occurred, or is about to occur, and the court**
77 **shall award damages, court costs, and reasonable attorney's fees to a prevailing plaintiff.**

78 **(2) Students and state or local prosecutors seeking to prosecute violators of this**
79 **section shall not be deprived of any protections provided under law with respect to a**
80 **controversy that arises and shall have the right to adjudicate claims that arise under this**
81 **section.**

82 **10. Legal settlements shall not permit noncompliance with this section.**

83 **11. This section shall apply only to agreements or contracts entered into, modified,**
84 **or renewed on or after July 1, 2022. Such agreements or contracts include, but are not**
85 **limited to, the national letter of intent, an athlete's financial aid agreement, commercial**
86 **contracts in the athlete group licensing market, and athletic conference or athletic**
87 **association rules or bylaws.**

88 **12. The state of Missouri hereby requests that any federal legislation relating to this**
89 **section respect and permit Missouri college athletes' rights, protections, and other**
90 **provisions included in this section.**

91 **13. This section shall become effective on July 1, 2022.**

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