

FIRST REGULAR SESSION

# HOUSE BILL NO. 1346

102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE GREGORY.

2631H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal section 173.280, RSMo, and to enact in lieu thereof one new section relating to compensation of student athletes.

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

Section A. Section 173.280, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 173.280, to read as follows:

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

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

(2) "Student athlete", an individual who participates or has participated in an intercollegiate sport for a postsecondary educational institution. Student 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;

(3) "Third party", any individual or entity, including any athlete agent, other than a postsecondary educational institution, athletic conference, or athletic association.

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

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

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

27 4. (1) No student athlete shall enter into an apparel, equipment, or beverage contract  
28 providing compensation to the athlete for use of the athlete's name, image, likeness rights, or  
29 athletic reputation if the contract requires the athlete to display a sponsor's apparel,  
30 equipment, or beverage or otherwise advertise for the sponsor during official team activities if  
31 such provisions are in conflict with a provision of the postsecondary institution's current  
32 licenses or contracts.

33 (2) (a) Except with the prior written consent of the student athlete's postsecondary  
34 educational institution, a student athlete shall not enter into a contract for compensation for  
35 the use of such student athlete's name, image, likeness rights, or athletic reputation, if such  
36 institution determines that a term of the contract conflicts with a term of a contract to which  
37 such institution is a party.

38 (b) A postsecondary educational institution or any officer, director, or employee of  
39 such institution, including but not limited to a coach, member of the coaching staff, or any  
40 individual associated with the institutions athletic department, may identify or otherwise  
41 assist with opportunities for a student athlete to earn compensation from a third party for the  
42 use of the student athlete's name, image, likeness rights, or athletic reputation, provided that  
43 such individual shall not:

44 a. Serve as the athlete's agent;

45 b. Receive compensation from the student athlete or a third party for facilitating or  
46 enabling such opportunities;

47 c. Attempt to influence an athlete's choice of professional representation related to  
48 such opportunities;

49 d. Attempt to reduce such athlete's opportunities from competing third parties; or

50 e. Be present at any meeting between a student athlete and a third party who provides  
51 for a student athlete's compensation, where the student athlete's name, image, likeness rights,  
52 or athletic reputation contract for compensation is negotiated or completed.

53 (3) Before any contract for compensation for the use of a student athlete's name,  
54 image, likeness rights, or athletic reputation is executed, and before any compensation is

55 provided to the student athlete in advance of a contract, the student athlete shall disclose that  
56 contract to his or her postsecondary educational institution in a manner prescribed by such  
57 institution.

58 (4) A postsecondary educational institution or any officer, director, or employee of  
59 such institution or entity shall not compensate a student athlete, prospective student athlete, or  
60 the family of such individuals, or cause compensation to be directed to a prospective student  
61 athlete, or the family of a student athlete or the family of a prospective student athlete, for the  
62 use of such student athlete or prospective student athlete's name, image, likeness rights, or  
63 athletic reputation.

64 5. No contract of a postsecondary educational institution's athletic program shall  
65 prevent a student athlete from receiving compensation for using the student athlete's name,  
66 image, likeness rights, or athletic reputation for a commercial purpose when the athlete is not  
67 engaged in official mandatory team activities that are recorded in writing and can be made  
68 publicly available upon request.

69 6. (1) A postsecondary educational ~~[institutions that enter into commercial~~  
70 ~~agreements that directly or indirectly require the use of a student athlete's name, image,~~  
71 ~~likeness, or athletic reputation]~~ **institution** shall conduct ~~[a]~~ **at least two** financial  
72 ~~[development program once per year for their athletes]~~ **literacy, life skills, and**  
73 **entrepreneurship workshops, each for a minimum of five hours, before the**  
74 **graduation of a student athlete.**

75 (2) ~~[The financial development program]~~ **Each workshop** shall not include any  
76 marketing, advertising, referral, or solicitation by providers of financial products or services.  
77 ~~[Such program]~~ **Each workshop** shall, at a minimum, include information concerning  
78 **entrepreneurship**, financial aid, debt management, and a recommended budget for **full and**  
79 **partial grant-in-aid** student athletes based on the current **academic** year's cost of attendance.  
80 ~~[The]~~ **Each** workshop shall also include information on time management skills necessary for  
81 success as a student athlete and available academic resources.

82 (3) ~~[Postsecondary educational institutions shall help distribute informational~~  
83 ~~materials for such programs as needed]~~ **The workshops shall not be identical and the**  
84 **second workshop shall include more rigorous instruction.**

85 (4) ~~[Postsecondary educational institutions shall inform their athletes of such program~~  
86 ~~meetings and provide appropriate meeting space]~~ **The workshops shall not be conducted in**  
87 **the same semester.**

88 7. Student athlete representation shall be by attorneys or agents licensed by this state.

89 8. (1) Any student athlete may bring a civil action against third parties that violate  
90 this section for appropriate injunctive relief or actual damages, or both. Such action shall be

91 brought in the county where the violation occurred, or is about to occur, and the court shall  
92 award damages and court costs to a prevailing plaintiff.

93 (2) Student athletes bringing an action under this section shall not be deprived of any  
94 protections provided under law with respect to a controversy that arises and shall have the  
95 right to adjudicate claims that arise under this section.

96 9. No legal settlement shall conflict with the provisions of this section.

97 10. This section shall apply only to agreements or contracts entered into, modified, or  
98 renewed on or after August 28, 2021. Such agreements or contracts include, but are not  
99 limited to, the national letter of intent, an athlete's financial aid agreement, commercial  
100 contracts in the athlete group licensing market, and athletic conference or athletic association  
101 rules or bylaws.

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