

HOUSE BILL NO. 4643

June 12, 2025, Introduced by Reps. Tate, Herzberg and Rheingans and referred to Committee on Regulatory Reform.

A bill to amend 2020 PA 366, entitled

"An act 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, or likeness rights,"

by amending the title and sections 1, 2, 3, 4, 5, 6, 7, 8, and 10 (MCL 390.1731, 390.1732, 390.1733, 390.1734, 390.1735, 390.1736, 390.1737, 390.1738, and 390.1740) and by adding sections 7a, 8a, 12, and 13; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

TITLE

1 An act to prohibit postsecondary educational institutions in
 2 this state and certain athletic organizations from preventing a
 3 college athlete from receiving compensation for the use of ~~his or~~
 4 ~~her~~ **the college athlete's** name, image, or likeness rights; to
 5 **provide for certain other measures related to the protection of a**
 6 **college athlete's use of the college athlete's name, image, or**
 7 **likeness rights; to provide for the powers and duties of certain**
 8 **state governmental officers and entities; and to provide remedies.**

9 Sec. 1. (1) As used in this act: ~~,"postsecondary~~

10 (a) **"NIL" means name, image, or likeness.**

11 (b) **"Postsecondary educational institution"** means a public or
 12 private institution in this state that offers a degree or course of
 13 study beyond the twelfth grade and receives state or federal
 14 funding of any kind.

15 (2) A postsecondary educational institution shall not ~~uphold~~
 16 **do any of the following:**

17 (a) **Uphold** any rule, requirement, standard, or other
 18 limitation that prevents a student of that institution from fully
 19 participating in intercollegiate athletics **without penalty** based
 20 ~~upon on~~ the student earning compensation as a result of the
 21 student's use of ~~his or her name, image, or likeness~~ **the student's**
 22 **NIL** rights. Earning compensation from the use of a student's ~~name,~~
 23 ~~image, or likeness~~ **NIL** rights shall ~~must~~ not affect a student's
 24 scholarship eligibility or renewal.

25 (b) **Comply with any investigations, regulations, or rules of**
 26 **an athletic association, conference, or organization with authority**
 27 **over intercollegiate sports related to agency agreements, NIL**
 28 **agreements, NIL compensation, or NIL activities.**

29 (c) **Report any information about prospective or current**

1 college athletes' NIL agreements or NIL compensation, individually
2 or in aggregate, to an athletic association, conference, or
3 organization with authority over intercollegiate sports.

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

8 (a) Prevent a student of a postsecondary educational
9 institution from fully participating in intercollegiate athletics
10 **without penalty** based ~~upon~~ **on** the student earning compensation as a
11 result of the student's use of ~~his or her name, image, or likeness~~
12 **the student's NIL** rights.

13 (b) Prevent a postsecondary educational institution from fully
14 participating in intercollegiate athletics without penalty based
15 ~~upon~~ **on** a student's use of ~~his or her name, image, or likeness~~ **the**
16 **student's NIL** rights.

17 (c) **Accept a complaint, open an investigation, threaten a**
18 **penalty, impose a penalty, or take any other adverse action against**
19 **a prospective or current college athlete, an athlete agent, a**
20 **postsecondary educational institution, an athletic program, or a**
21 **third party as a result of engaging in activities protected by this**
22 **act.**

23 (d) **Require a prospective or current college athlete, an**
24 **athlete agent, an institution, or a third party to report any**
25 **information about NIL agreements or NIL compensation to an athletic**
26 **association, conference, or organization with authority over**
27 **intercollegiate sports.**

28 (e) **Authorize, cause, or require an institution to take an**
29 **action prohibited by this act.**

1 Sec. 3. **(1)** A postsecondary educational institution, athletic
2 association, conference, or other group or organization with
3 authority over intercollegiate athletics shall not do ~~either~~ **any** of
4 the following:

5 ~~(a) Provide a prospective college athlete who will attend a~~
6 ~~postsecondary educational institution with compensation in relation~~
7 ~~to the athlete's name, image, or likeness rights.~~

8 **(a)** ~~(b)~~ Prevent a student who resides in this state and
9 participates in intercollegiate athletics from obtaining
10 professional representation in relation to contracts or legal
11 matters regarding opportunities to be compensated for use of the
12 student's ~~name, image, or likeness~~ **NIL** rights, including, but not
13 limited to, representation provided by an athlete agent or legal
14 representation provided by an attorney.

