

**SUBSTITUTE FOR
HOUSE BILL NO. 5217**

A bill to prohibit postsecondary educational institutions in this state and certain athletic organizations from preventing a college athlete from receiving compensation for the use of his or her name, image, likeness rights, or athletic reputation.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) As used in this act, "postsecondary educational
2 institution" means a public or private institution in this state
3 that offers a degree or course of study beyond the twelfth grade
4 and receives state or federal funding of any kind.

5 (2) A postsecondary educational institution shall not uphold
6 any rule, requirement, standard, or other limitation that prevents
7 a student of that institution from fully participating in
8 intercollegiate athletics and earning compensation as a result of



1 the use of the student's name, image, likeness rights, or athletic
2 reputation. Earning compensation from the use of a student's name,
3 image, likeness rights, or athletic reputation shall not affect a
4 student's scholarship eligibility or renewal.

5 Sec. 2. An athletic association, conference, or other group or
6 organization with authority over intercollegiate athletics,
7 including, but not limited to, the National Collegiate Athletic
8 Association, shall not do either of the following:

9 (a) Prevent a student of a postsecondary educational
10 institution from fully participating in intercollegiate athletics
11 and earning compensation as a result of the student's use of the
12 student's name, image, likeness rights, or athletic reputation.

13 (b) Prevent a postsecondary educational institution from fully
14 participating in intercollegiate athletics without penalty as a
15 result of a student's use of the student's name, image, likeness
16 rights, or athletic reputation.

17 Sec. 3. A postsecondary educational institution, athletic
18 association, conference, or other group or organization with
19 authority over intercollegiate athletics shall not do either of the
20 following:

21 (a) Provide a prospective college athlete who will attend a
22 postsecondary educational institution with compensation in relation
23 to the athlete's name, image, likeness rights, or athletic
24 reputation.

25 (b) Prevent a student who resides in this state and
26 participates in intercollegiate athletics from obtaining
27 professional representation in relation to contracts or legal
28 matters, including, but not limited to, representation provided by
29 an athlete agent or legal representation provided by an attorney.



1 Sec. 4. For purposes of this act, an athletics grant-in aid or
2 a stipend scholarship from a postsecondary educational institution
3 in which a student is enrolled is not compensation for use of a
4 student's name, image, likeness rights, or athletic reputation, and
5 the institution shall not revoke or reduce an athletics grant-in
6 aid or stipend scholarship as a result of a student earning
7 compensation in accordance with this act.

8 Sec. 5. (1) A postsecondary educational institution, athletic
9 association, conference, or other group or organization with
10 authority over intercollegiate athletics shall not interfere with
11 or prevent a student from fully participating in intercollegiate
12 athletics as a result of the student obtaining professional
13 representation in relation to contracts or legal matters,
14 including, but not limited to, representation provided by an
15 athlete agent or financial advisor, or legal representation
16 provided by an attorney.

17 (2) An athletic association, conference, or other group or
18 organization with authority over intercollegiate athletics,
19 including, but not limited to, the National Collegiate Athletic
20 Association, shall not prevent a postsecondary educational
21 institution from fully participating in intercollegiate athletics
22 without penalty as a result of a college athlete obtaining
23 professional representation in relation to contracts or legal
24 matters, including, but not limited to, representation provided by
25 an athlete agent or financial advisor, or legal representation
26 provided by an attorney.

27 (3) Professional representation provided by an athlete agent,
28 financial advisor, or attorney shall be by persons licensed by this
29 state, as applicable.



1 Sec. 6. (1) A college athlete shall not enter into an apparel
2 contract providing compensation to the athlete for use of the
3 athlete's name, image, or likeness rights that requires the athlete
4 to display a sponsor's apparel, or otherwise advertise for a
5 sponsor, during official team activities if the provision is in
6 conflict with a provision of the athlete's team contract.

7 (2) A postsecondary educational institution asserting a
8 conflict described in subsection (1) shall disclose to the athlete
9 and the athlete's legal representation, if applicable, the full
10 contract that the institution asserts is in conflict.

11 (3) A team contract of a postsecondary educational
12 institution's athletic program shall not prevent a college athlete
13 from receiving compensation for using the athlete's name, image, or
14 likeness rights for a commercial purpose when the athlete is not
15 engaged in official team activities.

16 Sec. 7. (1) This act does not apply to a contract entered
17 into, modified, or renewed on or before the effective date of this
18 act.

19 (2) A legal settlement arising under this act shall not permit
20 noncompliance with this act.

21 Enacting section 1. This act takes effect December 31, 2021.