15 **(b)** Subject to subsection (2), serve as an athlete agent for a
16 prospective or current college athlete.

17 **(c)** Attempt to influence a prospective or current college
18 athlete's selection of an athlete agent.

19 **(d)** Interfere with lawful communications between a college
20 athlete and an athlete agent when the college athlete is not
21 participating in mandatory athletic activities.

22 **(e)** Own, control, or sublicense college student athletes' **NIL**
23 group licensing rights for college team video games, jerseys, or
24 trading cards.

25 **(2)** Notwithstanding subsection (1) (b), postsecondary
26 educational institutions may arrange or help arrange **NIL** agreements
27 and **NIL** compensation for a prospective or current college athlete,
28 but shall not collect a commission for these **NIL** activities or
29 serve as an athlete agent.

1 Sec. 4. For purposes of this act, an athletics grant-in aid or
2 stipend scholarship from a postsecondary educational institution in
3 which a student is enrolled is not compensation for use of a
4 student's ~~name, image, or likeness~~ **NIL** rights, and the institution
5 shall not revoke or reduce an athletics grant-in aid or stipend
6 scholarship based ~~upon~~ **on** a student earning compensation in
7 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 **without penalty** based ~~upon~~ **on** the student obtaining
13 professional representation in relation to contracts or legal
14 matters regarding the student's opportunities to earn compensation
15 for the student's use of ~~his or her name, image, or likeness~~ **the**
16 **student's NIL** rights, including, but not limited to, representation
17 provided by an athlete agent or financial advisor, or legal
18 representation provided by an attorney.

19 (2) An athletic association, conference, or other group or
20 organization with authority over intercollegiate athletics,
21 including, but not limited to, the National Collegiate Athletic
22 Association, shall not prevent a postsecondary educational
23 institution from fully participating in intercollegiate athletics
24 without penalty as a result of a student obtaining professional
25 representation in relation to contracts or legal matters regarding
26 the student's opportunities to earn compensation for the student's
27 use of ~~his or her name, image, or likeness~~ **the student's NIL**
28 rights, including, but not limited to, representation provided by
29 an athlete agent or financial advisor, or legal representation by

1 an attorney.

2 (3) For purposes of this section, professional representation
3 by an athlete agent, financial advisor, or attorney must be
4 provided by persons licensed in this state, as applicable.

5 Sec. 6. A student shall not enter into an apparel contract
6 providing compensation to the student for use of ~~his or her name,~~
7 ~~image, or likeness~~ **the student's NIL** rights that requires the
8 student to display a sponsor's apparel, or otherwise advertise for
9 a sponsor, during official team activities if the provision ~~is in~~
10 ~~conflict~~ **conflicts** with a provision of the student's postsecondary
11 educational institution's team contract.

12 Sec. 7. (1) A **postsecondary educational institution may**
13 **require a** student who intends to enter into a verbal or written
14 opportunity or contract that would provide compensation to the
15 student for use of ~~his or her name, image, or likeness~~ **the**
16 **student's NIL** rights ~~shall to~~ disclose the proposed opportunity or
17 contract to a designated official of the postsecondary educational
18 institution that the student attends, as designated by that
19 institution, ~~at least up to 7 days prior to~~ **before** committing to
20 the opportunity or contract, for review by that institution. **A**
21 **postsecondary educational institution shall keep confidential an**
22 **opportunity or contract disclosed to the institution under this**
23 **subsection, and any record the institution keeps of that**
24 **opportunity or contract is exempt from disclosure under the freedom**
25 **of information act, 1976 PA 442, MCL 15.231 to 15.246.**

26 (2) If the postsecondary educational institution described in
27 subsection (1) identifies a conflict between the student's proposed
28 opportunity or contract and any existing agreements of the
29 postsecondary educational institution, the postsecondary

1 educational institution ~~shall~~**may** communicate that conflict to the
2 student so that the student may negotiate a revision of the
3 opportunity or contract to avoid the conflict and that revision is
4 subject to additional review and approval by the postsecondary
5 educational institution in accordance with this section.

6 (3) A team contract of a postsecondary educational
7 institution's athletic program ~~shall~~**must** not prevent a student
8 from receiving compensation for using ~~his or her name, image, or~~
9 ~~likeness~~**the student's NIL** rights for a commercial purpose when the
10 student is not engaged in official team activities.

11 (4) This section does not apply to a contract entered into,
12 modified, or renewed on or before ~~the effective date of this~~
13 ~~act~~**January 4, 2021**.

14 **Sec. 7a. An NIL agreement to pay a prospective or current**
15 **college athlete at least \$5,000.00 in NIL compensation in a**
16 **calendar year must be executed in writing and include all of the**
17 **following information:**

18 (a) The legal names, physical addresses, and telephone numbers
19 of all persons that are legally responsible for paying the NIL
20 compensation.

21 (b) The amount of each NIL compensation payment, the total of
22 all NIL compensation payments, and a description of every other
23 benefit that will be paid to the athlete.

24 (c) The date on which each NIL compensation payment will be
25 made.

26 (d) All of the athlete's NIL obligations required to receive
27 the NIL compensation.

28 (e) The beginning and end date of the agreement.

29 (f) Any options the parties have for revising, extending, or

1 terminating the agreement.

2 (g) Any terms of the agreement that would allow the paying
3 party to not pay the athlete any portion of the NIL compensation.

4 Sec. 8. A legal settlement, **including one** arising under this
5 act, ~~shall~~**must** not permit noncompliance with this act.

6 **Sec. 8a. (1) An athlete agency agreement to represent a**
7 **prospective or current college athlete terminates at the end of the**
8 **athlete's intercollegiate athletics eligibility, but the parties**
9 **may enter into a new agency agreement thereafter.**

10 (2) An athlete agency or group licensing agreement that offers
11 or provides a prospective or current college athlete or the
12 athlete's parent or legal guardian an advance payment or benefit in
13 exchange for any future NIL or professional sports earnings or
14 representation is void and prohibited.

15 Sec. 10. (1) This act does not require a postsecondary
16 educational institution, athletic association, conference, or other
17 group or organization with authority over intercollegiate athletics
18 to identify, create, facilitate, negotiate, or otherwise enable
19 opportunities for a student to earn compensation for the student's
20 use of ~~his or her name, image, or likeness~~**the student's NIL**
21 rights.

22 (2) This act does not establish or bestow the right of a
23 student to use the name, trademarks, services marks, logos,
24 symbols, or any other intellectual property, whether registered or
25 not, of a postsecondary educational institution, athletic
26 association, conference, or other group or organization with
27 authority over intercollegiate athletics ~~—~~in furtherance of the
28 student's opportunities to earn compensation for the student's use
29 of ~~his or her name, image, or likeness~~**the student's NIL** rights.

1 (3) This act does not limit the right of a postsecondary
2 educational institution to establish and enforce any of the
3 following:

4 (a) Academic standards, requirements, regulations, or
5 obligations for its students.

6 (b) Team rules of conduct or other rules of conduct.

7 (c) Standards or policies regarding the governance or
8 operation of or participation in intercollegiate varsity athletics.

9 (d) Disciplinary rules and standards generally applicable to
10 all students of the postsecondary educational institution.

11 **(4) An entity created or contracted by a postsecondary**
12 **educational institution to operate or otherwise control parts of**
13 **its intercollegiate athletic programs that are related to this act**
14 **has the same rights, duties, and protections, and is subject to the**
15 **same prohibitions, applicable to the postsecondary educational**
16 **institution under this act.**

17 (5) A postsecondary educational institution shall not directly
18 or indirectly circumvent any provision of this act.

19 Sec. 12. (1) A prospective or current college athlete, an
20 athlete agent, a postsecondary educational institution or a
21 supporting foundation of the institution, an entity acting on
22 behalf of a postsecondary educational institution, or a third party
23 that is subjected to an actual or threatened complaint,
24 investigation, penalty, or other adverse action of an athletic
25 association, conference, or other organization with authority over
26 intercollegiate sports for engaging in activities permitted under
27 this act may bring a civil action for damages, reasonable attorney
28 fees, injunctive relief, and any other remedy available by law.

29 (2) The attorney general may bring a civil action on behalf of

1 an aggrieved person as described in subsection (1) for damages to
2 be paid to that person and for injunctive relief.

3 Sec. 13. This act applies to any applicable agreement or
4 contract entered into, renewed, modified, or extended on or after
5 the effective date of the amendatory act that added this section.

6 Enacting section 1. Sections 9 and 11 of 2020 PA 366, MCL
7 390.1739 and 390.1741, are repealed.